As confidentially submitted to the Securities and Exchange Commission on February 13, 2020

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Xponential Fitness, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**7991**	**84-4395129**
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

17877 Von Karman Ave, Suite 100
Irvine, CA, 92614
(949) 346-3000

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Anthony Geisler
Chief Executive Officer
Xponential Fitness, Inc.
17877 Von Karman Ave, Suite 100
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(949) 346-3000

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	**Amount to be Registered(1)**	**Proposed Maximum Offering Price Per Share(2)**	**Proposed Maximum Aggregate Offering Price(1)(2)**	**Amount of Registration Fee**
Class A Common Stock, par value $0.0001 per share		$	$	$

(1) Includes shares of Class A common stock subject to the underwriters' option to purchase additional shares.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457 under the Securities Act of 1933

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion
Preliminary Prospectus dated , 2020

PROSPECTUS

Shares

Xponential Fitness, Inc.

Class A Common Stock

This is Xponential Fitness, Inc.'s initial public offering. We are selling shares of our Class A common stock.

We expect the public offering price to be between $ and $ per share. Currently, no public market exists for the shares. We expect to apply to list the shares of our Class A common stock for trading on the under the symbol "XPOF."

Upon the completion of this offering, we will have two classes of common stock. Each of the Class A common stock offered hereby and the Class B common stock will have one vote per share.

We will use a portion of the net proceeds from this offering to purchase membership interests of Xponential Fitness LLC, which we refer to as "LLC Units," from certain of the Continuing Pre-IPO LLC Members (as defined herein), and the remaining net proceeds to purchase newly issued membership units in Xponential Fitness LLC. No public market exists for the LLC Units. The purchase price for each LLC Unit will be equal to the initial public offering price of our Class A common stock. We intend to cause Xponential Fitness LLC to use the net proceeds it receives from us in connection with this offering as described in "Use of Proceeds." Xponential Fitness LLC will not receive any proceeds from the sale of LLC Units by any of the Continuing Pre-IPO LLC to us.

We are an "emerging growth company" as defined under the federal securities laws and, as such, we have elected to comply with certain reduced reporting requirements for this prospectus and may elect to do so in future filings.

Following this offering, we will be a "controlled company" within the meaning of the corporate governance rules of . See "Organizational Structure" and "Management—Controlled Company."

Investing in our Class A common stock involves risks that are described in the "Risk Factors" section beginning on page 23 of this prospectus.

	Per Share	Total
Public offering price	$	$
Underwriting discount(1)	$	$
Proceeds, before expenses, to us	$	$

(1) See "Underwriting" for additional information regarding underwriter compensation.

The underwriters may also exercise their option to purchase up to an additional shares of Class A Common Stock from us at the public offering price, less the underwriting discount, for 30 days after the date of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The shares will be ready for delivery on or about , 2020.

BofA Securities **Goldman Sachs & Co. LLC** **Jefferies**

The date of this prospectus is , 2020

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Unless otherwise indicated or the context otherwise requires, all references in this prospectus to "we," "us," "our," the "company," "Xponential Fitness," "Xponential" and similar terms refer (i) for periods prior to giving effect to the Reorganization Transactions described under "Organizational Structure—The Reorganization Transactions," to Xponential Fitness LLC together with its consolidated subsidiaries and (ii) for periods beginning on the date of and after giving effect to the Reorganization Transactions, as defined herein, to Xponential Fitness, Inc. together with its consolidated subsidiaries, including Xponential Fitness LLC. Also, unless otherwise indicated or the context otherwise requires, all information in this prospectus gives effect to the Reorganization Transactions. We are a holding company and, upon the completion of this offering, we will hold substantially all of our assets and conduct substantially all of our business through Xponential Fitness LLC.

We and the underwriters have not authorized anyone to provide any information or to make any representations other than those contained in this prospectus or in any free writing prospectuses we have prepared. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may provide you. We and the underwriters are offering to sell, and seeking offers to buy, shares of Class A common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of the Class A common stock. Our business, financial condition, results of operations and prospects may have changed since the date set forth on the cover page of this prospectus.

Until , 2020 (25 days after the commencement of this offering), all dealers that buy, sell or trade our Class A common stock, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

Market and Industry Data

This prospectus includes industry and market data that we obtained from periodic industry publications, third-party studies and surveys, filings of public companies in our industry and internal company surveys. These sources include government and industry sources. Industry publications and surveys generally state that the information contained therein has been obtained from sources believed to be reliable. Although we believe the industry and market data to be reliable as of the date of this prospectus, this information could prove to be inaccurate. Industry and market data could be wrong because of the method by which sources obtained their data and because information cannot always be verified with complete certainty due to the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties. In addition, we do not know all of the assumptions regarding general economic conditions or growth that were used in preparing the forecasts from the sources relied upon or cited herein.

The information contained in this prospectus concerning our industry and the market in which we operate, including our general expectations and market position, market opportunity and market size, is based on the information described above, on assumptions that we have made based on that data and similar sources and on our knowledge of the markets for our brands. This information involved a number of assumptions and limitations and is inherently imprecise and you are cautioned not to give undue weight to these estimates. In addition, the industry in which we operate, as well as the projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate, are subject to a high degree of uncertainty and risk due to a variety of factors, including those described in “Risk Factors” and elsewhere in this prospectus, that could cause results to differ materially from those expressed in these publications and reports.

Non-GAAP Financial Measures

This prospectus contains references to adjusted EBITDA, which is a financial measure not required by, or presented in accordance with, generally accepted accounting principles in the United States, (“GAAP”). We use adjusted EBITDA when planning, monitoring, and evaluating our performance. We believe that adjusted EBITDA is an appropriate measure of operating performance because it eliminates the impact of expenses that we do not believe reflect our underlying business performance.

We believe that adjusted EBITDA, viewed in addition to, and not in lieu of, our reported GAAP results, provides useful information to investors regarding our performance and overall results of operations because it eliminates the impact of other items that we believe reduce the comparability of our underlying core business performance from period to period and is therefore useful to our investors in comparing the core performance of our business from period to period. In addition, other companies, including companies in our industry, may calculate adjusted EBITDA differently, which reduces its usefulness as a comparative measure. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures” for a definition of adjusted EBITDA and a reconciliation to net loss, the most directly comparable financial measure calculated in accordance with GAAP.

Basis of Presentation

Throughout this prospectus, we provide a number of key performance indicators used by management and typically used by our competitors in the franchise industry, including same store sales, system-wide sales and average unit volume (“AUV”). These are operating measures that include sales by franchisees that are not revenue realized by us in accordance with GAAP. While we do not record sales by franchisees as revenue and such sales are not included in our consolidated financial statements, we believe that these operating measures aid in understanding how we derive our royalty revenue and are important in evaluating our performance. Same store sales refers to period-over-period sales comparisons for the base of studios (which we define to include studios in North America that have been open for at least 13 months as of the measurement date). System-wide sales represent gross sales by all studios globally.

While we do not record franchised studio sales as revenue, our royalty revenue is calculated based on a percentage of franchised studio sales. AUV consists of the average sales for the trailing 12 full calendar months for all studios in North America that have been open for at least 13 months as of the measurement date. AUV is calculated by dividing sales during the applicable period for all studios being measured by the number of studios being measured. These and other key performance indicators are discussed in more detail in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators."

The studios open data as of December 31, 2017 provided throughout this prospectus is presented on a pro forma basis to reflect historical data of brands we acquired in 2017 and 2018 and therefore includes time periods during which certain of our brands were operated by our predecessors. We acquired Club Pilates and CycleBar in September 2017, Stretch Lab in November 2017, Row House in December 2017, AKT in March 2018, Yoga Six in July 2018, Pure Barre in October 2018 and Stride in December 2018.

References throughout this prospectus to the sale or selling of a license refer to the grant of a right to a third party to access our intellectual property and all other services that we provide under our franchise agreements.

PROSPECTUS SUMMARY

This summary highlights selected information that is presented in greater detail elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our Class A common stock. You should read this entire prospectus carefully, including "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes thereto included elsewhere in this prospectus, before deciding whether to invest in our Class A common stock.

Xponential Fitness, Inc.

Xponential Fitness is the largest boutique fitness franchisor in the United States measured by number of brands and studios. Our mission is to bring the best of boutique fitness to everyone. We partner with franchisees to make specialized workouts in motivating and community-based environments broadly accessible. Our curated portfolio of eight leading brands spans a variety of popular fitness and wellness verticals, including Pilates, barre, cycling, rowing, yoga, running, stretch and dance. Collectively, our brands offer consumers engaging experiences that appeal to a broad range of ages, fitness levels and demographics. In 2019, consumers completed more than 25 million workouts across our brands system-wide. The foundation of our business is built on strong franchisee partnerships. We provide franchisees extensive support to help maximize the performance of their studios, while leveraging our corporate platform to accelerate growth and enhance profitability. We believe the unique combination of a multi-brand offering, franchise model with strong unit economics and integrated platform has enabled us to build our leading market position in the large and growing U.S. boutique fitness industry.

Our Market Leading Brand Portfolio

<table>
<tr>
<td> 

■ Largest Pilates brand, created with the vision to make Pilates more accessible, approachable and welcoming to everyone
■ studios</td>
<td> 

■ Largest barre brand, offering an effective, low-impact workout for all ages and fitness levels
■ studios</td>
<td> 

■ Largest indoor cycling brand, offering an inclusive low-impact/high-intensity indoor cycling experience for all ages and fitness levels
■ studios</td>
<td> 

■ Leading assisted stretching brand
■ Highly complementary with our other brands
■ studios</td>
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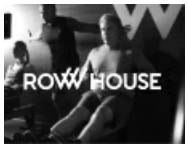
<td> 

■ Largest rowing brand, offering a full body/low-impact workout which has revolutionized the way people view indoor rowing
■ studios</td>
<td> 

■ Largest franchised yoga brand, dedicated to the evolution and modernization of yoga
■ studios</td>
<td> 

■ Dance-based cardio brand founded by celebrity trainer Anna Kaiser combining dance, intervals and strength training
■ studios</td>
<td> 

■ Treadmill-based cardio and strength workout, offering coached interval running classes for all fitness levels
■ studio</td>
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Note: Open studios as of December 31, 2019.

We carefully built the Xponential Fitness brand portfolio through a series of acquisitions, targeting select health and wellness verticals. In curating our portfolio, we identified brands with exceptional programming

and a loyal consumer base which we believed would benefit from our operational expertise, franchising experience and scaled platform. With over 25 years of collective franchising experience, our management team is the driving force behind our operational excellence. We have established a proven operational model (the "Xponential Playbook") that helps franchisees generate compelling studio economics. The key pillars of our Xponential Playbook include:

- *optimizing the studio prototype and investment cost;*
- *thoroughly vetting franchisee candidates;*
- *real estate identification, site selection and studio build-out and design assistance;*
- *comprehensive pre-opening support, including membership sales, marketing support, employee training and programming development;*
- *detailed studio-level operational framework and best practices;*
- *intensive instructor and studio-level management training;*
- *data-driven analytical tools to support marketing strategies, member acquisition and retention;*
- *sophisticated technology systems, including uniform point-of-sale and reporting systems, to drive studio-level performance; and*
- *ongoing monitoring and support to promote success.*

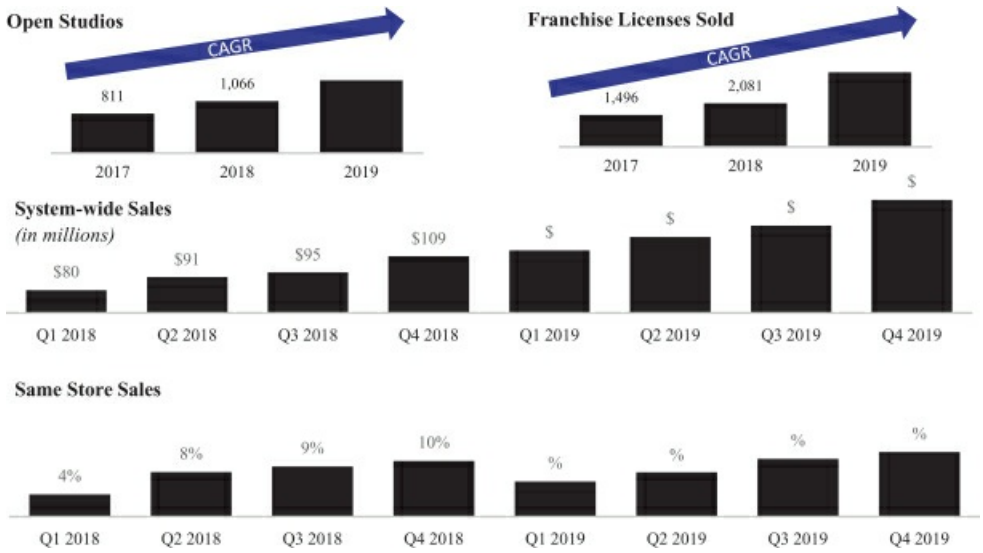
The Xponential Playbook is designed to help franchisees achieve compelling AUVs, strong operating margins and an attractive return on their invested capital. Studios are designed to be between 1,000 and 2,500 square feet in size, depending on the brand, which contributed to a relatively low average initial franchisee investment of approximately $350,000 in 2019. By utilizing the Xponential Playbook, our model is designed to generate, on average, an AUV of $500,000 in year two of operations and studio-level operating margins ranging between 25% and 30%, resulting in an unlevered cash-on-cash return of approximately 40%.

We believe our platform, which supports our eight brands, is a unique competitive advantage in the boutique fitness industry and enables us to accelerate growth and enhance operating margins. Our multi-brand offering results in higher franchisee lead flow and conversion, which lowers our franchisee acquisition costs. Our existing franchisees also serve as an embedded pipeline for continued expansion across our brands. As a result of our scale, we benefit from greater access to real estate and favorable vendor relationships. Additionally, we leverage shared corporate services across franchise sales, real estate, supply chain, merchandising, information technology, finance, accounting and legal. As an integrated platform, we are able to invest in technology to provide improved functionality, drive efficiency and access compelling data across our brands. We also benefit from knowledge sharing and best practices across the portfolio. We believe that we are in the early stages of unlocking the power of our platform and driving long-term growth.

As a franchisor, we benefit from multiple highly predictable and recurring revenue streams that enable us to scale our franchised studio base in a capital efficient manner. As of December 31, 2019, franchisees were contractually committed to open studios in North America. Converting our current pipeline of licenses sold to open studios in North America would more than double our existing franchised studio base. Based on our internal and third-party analyses, we estimate that we have the opportunity to increase our franchised studio base to more than additional studios in the United States alone. In addition, our master franchisees were contractually obligated to sell licenses to franchisees to open an additional studios in five other countries as of December 31, 2019.

Highlights of our platform's recent financial results and growth include:

- increased the number of open studios in North America from 811 as of December 31, 2017 on a pro forma basis to as of December 31, 2019, representing a Compound Annual Growth Rate ("CAGR") of %;
- increased North American franchise licenses sold from 1,496 as of December 31, 2017 to as of December 31, 2019, representing a CAGR of %. In addition, our master franchisees were contractually obligated to sell licenses to franchisees to open additional studios in five other countries, of which such master franchisees have sold , as of December 31, 2019.;
- scaled system-wide sales to $ million in 2019; and
- generated average quarterly same store sales growth of over the eight quarters ending 2019.



Note: The above data is presented for North America on a pro forma basis to reflect historical information of the brands we acquired and therefore includes time periods during which certain of the brands were operated by our predecessors. We acquired Club Pilates and CycleBar in September 2017, Stretch Lab in November 2017, Row House in December 2017, AKT in March 2018, Yoga Six in July 2018, Pure Barre in October 2018 and Stride in December 2018.

Our Competitive Strengths

Market leading position in the rapidly growing U.S. boutique fitness industry.

We are the largest boutique fitness franchisor in the United States by number of brands and studios. As of December 31, 2019, we had open studios in North America across eight brands. We believe that we maintain a significant competitive advantage through our scale in a highly fragmented market, which is comprised primarily of single-brand companies focused on a single fitness or wellness vertical. We estimate that

in 2019, boutique fitness was a $ billion industry in the United States and the fastest growing segment of the U.S. health and fitness club industry. With 2019 system-wide sales of $ million, we have penetrated less than % of the U.S. boutique fitness industry, and we believe that we are well-positioned to continue our growth.

Diversified multi-vertical portfolio of leading boutique fitness brands.

Our portfolio of eight diversified brands spans a variety of popular fitness and wellness verticals, including Pilates, barre, cycling, rowing, running, yoga, stretch and dance. Our three scaled brands have leading market share positions within their respective verticals. These brands, Club Pilates, Pure Barre and CycleBar, were approximately eight times, four times and two times larger than their next largest competitors, respectively, as of December 31, 2019. The strength of our brands is highlighted by the numerous accolades they have received, including Club Pilates, Pure Barre and CycleBar each being listed among Entrepreneur's Franchise 500 rankings. Our brands appeal to a broad range of consumers across ages, fitness levels and demographics and are positioned at an accessible price point. The complementary nature of our brands allows our franchised studios to be located in close proximity to one another, providing variety and convenience to both consumers and franchisees. We believe that our diversified brand offering expands our total addressable market and translates into increased use occasions for consumers, driving increased share of wallet and enhancing consumer lifetime value across our portfolio.

Our partnership approach, proven Xponential Playbook and extensive franchisee support drive system-wide operational excellence.

We strategically partner with franchisees who have been vetted by a thorough selection process. Through the Xponential Playbook, we provide franchisees with significant support from the outset, focused on delivering a superior experience and maximizing studio-level productivity and profitability. Franchisees also benefit from the significant investments we have made in our corporate platform, through which we leverage integrated systems and shared services. While marketing and fitness programming are specific to each brand, nearly all other franchisee support functions are integrated across brands at the corporate level. We believe the relationships we maintain with franchisees drive tangible results for consumers: well-managed boutique fitness studios; retention of highly qualified instructors; and a consistent, community-based experience across brands and geographies. We believe the extensive level of support we provide to franchisees is a key driver of system-wide operational excellence.

Our brands serve a growing, highly attractive and loyal consumer base.

Our franchised studios provide accessible boutique fitness experiences that are fun, energetic and deliver a strong sense of community, engendering loyalty and engagement with consumers. In 2019, consumers completed more than 25 million workouts across our brands system-wide. On average in 2019, members completed approximately classes per month and spent in excess of $ in our franchised studios. Our brands serve a broad demographic; our target consumer is typically a female between the ages of 20 and 60 years old, holds at least a bachelor's degree and reports household income greater than $75,000 per year. Our franchised studios foster consumer engagement, personal accountability to achieve fitness goals and a strong sense of community, which drive repeat visits and maximize consumer lifetime value.

Strong and highly predictable studio-level economics.

The Xponential Playbook is designed to help franchisees achieve compelling AUVs, strong operating margins and an attractive return on their invested capital. Studios are designed to be between 1,000 and 2,500 square feet in size, depending on the brand, which contributed to a relatively low average initial franchisee investment of approximately $350,000 in 2019. Our model is designed to generate, on average, an AUV of

$500,000 in year two of operations and studio-level operating margins ranging between 25% and 30%, resulting in an unlevered cash-on-cash return of approximately 40%. new franchisees joined our system in 2019, a % increase year-over-year, which we believe reflects the attractiveness of our unit economic model. Additionally, franchisees frequently re-invest into our system, as % of new studios in 2019 were opened by existing franchisees. We believe our strong studio-level economics have contributed to our growth.

Large and expanding franchisee base with highly visible organic growth.

As of December 31, 2019, we had over franchise licenses sold, more than double the number of franchise licenses sold as of December 31, 2017. Franchisees in North America are contractually obligated to open studios in their territories after purchasing a franchise license. In the event that franchisees are unable to meet their contractual obligations, we have the ability to resell or reassign their territory license(s) to another franchisee in the system or our franchisee pipeline. We are also developing international relationships and have entered into master franchise agreements with master franchisees to propel our international growth. As of December 31, 2019, franchisees were contractually committed to open an additional studios in North America, and our master franchisees were contractually obligated to sell licenses to franchisees to open an additional studios in five other countries. Together, these new studios would nearly double our franchised studio base and provide us with highly visible unit growth.

Our highly predictable revenue streams and asset-light franchise model have enabled rapid unit growth.

As a franchisor, we have an asset-light model with multiple highly predictable revenue streams and low ongoing capital requirements, resulting in the ability to generate strong free cash flow conversion. Upon the granting of access to a license, we receive a one-time, non-refundable upfront payment from franchisees for the right to open a studio in a specific territory. This is followed by a series of contractual payments once a studio is open, many of which are recurring, including royalty fees, technology fees, merchandise sales, marketing fees and instructor and management training revenues. Approximately % of our revenue in 2019 was considered recurring, and we believe this percentage will increase as franchise royalty fees are expected to account for a greater percentage of our revenue over time. We believe our asset-light franchise model drives faster, system-wide unit growth, compared to a similarly capitalized corporate-owned model.

Highly experienced management team with an entrepreneurial culture.

Our strategic vision and entrepreneurial culture are driven by our highly experienced management team, led by our Chief Executive Officer and founder, Anthony Geisler. Mr. Geisler has direct experience scaling franchised fitness brands, having previously served as the Chief Executive Officer of LA Boxing, and has worked with many members of our leadership team for several years. Our Brand Presidents are key members of our leadership team and act as the driving force behind their respective brands. Collectively, our management team fosters an entrepreneurial culture and mentality that resonate with franchisees. The strength of our management team is illustrated by the growth of the business and the recent honors that we and our brands have received, including Club Pilates being featured amongst Inc.'s 5000 fastest growing companies in 2018 and our inclusion in Fast Company's 2019 list of "Most Influential Wellness Companies." Our leadership team has significant experience scaling franchised fitness brands and has created a culture designed to enable our future success.

Our Growth Strategies

We believe we are well-positioned to capitalize on multiple opportunities to drive the long-term growth of our business:

Grow our franchised studio base across all brands in North America.

We have the opportunity to meaningfully expand our franchised studio footprint in North America by leveraging our brands and verticals, as well as our proven portability across regions and demographics.

We have grown our franchised studio footprint in North America from 811 open studios across 47 states, the District of Columbia and Canada as of December 31, 2017 on a pro forma basis to open studios across 48 states, the District of Columbia and Canada as of December 31, 2019, representing a CAGR of %. Our track-record of successful expansion demonstrates that the experience and value offered by our brands resonate with consumers across geographies, including urban and suburban markets, ages and income levels. Our small box format and multi-brand model have enabled us to scale rapidly, as franchisees have the ability to open studios from multiple brands adjacent or in close proximity to each other, creating cross-selling opportunities and providing consumers with greater optionality. As we scale, we expect to attract more multi-studio franchisees to help us accelerate our pace of growth. Based on our internal and third-party analyses, we believe that we have the potential to open up to studios across our scaled brands, which include Club Pilates, CycleBar and Pure Barre, as well as studios across our other brands, throughout North America.

Drive system-wide same store sales and grow AUV.

We believe we can help franchisees grow same store sales and AUVs by acquiring new consumers, increasing membership penetration, driving increased spend from consumers and expanding ancillary revenue streams through our franchised studios.

- *Acquiring new consumers:* We expect to grow our consumer reach through a variety of targeted marketing campaigns at both the brand and franchisee levels in order to increase brand awareness and drive studio traffic.

- *Increasing membership penetration:* We expect franchisees to convert new and occasional consumers into committed, long-term members by delivering consistent, effective workout experiences across our franchised studios. We intend to continue to utilize insights from our consumer management dashboard to refine our sales strategy and offer a variety of flexible membership options to attract consumers at different engagement levels and price points, including our existing four, eight and unlimited classes per month recurring membership options.

- *Driving increased spend from consumers:* We expect to increase spend from consumers by utilizing dynamic pricing tiers across markets and brands, up-tiering memberships, cross-selling memberships across our brands, driving digital penetration and enhancing our membership engagement. We work closely with franchisees to optimize membership offerings based on local consumer demand, demographics and other market factors in order to maximize our share of wallet.

- *Expanding additional revenue streams within our franchised studios:*We believe we have the opportunity to increase consumer spending at our franchised studios by expanding our offering of branded and third-party retail products across apparel and other health and wellness categories.

Execute on our strategy to grow ancillary revenue streams, including Video-On-Demand and XPASS.

We believe there is an opportunity to capitalize on growing consumer demand for digital andat-home fitness solutions by enhancing system-wide capabilities that will complement our other offerings. Our Video-On-Demand platform consists of a library of digital fitness content that we make available to our consumers across our online and mobile platforms for a monthly fee. In addition to increasing engagement with our existing in-studio members, our Video-On-Demand program enables us to reach remote consumers and generate incremental revenues without increasing overhead costs. Additionally, we are in the early stages of developing XPASS, a membership option that will offer our consumers access to all brands across the Xponential portfolio under a single monthly membership.

We believe that these complementary offerings will enhance the value proposition of our memberships compared to many single-brand fitness competitors, allowing us to cross-sell across our brands to drive higher share of wallet, acquire new consumers and increase consumer satisfaction and retention.

Expand operating margins and drive free cash flow conversion.

We have built our franchised boutique fitness platform across verticals through a series of acquisitions and investments in our brands, corporate infrastructure and leadership team. We expect to realize improved operating leverage and increase operating margins over time as we continue to expand our franchised studio base and leverage our shared services and platform. Our business model provides us with highly predictable and recurring revenue streams, attractive margins and minimal capital requirements, resulting in high free cash flow conversion and the ability to invest in future growth initiatives.

Grow our brands and studio footprint internationally.

We believe there is significant opportunity for international growth in the $94 billion global fitness industry, underscored by our track-record of successful expansion across a diverse array of North American markets.

We are focused on expanding into territories with attractive demographics, including household income, level of education and fitness participation. We have developed strong relationships and executed master franchise agreements with master franchisees to propel our international growth. These master franchise agreements obligate master franchisees to arrange the sale of licenses to franchisees in one or more countries outside North America. As of December 31, 2019, we had studios open internationally, and master franchisees were contractually obligated to sell licenses to franchisees to open an additional studios in five other countries. Under our current development agreements with master franchisees, those franchisees are required to license studios across countries by the end of 2020.

Our Industry

We operate in the large and rapidly growing boutique fitness segment of the broader health and fitness club industry. According to the International Health, Racquet & Sportsclub Association (“IHRSA”), the estimated size of the global health and fitness club industry was $94 billion in 2018, with more than 210,000 clubs serving 183 million members. Since 1998, the U.S. health and fitness club industry has grown at a 6% CAGR, with more than 20 consecutive years of annual growth. We believe the industry will continue to grow as consumers are increasingly focused on their health and wellness. The 2019 Mordor Global Health and Fitness Club Market report projects that the global health and fitness club industry will grow at a 7.8% CAGR between 2019 and 2024. We believe this growth is a result of the following tailwinds:

- *increased awareness of active lifestyles and the health benefits of exercise;*

- *increased fitness participation, particularly amongst Millennials and Generation Z (who accounted for 47% of all health and fitness club membership in 2018)*; *and*

- *increased consumer spending on experiences, particularly those that are specialized and personalized.*

Boutique fitness studios offer consumers a highly specialized experience in a personalized physical environment. Boutique fitness studios are built around a social, supportive community of coaches, trainers and consumers helping each other achieve their fitness goals. A boutique fitness studio workout typically offers more customized programming and a more intensive experience complemented by increased levels of personal attention relative to a traditional health and fitness club. While the industry appeals to a broad demographic, the Millennial consumer over-indexes to boutique fitness, and approximately 60% of boutique fitness studio consumers are between the ages of 25 and 44. We estimate that in 2019, boutique fitness was a $ billion industry and was the fastest growing segment of the U.S. health and fitness club industry. Between 2013 and 2018, boutique fitness participation in the United States doubled and outpaced participation in the overall health and fitness club industry, which increased by 2.7%. An estimated 42% of health and fitness club consumers in the United States reported having a boutique fitness membership in 2018, up from 21% in 2013.

We believe boutique fitness studio consumers represent a highly attractive and loyal consumer group. On average, a boutique fitness studio member spent $94 per month, compared to $52 per month for the average health and fitness club consumer, in 2018. Not only do boutique fitness studio consumers generally spend more per month than any other category of fitness, they are also some of the most engaged consumers. More than 65% of boutique fitness consumers reported engagement with multiple boutique fitness facilities, and 22% reported engagement with at least three boutique fitness facilities in 2018. On average, boutique fitness consumers used their facility 107 times in 2018, with 34% of consumers reporting usages of 150 times or more, which represented the highest percentage of any fitness industry segment. We believe our multi-vertical platform is well-positioned to capitalize on these favorable boutique fitness industry trends.

Risk Factors

Our business is subject to a number of risks and uncertainties that you should understand before making an investment decision. These risks are discussed more fully under “Risk Factors” and include:

- We have incurred operating losses in the past, may incur operating losses in the future and may not achieve or maintain profitability in the future.

- We have a limited operating history and our past financial results may not be indicative of our future performance. Further, our revenue growth rate is likely to slow as our business matures.

- Our financial results are affected by the operating and financial results of, and our relationships with, master franchisees and franchisees.

- If we fail to successfully implement our growth strategy, which includes the opening of new studios by existing and new franchisees in existing and new markets, our ability to increase our revenue and results of operations could be adversely affected.

- The number of new studios that actually open in the future may differ materially from the number of studio licenses sold to potential, existing and new franchisees.

- Our expansion into new markets may present increased risks due to our unfamiliarity with those markets.
- Our expansion into new international markets exposes us to a number of risks that may differ in each country where we have licensed franchisees.
- If we or master franchisees fail to identify, recruit and contract with a sufficient number of qualified franchisees, our ability to open new studios and increase our revenue could be materially adversely affected.
- Franchisees may incur rising costs related to the construction of new studios and maintenance of existing studios, which could adversely affect the attractiveness of our franchise model and, in turn, our business, results of operations, cash flows and financial condition.
- If franchisees are unable to identify and secure suitable sites for new studios, our ability to open new studios and increase our revenue could be materially adversely affected.
- We have identified material weaknesses in our internal control over financial reporting for the year ended December 31, 2018.

Organizational Structure

We currently conduct our business through Xponential Fitness LLC and its subsidiaries. Following this offering, Xponential Fitness, Inc. will be a holding company and its sole material asset will be a controlling ownership interest in Xponential Fitness LLC, which it will own both directly and indirectly through one or more wholly owned subsidiaries.

Prior to the consummation of the Reorganization Transactions (as defined below), the amended and restated limited liability company agreement of Xponential Fitness LLC will be amended and restated to, among other things, appoint us and our wholly owned subsidiary as its managing members and reclassify its outstanding limited liability company units (the "LLC Units") as non-voting units. We refer to the limited liability company agreement of Xponential Fitness LLC, as in effect at the time of this offering, as the "Amended LLC Agreement."

After the Amended LLC Agreement is effective and prior to the consummation of the Reorganization Transactions, H&W Franchise Intermediate Holdings LLC ("H&W Intermediate"), the sole owner of all outstanding LLC Units, will merge with and into H&W Franchise Holdings LLC ("H&W Franchise Holdings"), which will in turn liquidate under local law, distributing the LLC Units to its equity holders in liquidation of their H&W Franchise Holdings interests. After these transactions and prior to the consummation of the Reorganization Transactions and this offering, all of Xponential Fitness LLC's outstanding equity interests will be owned by the following persons, (collectively, the "Pre-IPO LLC Members"):

- H&W Investco, L.P., which is controlled by Mr. Grabowski, a member of our board of directors;
- LAG Fit, Inc., which is beneficially owned by Mr. Geisler, our Chief Executive Officer and founder;
- LCAT Franchise Fitness Holdings, Inc., which is an affiliate of Mr. Magliacano, a member of our board of directors; and
- Certain other direct or indirect former equity holders in H&W Franchise Holdings.

In connection with this offering, we intend to enter into the following series of transactions to implement an internal reorganization, which we collectively refer to as the "Reorganization Transactions." We

refer to the Pre-IPO LLC Members who will retain their equity ownership in Xponential Fitness LLC in the form of LLC Units immediately following the consummation of the Reorganization Transactions as "Continuing Pre-IPO LLC Members."

- Because we will manage and operate the business and control the strategic decisions andday-to-day operations of Xponential Fitness LLC and because we will also have a substantial financial interest in Xponential Fitness LLC, we will consolidate the financial results of Xponential Fitness LLC, and a portion of our net income will be allocated to the non-controlling interest to reflect the entitlement of the ContinuingPre-IPO LLC Members to a portion of Xponential Fitness LLC's net income. In addition, because Xponential Fitness LLC will be under the common control of the Pre-IPO LLC Members before and after the Reorganization Transactions, we will account for the Reorganization Transactions as a reorganization of entities under common control and will initially measure the interests of the continuing Pre-IPO LLC Members in the assets and liabilities of Xponential Fitness LLC at their carrying amounts as of the date of the completion of the consummation of the Reorganization Transactions.

- Our amended and restated certificate of incorporation that will be in effect upon the completion of the offering will authorize the issuance of two classes of common stock: Class A common stock and Class B common stock, (collectively, our "common stock"). Each share of common stock will entitle its holder to one vote per share on all matters submitted to a vote of our stockholders. See "Description of Capital Stock."

- Prior to the completion of this offering, the equity holders of LCAT Franchise Fitness Holdings, Inc., an affiliate of Mr. Magliacano, a member of our board of directors, and one or more other entities each of which directly own LLC Units (the "Blocker Companies"), will contribute their shares of each Blocker Company to Xponential Fitness, Inc. in exchange for Class A common stock of Xponential Fitness, Inc. Each Blocker Company will immediately thereafter merge with and into Xponential Fitness, Inc. or a newly formed subsidiary of Xponential Fitness, Inc. We refer to such transactions as the "Mergers." Equity holders of each Blocker Company, referred to as the Reorganization Parties, will receive a number of shares of our Class A common stock equal to the number of LLC Units held by such Blocker Company prior to the Mergers.

- Each Continuing Pre-IPO LLC Member will be issued a number of shares of our Class B common stock equal to the number of LLC Units held by such Continuing Pre-IPO LLC Member.

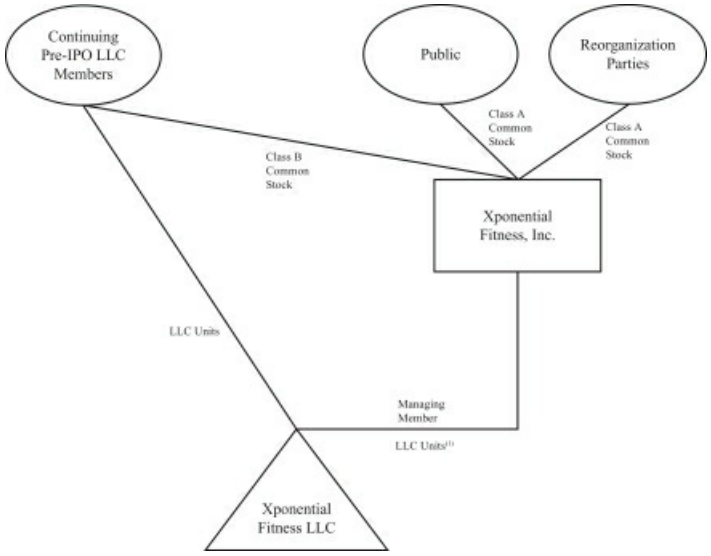
- Under the Amended LLC Agreement, the holders of LLC Units (other than us and any of our wholly owned subsidiaries) will have the right, from and after the completion of this offering (subject to the terms of the Amended LLC Agreement), to require Xponential Fitness LLC to redeem all or a portion of their LLC Units for, at our election, newly issued shares of Class A common stock on a one-for-one basis or a cash payment equal to the volume-weighted average market price of one share of our Class A common stock for each LLC Unit redeemed (subject to customary adjustments, including for stock splits, stock dividends and reclassifications) in accordance with the terms of the Amended LLC Agreement. Additionally, in the event of a redemption request from a holder of LLC Units, we may, at our option, effect a direct exchange of cash or Class A common stock for LLC Units in lieu of such a redemption. Shares of Class B common stock will be cancelled on a one-for-one basis if we, following a redemption request from a holder of LLC Units, redeem or exchange LLC Units of such holder pursuant to the terms of the Amended LLC Agreement. See "Certain Relationships and Related Party Transactions—Amended LLC Agreement." Except for transfers to us or to certain permitted transferees pursuant to the

Amended LLC Agreement, the holders of LLC Units are not permitted to sell, transfer or otherwise dispose of any LLC Units or shares of Class B common stock.

- We will issue shares of Class A common stock to the public pursuant to this offering.
- We will use all of the net proceeds from this offering (including net proceeds received if the underwriters exercise their option to purchase additional shares of Class A common stock in full) to (i) acquire newly-issued LLC Units from Xponential Fitness LLC and (ii) acquire LLC Units from certain Continuing Pre-IPO LLC Members, in each case at purchase price per LLC Unit equal to the initial public offering price of Class A common stock after deducting underwriting discounts and commissions, collectively representing % of Xponential Fitness LLC's outstanding LLC Units (or % if the underwriters exercise their option to purchase additional shares of Class A common stock in full).
- We will enter into a tax receivable agreement ("TRA") that will obligate us to make payments to the Continuing Pre-IPO LLC Members, the Reorganization Parties and any future party to the TRA in the aggregate generally equal to 85% of the applicable cash savings that we actually realize as a result of certain favorable tax attributes we will acquire from the Blocker Companies in the Mergers or that may result from the purchase or exchange of LLC Units from Continuing Pre-IPO LLC Members in this offering, future taxable redemptions or exchanges of LLC Units by Continuing Pre-IPO LLC Members and certain payments made under the TRA. We will retain the benefit of the remaining 15% of these tax savings.
- We will cause Xponential Fitness LLC to use the proceeds from the sale of LLC Units to us (i) to pay fees and expenses of approximately $ million in connection with this offering and the Reorganization Transactions, (ii) to repay debt and (iii) for working capital. Xponential Fitness LLC will not receive any proceeds from the purchase by us of LLC Units from any of the Continuing Pre-IPO LLC Members. See "Use of Proceeds."

We will issue shares of Class A common stock to the public pursuant to this offering.

The diagram below depicts our organizational structure immediately following the consummation of the Reorganization Transactions, the completion of this offering and the application of the net proceeds from this offering, based on an assumed initial public offering price of $ per share (the midpoint of the estimated price range set forth on the cover page of this prospectus) and assuming no exercise of the underwriters' option to purchase additional shares of Class A common stock. This chart is provided for illustrative purposes only and does not purport to represent all legal entities within our organizational structure.



(1) Xponential Fitness, Inc. will own LLC Units directly and indirectly through wholly owned subsidiaries.

Our corporate structure following the completion of this offering, as described above, is commonly referred to as an "Up-C" structure, which is commonly used by partnerships and limited liability companies when they undertake an initial public offering of their business. Our Up-C structure will allow Continuing Pre-IPO LLC Members to continue to realize tax benefits associated with owning interests in an entity that is treated as a partnership, or "pass-through" entity, for income tax purposes following this offering. One of these benefits is that future taxable income of Xponential Fitness LLC that is allocated to such owners will be taxed on a flow-through basis and, therefore, will not be subject to corporate taxes at the entity level. Additionally, because the LLC Units that Continuing Pre-IPO LLC Members will hold are redeemable, at our election, for either newly-issued shares of Class A common stock on a one-for-one basis or a cash payment in accordance with the terms of the Amended LLC Agreement, our Up-C structure also provides the Continuing Pre-IPO LLC Members with potential liquidity that holders of non-publicly traded limited liability companies are not typically afforded. See "Organizational Structure" and "Description of Capital Stock."

We will (directly and through our wholly owned subsidiaries) also hold LLC Units, and therefore receive the same benefits as Continuing Pre-IPO LLC Members with respect to its ownership in an entity treated as a partnership, or "pass-through" entity, for income tax purposes. The acquisition of LLC Units from certain Continuing Pre-IPO LLC Members in connection with this offering, future taxable redemptions or exchanges by holders of LLC Units for shares of our Class A common stock or cash, the Mergers and other transactions described herein are expected to result in favorable tax attributes that will be allocated to us. These tax attributes

would not be available to us in the absence of those transactions and are expected to reduce the amount of tax that we would otherwise be required to pay in the future. In connection with the Reorganization Transactions, we will enter into a TRA that will obligate us to make payments to the Continuing Pre-IPO LLC Members, the Reorganization Parties and any future party to the TRA in the aggregate generally equal to 85% of the applicable cash savings that we actually realize as a result of these tax attributes and tax attributes resulting from certain payments made under the TRA. We will retain the benefit of the remaining 15% of these tax savings. See "Organizational Structure—Holding Company Structure and the Tax Receivable Agreement."

Under the Amended LLC Agreement, we will (directly and through our wholly owned subsidiaries) receive a pro rata share of any distributions made by Xponential Fitness LLC to its members. Such tax distributions will be calculated based upon an assumed tax rate, which, under certain circumstances, may cause Xponential Fitness LLC to make tax distributions that, in the aggregate, exceed the amount of taxes that Xponential Fitness LLC would have paid if it were a similarly situated corporate taxpayer. Funds used by Xponential Fitness LLC to satisfy its tax distribution obligations will not be available for reinvestment in our business. See "Risk Factors—Risks Related to Our Organizational Structure."

Upon the consummation of the Reorganization Transactions, the completion of this offering and the application of the net proceeds from this offering:

- We and our wholly owned subsidiary will be appointed as the managing members of Xponential Fitness LLC and will hold LLC Units, constituting % of the outstanding economic interests in Xponential Fitness LLC (or LLC Units, constituting % of the outstanding economic interests in Xponential Fitness LLC, if the underwriters exercise their option to purchase additional shares of Class A common stock in full).

- The Pre-IPO LLC Members will hold (i) shares of Class A common stock and (ii) LLC Units, which together represent approximately % of the economic interest in Xponential Fitness LLC (or % if the underwriters exercise their option to purchase additional shares of Class A common stock in full) and (ii) through their ownership of Class A and Class B common stock, approximately % of the combined voting power of our common stock (or % if the underwriters exercise their option to purchase additional shares of Class A common stock in full).

- Investors in this offering will collectively hold (i) shares of our Class A common stock, representing approximately % of the combined voting power of our common stock (or shares and %, respectively, if the underwriters exercise their option to purchase additional shares of Class A common stock in full) and (ii) through our direct and indirect ownership of LLC Units, indirectly will hold approximately % of the economic interest in Xponential Fitness LLC (or % if the underwriters exercise their option to purchase additional shares of Class A common stock in full).

See "Organizational Structure," "Certain Relationships and Related Party Transactions" and "Description of Capital Stock" for more information on the rights associated with our common stock and the LLC Units.

Implications of Being an Emerging Growth Company

As a company with less than $1.07 billion (as adjusted for inflation from time to time pursuant to the rules of the Securities and Exchange Commission (the "SEC") in annual gross revenue during our last fiscal year, we qualify as an "emerging growth company" under the Jumpstart Our Business Startups Act of 2012, (the "JOBS Act").

An emerging growth company may take advantage of reduced reporting requirements and is relieved of certain other significant requirements that are otherwise generally applicable to public companies. As an emerging growth company:

- we may present as few as two years of audited financial statements and two years of related management discussion and analysis of financial condition and results of operations;
- we are exempt from the requirement to obtain an attestation report from our auditors on management's assessment of our internal control over financial reporting under the Sarbanes-Oxley Act of 2002, as amended (the "Sarbanes-Oxley Act"), for up to five years or until we no longer qualify as an emerging growth company;
- we are permitted to provide reduced disclosure regarding our executive compensation arrangements pursuant to the rules applicable to smaller reporting companies, which means we do not have to include a compensation discussion and analysis and certain other disclosures regarding our executive compensation; and
- we are not required to hold non-binding advisory votes on executive compensation or golden parachute arrangements.

In addition to the relief described above, the JOBS Act permits us an extended transition period for complying with new or revised accounting standards affecting public companies. We have elected to use this extended transition period, which means that our financial statements may not be comparable to the financial statements of public companies that comply with such new or revised accounting standards on a non-delayed basis.

In this prospectus we have elected to take advantage of the reduced disclosure requirements relating to executive compensation, and in the future we may take advantage of any or all of these exemptions for so long as we remain an emerging growth company. We will remain an emerging growth company until the earliest of (i) the end of the fiscal year during which we have total annual gross commissions and fees of $1.07 billion (as adjusted for inflation pursuant to SEC rules from time to time) or more, (ii) the end of the fiscal year following the fifth anniversary of the completion of this offering, (iii) the date on which we have, during the previous three-year period, issued more than $1.0 billion in non-convertible debt or (iv) the date on which we are deemed to be a "large accelerated filer" under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Corporate Information

Xponential Fitness LLC was founded in August 2017 and Xponential Fitness, Inc. was incorporated in the State of Delaware on January 14, 2020. Our principal executive offices are located at 17877 Von Karman Ave, Suite 100, Irvine, CA, 92614 and our telephone number is (949) 346-3000. Our website is located at www.xponential.com. Our website and the information contained therein or connected thereto, or accessible therefrom, is not incorporated into this prospectus or the registration statement of which it forms a part.

THE OFFERING

Class A common stock offered by us	shares (or shares if the underwriters exercise their option to purchase additional shares of Class A common stock in full).
Class A common stock to be outstanding immediately after this offering	shares (or shares if the underwriters exercise their option to purchase additional shares of Class A common stock in full). If all outstanding LLC Units held by the Continuing Pre-IPO LLC Members were redeemed or exchanged for newly-issued shares of Class A common stock on a one-for-one basis, shares of Class A common stock (or shares if the underwriters exercise their option to purchase additional shares of Class A common stock in full) would be outstanding.
Class B common stock to be outstanding immediately after this offering	shares. Immediately after this offering, the Continuing Pre-IPO LLC Members will own 100% of the outstanding shares of our Class B common stock.
Voting power held by holders of Class A common stock after giving effect to this offering	% (or 100% if all outstanding LLC Units held by the ContinuingPre-IPO LLC Members were redeemed or exchanged for a corresponding number of newly issued shares of Class A common stock).
Voting power held by holders of Class B common stock after giving effect to this offering	% (or 0% if all outstanding LLC Units held by the ContinuingPre-IPO LLC Members were redeemed or exchanged for a corresponding number of newly issued shares of Class A common stock).
Voting rights after giving effect to this offering	Each share of common stock will entitle its holder to one vote per share. Investors in this offering will hold approximately % of the combined voting power of our common stock (or % if the underwriters exercise their option to purchase additional shares of Class A common stock in full). Our Class A common stock and Class B common stock generally vote together as a single class on all matters submitted to a vote of our stockholders. See “Description of Capital Stock.”
Use of proceeds	We estimate that our net proceeds from this offering will be approximately $ million (or approximately $ million if the underwriters exercise their option to purchase additional shares of Class A common stock in full), after deducting underwriting

	discounts and commissions of approximately $ million (or approximately $ million if the underwriters exercise their option to purchase additional shares of Class A common stock in full). We intend to use the net proceeds that we receive from this offering to purchase newly issued LLC Units from Xponential Fitness LLC and LLC Units from certain Continuing Pre-IPO LLC Members, including Anthony Geisler, our Chief Executive Officer and founder, at a purchase price per LLC Unit equal to the initial public offering price per share of Class A common stock after deducting underwriting discounts and commissions. We will cause Xponential Fitness LLC to use the proceeds from the sale of LLC Units to us (i) to pay fees and expenses of approximately $ million in connection with this offering and the Reorganization Transactions, (ii) to potentially repay indebtedness and (iii) for working capital. Xponential Fitness LLC will not receive any proceeds from the purchase by us of LLC Units from any of the Continuing Pre-IPO LLC Members. We estimate that the offering expenses (other than the underwriting discounts and commissions) will be approximately $ million. All of such offering expenses will be paid for by Xponential Fitness LLC. See "Use of Proceeds."
Redemption rights of the holders of LLC Units	Under the Amended LLC Agreement, the holders of LLC Units (other than us and any of our wholly owned subsidiaries) will have the right, from and after the completion of this offering (subject to the terms of the Amended LLC Agreement), to require Xponential Fitness LLC to redeem all or a portion of their LLC Units for, at our election, newly issued shares of Class A common stock on a one-for-one basis or a cash payment equal to the volume-weighted average market price of one share of our Class A common stock for each LLC Unit redeemed (subject to customary adjustments, including for stock splits, stock dividends and reclassifications) in accordance with the terms of the Amended LLC Agreement. Additionally, in the event of a redemption request from a holder of LLC Units, we may, at our option, effect a direct exchange of cash or Class A common stock for LLC Units in lieu of such a redemption. Shares of Class B common stock will be cancelled on a one-for-one basis if we, following a redemption request from a holder of LLC Units, redeem or exchange LLC Units of such holder pursuant to the terms of the Amended LLC Agreement. See "Certain Relationships and Related Party Transactions—Amended LLC Agreement." Except for transfers to us pursuant to the Amended LLC Agreement or to certain permitted transferees, holders of LLC Units are not

	permitted to sell, transfer or otherwise dispose of any LLC Units or shares of Class B common stock.
Tax receivable agreement	Upon the completion of this offering, we will be a party to a TRA with the Continuing Pre-IPO LLC Members and the Reorganization Parties. Under the TRA, we generally will be required to pay to the TRA parties in the aggregate 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that we actually realize as a result of (i) certain tax attributes that are created as a result of the redemptions or exchanges of LLC Units for shares of our Class A common stock or cash, (ii) any existing tax attributes associated with LLC Units we acquire, the benefit of which will be allocable to us as a result of the Mergers and exchanges by Continuing Pre-IPO LLC Members of their LLC Units for shares of our Class A common stock or cash (including the portion of Xponential Fitness LLC's existing tax basis in its assets that is allocable to the LLC Units that are redeemed or acquired), (iii) tax benefits related to imputed interest and (iv) net operating losses ("NOLs") available to us as a result of the Mergers and (v) tax attributes resulting from payments under the TRA. These payment obligations are our obligations and not obligations of Xponential Fitness LLC. Our obligations under the TRA will also apply with respect to any person who is issued LLC Units in the future and who becomes a party to the TRA. See "Organizational Structure—Holding Company Structure and the Tax Receivable Agreement."
Controlled company exemption	After the completion of this offering, we will be considered a "controlled company" for the purposes of listing requirements. As a "controlled company," we will not be subject to certain corporate governance requirements, including the requirements that: (i) a majority of our Board consists of independent directors, as defined under the rules of ; and (ii) our compensation and nominating and governance committees be composed of entirely independent directors. See "Management—Controlled Company."
Proposed symbol	"XPOF"

Unless otherwise indicated, all information in this prospectus:

- gives effect to the Reorganization Transactions and assumes the effectiveness of our amended and restated certificate of incorporation and bylaws, which we will adopt prior to completion of this offering;
- assumes an initial public offering price of $ per share (the midpoint of the estimated price range set forth on the cover page of this prospectus);
- assumes the underwriters do not exercise their option to purchase up to additional shares of Class A common stock; and
- excludes shares of Class A common stock reserved for issuance upon the redemption or exchange of LLC Units that will be held by the Continuing Pre-IPO LLC Members after the completion of this offering.

SUMMARY CONSOLIDATED FINANCIAL AND OTHER DATA

The following sets forth summary consolidated financial and other data of Xponential Fitness LLC and its consolidated subsidiaries. Xponential Fitness, Inc. was formed as a Delaware corporation on January 14, 2020 and has not, to date, conducted any activities other than those incident to its formation, the Reorganization Transactions and the preparation of this prospectus and the registration statement of which this prospectus forms a part.

The summary consolidated statement of operations data for the year ended December 31, 2018 and the summary consolidated balance sheet data as of December 31, 2018 are derived from our audited consolidated financial statements and related notes thereto included elsewhere in this prospectus.

The results indicated below are not necessarily indicative of the results to be expected in the future and should be read in conjunction with, and are qualified by reference to "Capitalization," "Unaudited Pro Forma Financial Information," "Selected Consolidated Financial and Other Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes thereto included elsewhere in this prospectus.

	Year Ended December 31, 2018[1] (in thousands)
Consolidated Statement of Operations Data	
Revenue, net:	
Franchise revenue	$ 19,852
Equipment revenue	22,646
Merchandise revenue	9,575
Franchise marketing fund revenue	3,745
Other service revenue	3,446
Total revenue, net	59,264
Operating costs and expenses:	
Costs of product revenue	22,901
Costs of franchise and service revenue	3,127
Selling, general and administrative expenses	44,551
Depreciation and amortization	3,513
Marketing fund expenses	3,285
Acquisition and transaction expenses	18,095
Total operating costs and expenses	95,472
Operating loss	(36,208)
Other income (expense):	
Interest income	56
Interest expense	(6,253)
Total other expense	(6,197)
Loss before income taxes	(42,405)
Income taxes	73
Net loss	$ (42,478)

	As of December 31, 2018(1)	Pro Forma As Adjusted(2)
	(in thousands)	
Consolidated Balance Sheet Data		
Cash and cash equivalents	$ 11,209	
Total assets	298,336	
Total debt(3)	151,102	
Total member's equity/stockholders' equity	62,185	

(1) See Note 3—Acquisition of Business in the notes to the consolidated financial statements accompanying this prospectus.

(2) The pro forma adjustments related to this offering (the "Offering Adjustments") are described in the notes to the unaudited pro forma consolidated financial information included elsewhere in this prospectus, and principally include the following:

- adjustments for the Reorganization Transactions and the entry into the TRA;
- the issuance of shares of our Class A common stock to the purchasers in this offering in exchange for net proceeds of approximately $ million, based on an assumed initial public offering price of $ per share (the midpoint of the estimated price range set forth on the cover page of this prospectus), after deducting underwriting discounts and commissions but before offering expenses;
- the application by us of the net proceeds from this offering and the issuance of shares of Class A common stock (assuming shares of Class A common stock are sold in this offering, and assuming the underwriters do not exercise their option to purchase additional shares of Class A common stock) to acquire newly-issued LLC Units from Xponential Fitness LLC and acquire LLC Units from certain Continuing Pre-IPO LLC Members at a purchase price per LLC Unit equal to the initial public offering price of Class A common stock after deducting underwriting discounts and commissions;
- the application by Xponential Fitness LLC of a portion of the proceeds of the sale of LLC Units to us to pay fees and expenses of approximately $ million in connection with this offering and the Reorganization Transactions; and
- the provision for federal and state income taxes of Xponential Fitness, Inc. as a taxable corporation at an effective rate of % for the year ended December 31, 2019 (which effective rate was calculated using the new U.S. federal income tax rate of 21%).

(3) Includes long-term debt, notes payable and amounts due under settlement agreements, but excludes contingent consideration and deferred loan costs.

	Year Ended December 31, 2018 (in thousands except per unit data)
Key Performance Indicators[1]	
System-wide sales	$ 374,506
Number of new studio openings	260
Number of studios operating	1,066
Number of licenses sold in North America	2,081
Number of licenses contractually obligated to be sold internationally	35
AUV	$ 384
Same store sales	8%
Adjusted EBITDA[2]	$ (10,565)

(1) See "Basis of Presentation" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators" for the definition of and additional information about these metrics.

(2) We define adjusted EBITDA as EBITDA (net income/loss before interest, taxes, depreciation and amortization), adjusted for the impact of certain non-cash and other items that we do not consider in our evaluation of ongoing operating performance. These items include equity-based compensation, transaction fees (certain purchase accounting adjustments, acquisition transaction fees), management fees (that will be discontinued after this offering), integration and related expenses and litigation expenses (consisting of legal and related fees for specific proceedings that arise outside of the ordinary course of our business) that we do not believe reflect our underlying business performance. We believe that adjusted EBITDA is an appropriate measure of operating performance because it eliminates the impact of expenses that we do not believe reflect our underlying business performance. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures."

The following table presents a reconciliation of net loss, the most directly comparable financial measure calculated in accordance with GAAP, to adjusted EBITDA, for the year ended December 31, 2018.

	Year Ended December 31, 2018 (in thousands)
Net loss	$ (42,478)
Interest expense	6,253
Income taxes	73
Depreciation and amortization	3,513
EBITDA	(32,639)
Equity-based compensation	1,969
Acquisition and transaction expenses	18,095
Management fees	847
Integration & related expenses	467
Litigation expenses	696
Adjusted EBITDA	$ (10,565)

RISK FACTORS

An investment in our Class A common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below together with all of the other information contained in this prospectus, including our consolidated financial statements and the related notes thereto included elsewhere in this prospectus, before deciding to invest in our Class A common stock. If any of the following risks actually occurs, our business, prospects, results of operations, cash flows and financial condition could suffer materially, the trading price of our Class A common stock could decline and you could lose all or part of your investment.

Risks Related to Our Business and Industry

We have incurred operating losses in the past, may incur operating losses in the future and may not achieve or maintain profitability in the future.

We have incurred operating losses each year since our formation in 2017, including a net loss of $42.5 million for 2018, and may continue to incur net losses for the foreseeable future. As a result, we had a total accumulated deficit of $56.7 million as of December 31, 2018. We expect our operating expenses to increase in the future as we increase our sales and marketing efforts, expand our operating infrastructure and expand into new geographies. Further, as a public company, we will incur additional legal, accounting and other expenses that we did not incur as a private company. These efforts and additional expenses may be more costly than we expect, and we cannot guarantee that we will be able to increase our revenue to offset our increased operating expenses. Our revenue growth may slow or our revenue may decline for a number of other reasons, including reduced demand for new franchises, reduced demand for the services and products offered by franchisees, increased competition, reduction in openings of new studios, a decrease in the growth or reduction in the size of our overall market or if we cannot capitalize on growth opportunities. If our revenue does not grow at a greater rate than our operating expenses, we will not be able to achieve profitability.

We have a limited operating history and our past financial results may not be indicative of our future performance. Further, our revenue growth rate is likely to slow as our business matures.

Anthony Geisler, our Chief Executive Officer and founder, acquired Club Pilates in March 2015. We were founded in August 2017 and acquired Club Pilates, our first brand, in September 2017. We have a limited history of generating revenue. As a result of our short operating history, we have limited financial data that can be used to evaluate our business. Therefore, our historical revenue growth should not be considered indicative of our future performance. In particular, we have experienced periods of high revenue growth, notably since we acquired Pure Barre in October 2018, that we do not expect to continue as our business matures. Estimates of future revenue growth are subject to many risks and uncertainties and our future revenue may differ materially from our projections. We have encountered, and will continue to encounter, risks and difficulties frequently experienced by growing companies in rapidly changing industries, including market acceptance of our and franchisees' services and products, the need to increase sales at existing studios, opening new studios, increasing competition and increasing expenses as we expand our business. We cannot be sure that we will be successful in addressing these and other challenges we may face in the future, and our business may be adversely affected if we do not manage these risks.

Our financial results are affected by the operating and financial results of, and our relationships with, master franchisees and franchisees.

A substantial portion of our revenue comes from royalties generated by franchised studios and studios franchised through master franchisees, other fees and commissions generated from activities associated with franchisees and equipment sales and leases to franchisees. As a result, our financial results are largely dependent upon the operational and financial results of franchisees. As of December 31, 2019, we had franchisee groups operating open studios. Negative economic conditions, including inflation, increased unemployment levels and the effect of decreased consumer confidence or changes in consumer behavior, could

materially harm franchisees' financial condition, which would cause our royalty and other revenues to decline and, as a result, materially and adversely affect our business, results of operations, cash flows and financial condition. In addition, if franchisees fail to renew their franchise agreements with us, or otherwise cease operating, our royalty and other revenues may decrease, which in turn could materially and adversely affect our business, results of operations, cash flows and financial condition.

Franchisees are an integral part of our business. We would be unable to successfully implement our growth strategy without the participation of franchisees. The failure of franchisees to focus on the fundamentals of studio operations, such as quality, service and studio appearance, would adversely affect our business, results of operations, cash flows and financial condition.

If we fail to successfully implement our growth strategy, which includes opening new studios by existing and new franchisees in existing and new markets, our ability to increase our revenue and results of operations could be adversely affected.

Our growth strategy relies in large part upon new studio development by existing and new franchisees. Franchisees face many challenges in opening new studios, including:

- availability and cost of financing;
- selection and availability of suitable studio locations;
- competition for studio sites;
- negotiation of acceptable lease and financing terms;
- construction and development cost management;
- selection and availability of suitable general contractors;
- punctual commencement and progress of construction and development;
- equipment delivery or installation delays;
- health, fitness and wellness trends in new geographic regions and acceptance of our and franchisees' services and products;
- employment, training and retention of qualified personnel;
- competition for consumers and qualified instructors;
- ability to open new studios during the timeframes we and franchisees expect;
- securing required domestic or foreign governmental permits and approvals; and
- general economic and business conditions.

Our growth strategy also relies on our and our master franchisees' ability to identify, recruit and enter into agreements with a sufficient number of qualified franchisees. In addition, our and franchisees' ability to successfully open and operate studios in new markets may be adversely affected by a lack of awareness or acceptance of our brands and a lack of existing marketing efforts and operational execution in these new markets.

To the extent that we and franchisees are unable to implement effective marketing and promotional programs and foster recognition and affinity for our brands in new markets, franchisees' studios in these new markets may not perform as expected and our growth may be significantly delayed or impaired. In addition, franchisees of new studios may have difficulty securing adequate financing, particularly in new markets, where there may be a lack of adequate operating history and brand familiarity. New studios may not be successful or same store sales may not increase at historical rates, which could materially and adversely affect our business, results of operations, cash flows and financial condition.

In addition, new studios build their sales volume and customer base over time and, as a result, generally yield lower amounts of revenue for us than more mature studios. New studios may not achieve sustained results consistent with more mature studios on a timely basis, or at all, which could have an adverse effect on our financial condition, operating results and growth rate.

The majority of new franchisees' studio development is funded by franchisee investment and, therefore, our growth strategy is dependent on the ability of franchisees or prospective franchisees to access funds to finance such development. If franchisees (or prospective franchisees) are not able to obtain financing at commercially reasonable rates, or at all, they may be unwilling or unable to invest in the development of new studios, and our future growth could be adversely affected. In particular, our Chief Executive Officer and founder is the owner of Intensive Capital Inc. ("ICI"), which directly and indirectly has provided financing to a limited number of franchisees. ICI may lessen or discontinue lending to franchisees in the future, and as a result, franchisees may be unable to obtain financing on the same or similar terms or on the same timeline and our future growth could be adversely affected.

To the extent franchisees are unable to open new studios on the timeline we anticipate, we will not realize the revenue growth that we expect. Franchisees' failure to add a significant number of new studios would adversely affect our ability to increase our revenue and operating income and could materially and adversely affect our business, results of operations, cash flows and financial condition.

The number of new studios that actually open in the future may differ materially from the number of studio licenses sold to potential, existing and new franchisees.

The number of new studios that actually open in the future may differ materially from the number of U.S. licenses sold and international licenses to be sold via master franchise agreements. As of December 31, 2019, we had a total of licenses sold in North America and licenses to be sold via master franchise agreements in respect of studios that had not yet opened. Historically, a portion of our licenses sold have not ultimately resulted in new studios. However, the historic conversion rate of signed studio commitments to new studio locations may not be indicative of the conversion rate we will experience in the future, and the total number of new studios that actually open in the future may differ materially from the number of licenses sold that we have at any point in time. In addition, the timing of new studio openings is sometimes delayed for a variety of reasons, and delayed openings would adversely affect our business, results of operations, cash flows and financial condition.

Our expansion into new markets may present increased risks due to our unfamiliarity with those markets.

Certain new franchised studios and studios franchised through master franchisees are planned for markets where there may be limited or no market recognition of our brands. Those new markets may have competitive conditions, consumer preferences and discretionary spending patterns that are different from those in our existing markets. As a result, studios in these new markets may be less successful than studios in existing markets. Franchisees may need to build brand awareness in those new markets through greater investments in advertising and promotional activity than franchisees originally planned. Franchisees may find it more difficult in new markets to hire, motivate and retain qualified employees who can project our vision, passion and culture. Studios opened in new markets may also have lower average sales than studios opened in existing markets. Sales

at studios opened in new markets may take longer to ramp up and reach expected sales and profit levels, and may never do so, thereby adversely affecting our business, results of operations, cash flows and financial condition.

Our expansion into international markets exposes us to a number of risks that may differ in each country where we have licensed franchisees.

We currently have franchised studios in Canada and Japan, signed master franchise agreements governing the development of franchised studios in Saudi Arabia, South Korea, Singapore, Austria and Germany and plan to continue to grow internationally. However, our international operations are in early stages. Expansion into international markets will be affected by local economic and market conditions. Therefore, as we expand internationally, franchisees may not experience the operating margins we expect, and our results of operations and growth may be materially and adversely affected. Our financial condition and results of operations may also be adversely affected if the global markets in which our franchised studios compete are affected by changes in political, economic or other factors. These factors, over which neither we nor franchisees have control, may include:

- recessionary or expansive trends in international markets;
- increases in the taxes we or franchisees pay and other changes in applicable tax laws;
- legal and regulatory changes, and the burdens and costs of our and franchisees' compliance with a variety of foreign laws;
- changes in inflation rates;
- changes in exchange rates and the imposition of restrictions on currency conversion or the transfer of funds;
- difficulty in protecting our brands, reputation and intellectual property;
- difficulty in collecting royalties;
- political and economic instability; and
- other external factors, including actual or perceived threats to public health.

If we or master franchisees fail to identify, recruit and contract with a sufficient number of qualified franchisees, our ability to open new studios and increase our revenue could be materially adversely affected.

The opening of new studios depends, in part, upon the availability of prospective franchisees who meet our criteria. We or master franchisees may not be able to identify, recruit or contract with qualified franchisees in our target markets on a timely basis or at all. In addition, franchisees may not ultimately be able to access the financial or management resources that they need to open the studios contemplated by their agreements with us, or they may elect to cease studio development for other reasons. If we or master franchisees are unable to recruit qualified franchisees or if franchisees are unable or unwilling to open new studios as planned, our growth may be slower than anticipated, which could materially adversely affect our ability to increase our revenue and materially adversely affect our business, results of operations, cash flows and financial condition.

Franchisees may incur rising costs related to the construction of new studios and maintenance of existing studios, which could adversely affect the attractiveness of our franchise model and, in turn, our business, results of operations, cash flows and financial condition.

Franchisees' studios require significant upfront and ongoing investment, including periodic remodeling and equipment replacement. If franchisees' costs are greater than expected, franchisees may need to outperform

their operational plan to achieve their targeted return. In addition, increased costs may result in lower profits to franchisees, which may cause them to cease operations or make it harder for us to attract new franchisees, which in turn could materially and adversely affect our business, results of operations, cash flows and financial condition.

In addition, if a franchisee is unwilling or unable to acquire the necessary financing to invest in the maintenance and upkeep of its studios, including periodic remodeling and equipment replacement, the quality of its studios could deteriorate, which may have a negative impact on the image of our brands and franchisees' ability to attract and retain customers, which in turn may have a negative impact on our business, results of operations, cash flows and financial condition.

If franchisees are unable to identify and secure suitable sites for new studios, our ability to open new studios and increase our revenue could be materially adversely affected.

To successfully expand our business, franchisees must identify and secure sites for new studios that meet our established criteria. Franchisees face significant competition for such sites and, as a result, franchisees may lose or be forced to pay significantly higher prices for such sites. If franchisees are unable to identify and secure sites for new studios that meet our established criteria, our revenue growth rate and results of operations may be negatively impacted. Additionally, if our or franchisees' analysis of the suitability of a new studio site is incorrect, franchisees may not be able to recover their capital investment in developing and building the new studio.

As we increase our number of franchised studios, franchisees may also open studios in higher-cost markets, which could entail, among other expenses, greater lease payments and construction costs. The higher level of invested capital at these studios may require higher operating margins and higher net income per studio to produce the level of return we, franchisees and our potential franchisees expect. Failure to provide this level of return could adversely affect our business, results of operations, cash flows and financial condition.

Opening new studios in close proximity to existing studios may negatively impact existing studios' revenue and profitability.

Franchisees currently operate studios in 48 states and the District of Columbia, Canada and Japan, and we plan to continue to seek franchisees to open new studios in the future, some of which will be in existing markets. We intend to continue opening new franchised studios in existing markets as part of our growth strategy, some of which may be located in close proximity to studios already in those markets. Opening new studios in close proximity to existing studios may attract some customers away from those existing studios, which may lead to diminished revenue and profitability for us and franchisees rather than increased market share. In addition, as a result of opening new studios in existing markets, and because older studios will represent an increasing proportion of our studio base over time, same store sales may be lower in future periods than they have been historically.

New brands or services that we launch in the future may not be as successful as we anticipate, which could have a material adverse effect on our business, results of operations, cash flows and financial condition.

We acquired Stretch Lab in November 2017, Row House in December 2017, AKT Fitness in March 2018, Yoga Six in July 2018 and Stride in December 2018. We launched Video-On-Demand offerings in 2019. We may launch additional brands, services or products in the future. We cannot assure you that any new brands, services or products we launch will be accepted by consumers, that we will be able to recover the costs incurred in developing new brands, services or products, or that new brands, services or products will be successful. If new brands, services or products are not as successful as we anticipate, it could have a material adverse effect on our business, results of operations, cash flows and financial condition.

Our success depends substantially on our ability to maintain the value and reputation of our brands.

Our success is dependent in large part upon our ability to maintain and enhance the value of our brands and the connection of franchisees' customers to our brands. Maintaining, protecting and enhancing our brands depends largely on the success of our marketing efforts, ability to provide consistent, high-quality services and our ability to successfully secure, maintain and defend our rights to use trademarks important to our brands. We believe that the importance of our brands will increase as competition within our markets further intensifies and brand promotion activities may require substantial expenditures. Our brands could be harmed if we fail to achieve these objectives or if our public image were to be tarnished by negative publicity. In particular, studios offer services that involve physical interaction, and any claims of inappropriate touching or behavior by franchisees' employees or independent contractors, even if unsubstantiated, could harm our and our brands' reputations. Unfavorable publicity about us, including our brands, services, products, customer service, personnel, technology and suppliers, could diminish confidence in, and the use of, our services and products. Such negative publicity also could have an adverse effect on the size, engagement and loyalty of franchisees' customers and result in decreased revenue, which could have an adverse effect on our business, results of operations, cash flows and financial condition.

Franchisees could take actions that harm our business.

Franchisees are contractually obligated to operate their studios in accordance with the operational, safety and health standards set forth in our agreements with them. Franchisees are independent third parties and their actions are outside of our control. In addition, we cannot be certain that franchisees will have the business acumen or financial resources necessary to operate successful franchises, and certain state franchise laws may limit our ability to terminate or modify our franchise agreements with them. Franchisees own, operate and oversee the daily operations of their studios, and their employees and independent contractors are not our employees or independent contractors. As a result, the ultimate success and quality of any studio rests with the franchisee. If franchisees do not operate their studios in a manner consistent with required standards and comply with local laws and regulations, franchise fees and royalties paid to us may be adversely affected and the image of our brands and our reputation could be harmed, which in turn could adversely affect our business, results of operations, cash flows and financial condition. Furthermore, we may have disputes with franchisees that could damage the image of our brands, our reputation and our relationships with franchisees.

Franchisees may not successfully execute our suggested best practices, which could harm our business.

Franchisees may not successfully execute our suggested best practices, which include our recommended plan for operating and managing a studio. We believe our suggested best practices provide key principles designed to help franchisees manage and operate a studio efficiently. If a franchisee is unable to manage or operate their studio efficiently, the performance and quality of service of the studio could be adversely affected, which could reduce customer engagement and negatively affect our royalty revenues and brand image. Further, we expect franchisees to follow our suggested best practices, and if a franchisee does not adopt the principles outlined by us, franchisees may not generate the revenue we expect and our forecasts and projections may be inaccurate, which in turn could adversely affect our business, results of operations, cash flows and financial condition.

We are subject to a variety of additional risks associated with franchisees.

Our franchise model subjects us to a number of risks, any one of which may impact our royalty revenues collected from franchisees, harm the goodwill associated with our brands, and materially and adversely impact our business, results of operations, cash flows and financial condition.

Franchisee bankruptcies. A franchisee bankruptcy could have a substantial negative impact on our ability to collect payments due under our agreements with such franchisee. In the event of a franchisee

bankruptcy, the bankruptcy trustee may reject its franchise agreement or agreements, area development agreement or any other agreements pursuant to Section 365 under the U.S. Bankruptcy Code, in which case there would be no further royalty payments or any other payments from such franchisee, and we may not ultimately recover those payments in a bankruptcy proceeding of such franchisee in connection with a damage claim resulting from such rejection.

Franchisee changes in control. Franchisees are independent business owners. Although we have the right to approve franchisees, including any transferee franchisees, it can be difficult to predict in advance whether a particular franchisee will be successful. If an individual franchisee is unable to successfully establish, manage and operate its studio, the performance and quality of service of the studio could be adversely affected, which could reduce sales and negatively affect our royalty revenues, the image of our brands and our reputation. In the event of the death or disability of a franchisee (if a natural person) or a principal of a franchisee entity, the executors and representatives of the franchisee are required to transfer the relevant franchise agreements with us to the franchisee's heirs, trust, personal representative or conservator, as applicable. In any transfer situation, the transferee may not be able to perform the former franchisee's obligations under such franchise agreements and successfully operate the studio. In such a case, the performance and quality of service of the studio could be adversely affected, which could also reduce sales and negatively affect our royalty revenues, the image of our brands and our reputation.

Franchisee insurance. Franchise agreements require each franchisee to maintain certain insurance types at specified levels. Losses arising from certain extraordinary hazards, however, may not be covered, and insurance may not be available (or may be available only at prohibitively expensive rates) with respect to many other risks. Moreover, any loss incurred could exceed policy limits and policy payments made to franchisees may not be made on a timely basis. Any such loss or delay in payment could have a material adverse effect on a franchisee's ability to satisfy its obligations under its franchise agreement with us or other contractual obligations, which could negatively affect our operating and financial results.

Franchisees that are operating entities. Franchisees may be natural persons or legal entities. Franchisees that are operating companies (as opposed to limited purpose entities) are subject to business, credit, financial and other risks, which may be unrelated to the operation of their studios. These unrelated risks could materially and adversely affect a franchisee that is an operating company and its ability to service its customers and maintain studio operations while making royalty payments, which in turn may materially and adversely affect our business, results of operations, cash flows and financial condition.

Franchise agreement termination and nonrenewal. Each of our franchise agreements is subject to termination by us as the franchisor in the event of a default. The default provisions under our franchise agreements are drafted broadly and include, among other things, any failure to meet performance standards.

In addition, each of our franchise agreements has an expiration date. Upon the expiration of a franchise agreement, we or the franchisee may, or may not, elect to renew the franchise agreement. The franchise agreement renewal is contingent on, among other requirements, the franchisee's execution of the then-current form of franchise agreement (which may include increased royalty rates, advertising fees and other fees and costs), the satisfaction of certain conditions (including studio renovation and modernization and other requirements) and the payment of a renewal fee. If a franchisee is unable or unwilling to satisfy any of these requirements, the expiring franchise agreement will terminate upon the expiration of its term.

Franchisee litigation and effects of regulatory efforts. We and franchisees are subject to a variety of litigation risks, including, but not limited to, customer claims, personal injury claims, harassment claims, vicarious liability claims, litigation with or involving our relationship with franchisees, litigation alleging that the franchisees are our employees or that we are the co-employer of franchisees' employees, landlord/tenant disputes, intellectual property claims, gift card claims, employee allegations of improper termination and discrimination, claims related to violations of the Americans with Disabilities Act of 1990 (the "ADA"), the Fair

Labor Standards Act, the Occupational Safety and Health Act (the "OSHA") and other employment-related laws. Each of these claims may increase costs, reduce the execution of new franchise agreements and affect the scope and terms of insurance or indemnifications we and franchisees may have. Litigation against a franchisee or its affiliates by third parties or regulatory agencies, whether in the ordinary course of business or otherwise, may also include claims against us by virtue of our relationship with the defendant-franchisee, whether under vicarious liability, joint employer or other theories. In addition to such claims decreasing the ability of a defendant-franchisee to make royalty payments and diverting our management and financial resources, adverse publicity resulting from such allegations may materially and adversely affect us, the image of our brands and our reputation, regardless of whether the allegations are valid or we are liable. Our international operations may be subject to additional risks related to litigation, including difficulties in enforcement of contractual obligations governed by foreign law due to differing interpretations of rights and obligations, compliance with multiple and potentially conflicting laws, new and potentially untested laws and judicial systems, and reduced or diminished protection of intellectual property. A substantial judgment against us or one of our subsidiaries could materially and adversely affect our business, results of operations, cash flows and financial condition.

In addition, we, master franchisees, and franchisees are subject to various regulatory efforts, such as efforts to enforce employment laws, which include efforts to categorize franchisors as the co-employers of their franchisees' employees, legislation to categorize independent contractors as employees, legislation to categorize individual franchised businesses as large employers for the purposes of various employment benefits, and other legislation or regulations that may have a disproportionate impact on franchisors and/or franchised businesses. These efforts may impose greater costs and regulatory burdens on us and franchisees, and negatively affect our ability to attract and retain franchisees.

We could also become subject to class action or other lawsuits related to the above-described or different matters in the future. In the ordinary course of business, we are also the subject of regulatory actions regarding the enforceability of the non-compete clauses included in our franchise agreements. In particular, certain states have public policies that may call into question the enforceability of non-compete clauses. Regardless, however, of whether any claim brought against us in the future is valid or we are liable, such a claim would be expensive to defend and may divert time, money and other valuable resources away from our operations and, thereby, hurt our business.

Insurance may not be available at all or in sufficient amounts to cover any liabilities with respect to these or other matters. A judgment or other liability in excess of our insurance coverage for any claims, or any adverse publicity resulting from such claims, could adversely affect our business, results of operations, cash flows and financial condition.

Franchise agreements and franchisee relationships. Franchisees develop and operate their studios under terms set forth in our area development and franchise agreements, respectively. These agreements give rise to long-term relationships that involve a complex set of obligations and cooperation. We have a standard set of agreements that we typically use with franchisees. However, we reserve the right to negotiate terms of our franchise agreements with individual franchisees or groups of franchisees (*e.g.*, a franchisee association). We and franchisees may not always maintain a positive relationship or interpret our agreements in the same way. Our failure to have positive relationships with franchisees could individually or in the aggregate cause us to change or modify our business practices, which may make our franchise model less attractive to franchisees or their customers.

While our franchisee revenues are not concentrated among one or a small number of parties, the success of our business does depend in large part on our ability to maintain contractual relationships with franchisees in profitable studios. A typical franchise agreement has a ten-year term. No franchisee accounted for more than 5% of our total studios. If we fail to maintain or renew our contractual relationships with these significant franchisees on acceptable terms, or if one or more of these significant franchisees were to become unable or otherwise unwilling to pay amounts due to us, our business, results of operations, cash flows and financial condition could be materially adversely affected.

Macroeconomic conditions or an economic downturn or uncertainty in our key markets could adversely affect discretionary spending and reduce demand for our and franchisees' services and products, which could adversely affect our and franchisees' ability to increase sales at existing studios or to open new studios.

Recessionary economic cycles, low consumer confidence, inflation, higher interest rates, higher levels of unemployment, higher consumer debt levels, higher tax rates and other changes in tax laws or other economic factors that may negatively affect our ability to attract franchisees and a decrease in discretionary consumer spending could reduce demand for health, fitness and wellness services and products, which could adversely affect our revenue and operating margins and make opening new studios more difficult. In recent years, the United States and other significant economic markets have experienced cyclical downturns and worldwide economic conditions remain uncertain. As global economic conditions continue to be volatile or economic uncertainty remains, trends in consumer discretionary spending also remain unpredictable and subject to reductions. Since our formation in 2017, our business has operated almost exclusively in a relatively strong economic environment and, therefore, we cannot be sure the extent to which we may be affected by recessionary conditions. Unfavorable economic conditions may decrease demand for our franchises. In addition, unfavorable economic conditions may lead consumers to have lower disposable income and reduce the frequency with which they purchase our and franchisees' services and products. In addition, disasters or outbreaks could negatively impact consumer spending in the impacted regions or depending upon the severity, globally, which could adversely impact our or franchisees' operating results. This could result in fewer transactions or limitations on the prices we and franchisees can charge for services and products, either of which could reduce our sales and operating margins. All of these factors could have a material adverse impact on our results of operations and growth strategy.

Our future success depends on the continuing efforts of our key employees and franchisees' ability to attract and retain highly skilled personnel.

Our future success depends, in part, on the services of our senior management team and other key employees at our corporate headquarters, as well as on our and franchisees' ability to recruit, retain and motivate key employees. Competition for such employees can be intense, and the inability to identify, attract, develop, integrate and retain the additional qualified employees required to expand our and franchisees' activities, or the loss of current key employees, could adversely affect our and franchisees' operating efficiency and financial condition. In particular, we are highly dependent on the services of Anthony Geisler, our Chief Executive Officer and founder, who is critical to the development of our business, vision and strategic direction. We also heavily rely on the continued service and performance of our senior management team, including each of our brand presidents, who provide leadership, contribute to the core areas of our business and help us to efficiently execute our business. If our senior management team, including any new hires that we make in the future, fails to work together effectively and to execute our plans and strategies on a timely basis, our business and future growth prospects could be harmed.

Additionally, the loss of any key personnel could make it more difficult to manage our operations, reduce our employee retention and revenue and impair our ability to compete. Although we have entered into employment offer letters with certain of our key personnel, including Mr. Geisler, these letters have no specific duration and constitute at-will employment. We do not maintain key person life insurance policies on any of our employees.

Competition for highly skilled personnel is often intense. We and franchisees may not be successful in attracting, integrating or retaining qualified personnel to fulfill our or their needs. We have from time to time experienced, and we expect to continue to experience in the future, difficulty in hiring and retaining highly skilled employees with appropriate qualifications.

In addition, under the terms of our outstanding credit facility, the loss of certain key personnel, including Mr. Geisler, could, under certain circumstances, permit the lenders to declare an event of default and

require that we immediately repay all of our borrowings under the credit facility, plus certain prepayment fees, penalties and interest, and foreclose on the collateral granted to them to secure such indebtedness. Such repayment obligations would have a material adverse effect on our business, results of operations, cash flows and financial condition.

Our investments in underperforming studios may be unsuccessful, which could adversely affect our business, results of operations, cash flows and financial condition.

From time to time, we take ownership of underperforming studios with a view to improving the operating results of the studio and ultimately re-licensing it to a different franchisee. There is no guarantee that we will be successful in improving the operating results of such a studio or refranchising it. If the costs of operating the studio are greater than expected, the studio is otherwise unattractive due to its location or otherwise or we are required to operate the studio for an extended period of time, our business, results of operations, cash flows and financial condition may be adversely affected.

From time to time, we also make cash support payments to franchisees of underperforming studios. The support payments are intended to help franchisees improve their studios. The support payments may not be sufficient to help franchisees improve their results, and we may never realize a return on the support payments, which could materially and adversely affect our business, results of operations, cash flows and financial condition.

Disruptions in the availability of financing for current or prospective franchisees could adversely affect our business, results of operations, cash flows and financial condition.

Any decline in the capital markets or limits on credit availability may negatively affect the ability of current or prospective franchisees to access the financial or management resources that they need to open or continue operating the studios contemplated by their agreements with us. Franchisees generally depend upon financing from banks or other financial institutions in order to construct and open new studios and to provide working capital. If there is a decline in the credit environment, financing may become difficult to obtain for some or all of our current and prospective franchisees. If current or prospective franchisees face difficulty obtaining financing, the number of our franchised studios may decrease, franchise fee revenues and royalty revenues could decline and our planned growth may slow, which would negatively impact our business, results of operations, cash flows and financial condition.

Our Chief Executive Officer and founder owns ICI, which has provided financing to a limited number of franchisees, and ICI may lessen or discontinue lending to franchisees in the future, and as a result, franchisees may be unable to access funds to finance new studios on similar terms or timelines and our ability to have franchisees open new studios and increase our revenue could be materially adversely affected.

Our Chief Executive Officer and founder is the owner of ICI, which directly and indirectly has provided financing to a limited number of franchisees to fund working capital, equipment leases, franchise fees and other related expenses. It is possible that third parties would not provide comparable financing on comparable terms. ICI may lessen or discontinue lending to franchisees in the future and franchisees may be unable to obtain financing on the same or similar terms and our future growth could be adversely affected.

We operate in a highly competitive market and we may be unable to compete successfully against existing and future competitors.

Our services are offered in a highly competitive market. We face significant competition in every aspect of our business, including other fitness studios, personal trainers, health and fitness clubs, at-home fitness equipment, online fitness services and health and wellness apps. We also compete to sell franchises to potential franchisees who may choose to purchase franchises in boutique fitness from other operators, or franchises in

other industries. Moreover, we expect the competition in our market to intensify in the future as new and existing competitors introduce new or enhanced services and products that compete with ours. Franchisees compete with other fitness industry participants, including:

- other national and regional boutique fitness offerings, some of which are franchised and others of which are owned centrally at a corporate level;
- other fitness centers, including gyms and other recreational facilities;
- individually owned and operated boutique fitness studios;
- personal trainers;
- racquet, tennis and other athletic clubs;
- online fitness services and health and wellness apps;
- the home-use fitness equipment industry; and
- businesses offering similar services.

Our competitors may develop, or have already developed, services, products, features or technologies that are similar to ours or that achieve greater consumer acceptance, may undertake more successful service and product development efforts, create more compelling employment opportunities, franchise opportunities or marketing campaigns, or may adopt more aggressive pricing policies. Our competitors may develop or acquire, or have already developed or acquired, intellectual property rights that significantly limit or prevent our ability to compete effectively in the public marketplace. In addition, our competitors may have significantly greater resources than us, allowing them to identify and capitalize more efficiently upon opportunities in new markets and consumer preferences and trends, more quickly transition and adapt their services and products, devote greater resources to marketing and advertising, or be better positioned to withstand substantial price competition. If we are not able to compete effectively against our competitors, they may acquire and engage customers or generate revenue at the expense of our efforts, which could have an adverse effect on our business, results of operations, cash flows and financial condition.

Franchisees may be unable to attract and retain customers, which would materially and adversely affect our business, results of operations, cash flows and financial condition.

The success of our business depends on franchisees' ability to attract and retain customers. Our and franchisees' marketing efforts may not be successful in attracting customers to studios, and customer engagement may materially decline over time, especially at studios in operation for an extended period of time. Customers may cancel their memberships at any time after giving proper advance notice, subject to an initial minimum term applicable to certain memberships. Franchisees may also cancel or suspend memberships if a customer fails to provide payment. In addition, franchised studios experience attrition and must continually engage existing customers and attract new customers in order to maintain membership levels. Some of the factors that could lead to a decline in customer engagement include changing desires and behaviors of consumers or their perception of our brands, changes in discretionary spending trends and general economic conditions, market maturity or saturation, a decline in our ability to deliver quality service at a competitive price, a decrease in monthly membership dues as a result of direct and indirect competition in our industry, and a decline in the public's interest in health, fitness and wellness, among other factors. In order to increase membership levels, we may from time to time allow franchisees to offer promotions or lower monthly dues or annual fees. If we and franchisees are not successful in optimizing price or in increasing membership levels in new and existing studios, growth in monthly membership dues or annual fees may suffer. Any decrease in our average dues or fees or higher membership costs may adversely impact our business, results of operations, cash flows and financial condition.

If we are unable to anticipate and satisfy consumer preferences and shifting views of health, fitness and wellness, our business may be adversely affected.

Our success depends on our ability to identify and originate trends, as well as to anticipate and react to changing consumer preferences and demands relating to health, fitness and wellness, in a timely manner. Our business is subject to changing consumer preferences and trends that cannot be predicted with certainty. Developments or shifts in research or public opinion on the types of health, fitness and wellness services our brands provide could negatively impact consumers' preferences for such services and negatively impact our business. If we are unable to introduce new or enhanced offerings in a timely manner, or if our new or enhanced offerings are not accepted by consumers, our competitors may introduce similar offerings faster than us, which could negatively affect our rate of growth. Moreover, our new offerings may not receive consumer acceptance as preferences could shift rapidly to different types of health, fitness and wellness offerings or away from these types of offerings altogether, and our future success depends in part on our ability to anticipate and respond to these shifts. Failure to anticipate and respond in a timely manner to changing consumer preferences and demands could lead to, among other things, lower revenue at our franchised studios and, therefore, lower revenue from royalties. Even if we are successful in anticipating consumer preferences and demands, our ability to adequately react to and address them will partially depend upon our continued ability to develop and introduce innovative, high-quality offerings. Development of new or enhanced offerings may require significant time and financial investment, which could result in increased costs and a reduction in our operating margins. For example, we have historically incurred higher levels of sales and marketing expenses accompanying the introduction of each brand and service.

Our planned growth could place strains on our management, employees, information systems and internal controls, which may adversely impact our business.

Since our founding in 2017, we have experienced significant growth in our business activities and operations. This expansion has placed, and our planned future expansion may place, significant demands on our administrative, operational, financial and other resources. Any failure to manage growth effectively could seriously harm our business. To be successful, we will need to continue to implement management information systems and improve our operating, administrative, financial and accounting systems and controls. We will also need to train new employees and maintain close coordination among our executive, accounting, finance, legal, human resources, risk management, marketing, technology, sales and operations functions. These processes are time-consuming and expensive, increase management responsibilities and divert management attention, and we may not realize a return on our investment in these processes. In addition, we believe the culture we and franchisees foster at studios is an important contributor to our success. However, as we expand we may have difficulty maintaining our culture or adapting it sufficiently to meet the needs of our operations. These risks may be heightened as our growth accelerates. In 2019, franchisees opened studios, compared to 260 studios in 2018 and 237 studios in 2017 on a pro forma basis. Our failure to successfully execute on our planned expansion of studios could materially and adversely affect our business, results of operations, cash flows and financial condition.

Our business is subject to various laws and regulations and changes in such laws and regulations, our or franchisees' failure to comply with existing or future laws and regulations, could adversely affect our business, results of operations, cash flows and financial condition.

We are subject to a trade regulation rule on franchising, known as the FTC Franchise Rule, promulgated by the U.S. Federal Trade Commission (the "FTC"), which regulates the offer and sale of franchises in the United States and its territories and requires us to provide to all prospective franchisees certain mandatory disclosure in a franchise disclosure document ("FDD"). In addition, we are subject to state franchise sales laws in approximately 19 states that regulate the offer and sale of franchises by requiring us to make a business opportunity exemption or franchise filing or obtain franchise registration prior to making any offer or sale of a franchise in those states and to provide a FDD to prospective franchisees. We are subject to franchise sales laws

in six provinces in Canada that regulate the offer and sale of franchises by requiring us to provide a FDD in a prescribed format to prospective franchisees and that further regulate certain aspects of the franchise relationship. Our failure to comply with such franchise sales laws may result in a franchisee's right to rescind its franchise agreement and damages and may result in investigations or actions from federal or state franchise authorities, civil fines or penalties, and stop orders, among other remedies. We are also subject to franchise relationship laws in at least 22 states that regulate many aspects of the franchise relationship, including renewals and terminations of franchise agreements, franchise transfers, the applicable law and venue in which franchise disputes must be resolved, discrimination and franchisees' right to associate, among others. Our failure to comply with such franchise relationship laws may result in fines, damages and our inability to enforce franchise agreements where we have violated such laws. In addition, in certain states under certain circumstances, such as allegations of fraud, we may be temporarily prevented from offering or selling franchises until either our annual FDD filing, or any amendment to our FDD filing, is accepted by the relevant regulatory agency. Our non-compliance with franchise sales laws or franchise relationship laws could result in our liability to franchisees and regulatory authorities as described above, our inability to enforce our franchise agreements, inability to sell licenses and a reduction in our anticipated royalty or franchise revenue, which in turn may materially and adversely affect our business, results of operations, cash flows and financial condition.

We and franchisees are also subject to the Fair Labor Standards Act of 1938, as amended, and various other laws in the United States and Canada governing such matters as minimum-wage requirements, overtime and other working conditions. A significant number of our and franchisees' employees are paid at rates related to the U.S. federal minimum wage. Increases in the U.S. federal minimum wage would increase our and franchisees' labor costs, which might result in our and franchisees' inadequately staffing studios. Such increases in labor costs and other changes in labor laws could affect studio performance and quality of service, decrease royalty revenues and adversely affect our brands.

Our and franchisees' operations and properties are subject to extensive U.S. and Canadian federal, state, provincial and local laws and regulations, as well laws and regulations in other countries in which we and franchisees have begun operating, or in the future may operate, including those relating to environmental, building and zoning requirements. Our and franchisees' development of properties depends to a significant extent on the selection and acquisition of suitable sites, which are subject to zoning, land use, environmental, traffic and other regulations and requirements. Failure to comply with these legal requirements could result in, among other things, revocation of required licenses, administrative enforcement actions, fines and civil and criminal liability, which could adversely affect our business, results of operations, cash flows and financial condition.

We and franchisees are responsible at the studios we operate for compliance with state and provincial laws that regulate the relationship between studios and their customers. Many states and provinces have consumer protection regulations that may limit the collection of dues or fees prior to a studio opening, require disclosure of certain pricing information, mandate the maximum length of membership contracts and "cooling off" periods for customers after the purchase of a membership, set escrow and bond requirements for studios, govern customer rights in the event of a customer relocation or disability, provide for specific customer rights when a studio closes or relocates or preclude automatic membership renewals. Our or franchisees' failure to comply fully with these rules or requirements may subject us or franchisees to fines, penalties, damages and civil liability, or result in membership contracts being void or voidable. In addition, states may modify these laws and regulations in the future. Any additional costs which may arise in the future as a result of changes to the legislation and regulations or in their interpretation could individually or in the aggregate cause us to change or limit our business practices, which may make our business model less attractive to franchisees or their customers.

We currently are, and may in the future be, subject to legal proceedings, regulatory disputes and governmental inquiries that could cause us to incur significant expenses, divert our management's attention, and materially harm our business, results of operations, cash flows and financial condition.

From time to time, we may be subject to claims, lawsuits, government investigations and other proceedings involving competition and antitrust, intellectual property, privacy, consumer protection, securities, tax, labor and employment, gift cards, commercial disputes and other matters that could adversely affect our business, results of operations, cash flows and financial condition. In the ordinary course of business, we are the subject of complaints or litigation, including litigation related to acquisitions, classification of independent contractors, trademark disputes and claims related to our franchise agreements or employment agreements. Litigation related to laws or regulations, or changes in laws or regulations, governing instructor certifications may also adversely affect our or franchisees' businesses. For example, suits have been brought against Stretch Lab franchisees alleging that flexologists must be certified massage therapists. If any of these lawsuits are decided adversely against franchisees, or laws or regulations regarding instructor certifications change, franchisees may face increased labor costs, which could adversely affect the franchisee's business and results of operations, which may adversely affect our business, results of operations, cash flows and financial condition.

Litigation and regulatory proceedings may be protracted and expensive, and the results are difficult to predict. Additionally, our litigation costs could be significant. Adverse outcomes with respect to litigation or any of these legal proceedings may result in significant settlement costs or judgments, penalties and fines, or require us to modify, make temporarily unavailable or stop offering or selling certain services or products, all of which could negatively affect our sales and revenue growth. In particular, any allegations of fraud could temporarily prevent us from offering or selling franchises in certain states for a period of time.

The results of litigation, investigations, claims and regulatory proceedings cannot be predicted with certainty, and determining reserves for pending litigation and other legal and regulatory matters requires significant judgment. There can be no assurance that our expectations will prove correct, and even if these matters are resolved in our favor or without significant cash settlements, these matters, and the time and resources necessary to litigate or resolve them, could harm our business, results of operations, cash flows and financial condition.

We, master franchisees and franchisees could be subject to claims related to health and safety risks to customers that arise while at our and franchisees' studios.

The use of our and franchisees' studios poses some potential health and safety risks to customers through, among other things, physical exertion and the physical nature of the services offered. Claims might be asserted against us and franchisees for a customer's death or injury sustained while exercising and using the facilities at a studio, for harassment in connection with services offered at a studio, or products liability claims arising from use of equipment in the studio, and we may be named in such a suit even if the claim relates to the operations or facilities of a franchisee. We may not be able to successfully defend such claims. We also may not be able to maintain our general liability insurance on acceptable terms in the future or maintain a level of insurance that would provide adequate coverage against potential claims. In addition, adverse publicity resulting from such allegations may materially and adversely affect us, the image of our brands and our reputation, regardless of whether such allegations are valid or we are liable. Depending upon the outcome, these matters may have a material adverse effect on our business, results of operations, cash flows and financial condition.

We, master franchisees and franchisees rely heavily on information systems provided by a single provider, and any material failure, interruption, weakness or termination with such supplier may prevent us from effectively operating our business and damage our reputation.

We and franchisees in North America increasingly rely on information systems provided by ClubReady, LLC ("ClubReady"), including thepoint-of-sale processing systems in our franchised studios and other

information systems managed by ClubReady, to interact with franchisees and customers and to collect and maintain customer information or other personally identifiable information, including for the operation of studios, collection of cash, management of our equipment supply chain, accounting, staffing, payment of obligations, Automated Clearing House ("ACH") transactions, credit and debit card transactions and other processes and procedures. Our and franchisees' ability to efficiently and effectively manage studios depends significantly on the reliability and capacity of these systems, and any potential failure of ClubReady to provide quality uninterrupted service is beyond our and their control. Additionally, if ClubReady were to terminate its relationship with us, we could incur substantial delays and expense in finding and integrating an alternative studio management and payment service provider into our operating systems, and the quality and reliability of such alternative service provider may not be comparable.

Franchisees outside of North America also rely on information systems, and any disruption in such information systems could negatively impact such franchisees' operations, which could adversely affect our business, results of operations or financial condition.

Our and franchisees' operations depend upon our and their ability, as well as the ability of third-party service providers such as ClubReady, to protect our and their computer equipment and systems against damage from physical theft, fire, power loss, telecommunications failure or other catastrophic events, as well as from internal and external security breaches, viruses, denial-of-service attacks and other disruptive problems. The failure of these systems to operate effectively, maintenance problems, upgrading or transitioning to new platforms, expanding our systems as we grow, a breach in security of these systems or other unanticipated problems could result in interruptions to or delays in our business and customer service and reduce efficiency in our operations. In addition, the implementation of technology changes and upgrades to maintain current and integrate new systems, as well as transitions from one service provider to another, may cause service interruptions, operational delays due to the learning curve associated with using a new system, transaction processing errors and system conversion delays and may cause us to fail to comply with applicable laws. If our, franchisees' or our third-party service providers' information systems fail and the back-up or disaster recovery plans are not adequate to address such failures, our revenue could be reduced and the image of our brands and our reputation could be materially adversely affected. If we need to move to a different third-party system, our operations could be interrupted. In addition, remediation of such problems could result in significant, unplanned operating or capital expenditures.

If we, master franchisees, franchisees or ClubReady fail to properly maintain the confidentiality and integrity of our data, including customer credit, debit card and bank account information and other personally identifiable information, we could incur significant liability or become subject to costly litigation and our reputation and business could be materially and adversely affected.

In the ordinary course of business, we, master franchisees, and franchisees collect, use, transmit, store and otherwise process customer and employee data, including credit and debit card numbers, bank account information, driver's license numbers, dates of birth and other highly sensitive personally identifiable information, in information systems that we, master franchisees, franchisees or our third-party service providers, including ClubReady, maintain. Some of this data is sensitive and could be an attractive target of criminal attack by malicious third parties with a wide range of motives and expertise, including organized criminal groups, hackers, "hactivists," disgruntled current or former employees, and others. The integrity and protection of that customer and employee data is critical to us.

Despite the security measures we have in place to comply with applicable laws and rules, our, master franchisees', franchisees' and our third-party service providers' facilities and systems may be vulnerable to both external and internal threats, including security breaches, acts of cyber terrorism or sabotage, vandalism or theft, misuse, unauthorized access, computer viruses, ransomware, denial-of-service attacks, misplaced, corrupted or lost data, programming or human errors or other similar events. Certain of our third-party service providers lack sufficient design and implementation of general information technology controls and we lack sufficient controls

over information provided by certain third-party service providers, which could expose us to any of the foregoing risks. A number of retailers and other companies have recently experienced serious cyber security breaches of their information technology systems. Furthermore, the size and complexity of our, master franchisees', franchisees' and our third-party service providers' information systems make such systems potentially vulnerable to security breaches from inadvertent or intentional actions by our employees, franchisees or vendors, or from attacks by malicious third parties. Because such attacks are increasing in sophistication and change frequently in nature, we, franchisees, master franchisees and our third-party service providers may be unable to anticipate these attacks or implement adequate preventative measures, and any compromise of our or their systems may not be discovered promptly.

Under certain laws, regulations and contractual obligations, a cybersecurity breach could also require us to notify customers, employees or other groups of the incident. For example, laws in all 50 U.S. states require businesses to provide notice to clients whose personal information has been disclosed as a result of a data breach. These laws are not consistent, and compliance in the event of a widespread data breach is difficult and may be costly. Moreover, states have been frequently amending existing laws, requiring attention to changing regulatory requirements. The forgoing could result in adverse publicity, loss of sales and revenue, or an increase in fees payable to third parties. It could also result in significant fines, penalties orders, sanctions and proceedings or actions against us by governmental bodies and other regulatory authorities, clients or third parties or remediation and other costs that could adversely affect our business, results of operations, cash flows and financial condition. Any such proceeding or action could damage our reputation, force us to incur significant expenses in defense of these proceedings, distract our management, increase our costs of doing business or result in the imposition of financial liability.

Furthermore, we may be required to disclose personal data pursuant to demands from individuals, privacy advocates, regulators, and government and law enforcement agencies in various jurisdictions with conflicting privacy and security laws. This disclosure or the refusal to disclose personal data may result in a breach of privacy and data protection policies, notices, laws, rules, court orders and regulations and could result in proceedings or actions against us in the same or other jurisdictions, damage to the image of our brands and our reputation, and our inability to provide our services and products to consumers in certain jurisdictions.

A security breach involving the misappropriation, loss or other unauthorized disclosure of personal, sensitive or confidential information, whether by us, franchisees or our third-party service providers, could have material adverse effects on our and franchisees' business, operations, brands, reputation and financial condition, including decreased revenue, material fines and penalties, litigation, increased financial processing fees, compensatory, statutory, punitive or other damages, adverse actions against our licenses to do business and injunctive relief by court or consent order. We maintain cyber risk insurance, but do not require franchisees to do so. In the event of a significant data security breach, our insurance may not cover all our losses that we would be likely to suffer and in addition, franchisees may not have any or adequate coverage.

Failure by us, master franchisees, franchisees or third-party service providers to comply with existing or future data privacy laws and regulations could have a material adverse effect on our business.

The collection, maintenance, use, disclosure and disposal of personally identifiable information by us, master franchisees and franchisees is regulated by federal, state and provincial governments and by certain industry groups, including the Payment Card Industry organization and the National Automated Clearing House Association. Federal, state, provincial governments and industry groups may also consider and implement from time to time new privacy and security requirements that apply to us and franchisees. Compliance with evolving privacy and security laws, requirements and regulations may result in cost increases due to necessary systems changes, new limitations or constraints on our business models and the development of new administrative processes. They also may impose further restrictions on our collection, disclosure and use of personally identifiable information that is stored in one or more of our, master franchisees', franchisees' or our third-party service providers' databases.

The U.S. federal government and various states and governmental agencies have adopted or are considering adopting various laws, regulations and standards regarding the collection, use, retention, security, disclosure, transfer and other processing of sensitive and personal information. Certain state laws may be more stringent or broader in scope, or offer greater individual rights, with respect to sensitive and personal information than federal, international or other state laws, and such laws may differ from each other, which may complicate compliance efforts. For example, the California Consumer Privacy Act (the "CCPA"), which increases privacy rights for California residents and imposes obligations on companies that process their personal information, came into effect on January 1, 2020. Among other things, the CCPA requires covered companies to provide new disclosures to California consumers and provide such consumers new data protection and privacy rights, including the ability to opt-out of certain sales of personal information. The CCPA provides for civil penalties for violations, as well as a private right of action for certain data breaches that result in the loss of personal information. This private right of action may increase the likelihood of, and risks associated with, data breach litigation. The CCPA was amended in September 2018 and November 2019, and it is possible that further amendments will be enacted, but even in its current format, it remains unclear how various provisions of the CCPA will be interpreted and enforced. There are many other state-based data privacy and security laws and regulations that may impact our business. All of these evolving compliance and operational requirements impose significant costs that are likely to increase over time, may require us to modify our data processing practices and policies, divert resources from other initiatives and projects and could restrict the way services involving data are offered, all of which may adversely affect our business, results of operations, cash flows and financial condition. State laws are changing rapidly and there is discussion in Congress of a new federal data protection and privacy law to which we may be subject.

As we expand internationally, we may become subject to additional data privacy laws and regulations, including the European Union's General Data Protection Regulation (the "GDPR"), which went into effect in May 2018 and which imposes additional obligations on companies with respect to the processing of personal data and the cross-border transfer of such data. The GDPR imposes onerous accountability obligations requiring data controllers and processors to maintain a record of their data processing and policies. If our ‚master franchisees', franchisees' or service providers' privacy or data security measures fail to comply with the GDPR requirements, we may be subject to litigation, regulatory investigations, enforcement notices requiring us to change the way we use personal data and/or fines of up to 20 million Euros or up to 4% of the total worldwide annual turnover of the preceding financial year, whichever is higher, as well as compensation claims by affected individuals, negative publicity, reputational harm and a potential loss of business and goodwill. While we continue to address the implications of the recent changes to European Union data privacy regulations, data privacy remains an evolving landscape at both the domestic and international level, with new regulations coming into effect and continued legal challenges, and our efforts to comply with the evolving data protection rules may be unsuccessful. It is possible that these laws may be interpreted and applied in a manner that is inconsistent with our practices. Accordingly, we may be required to devote significant resources to understanding and complying with this changing landscape.

Noncompliance with privacy laws, industry group requirements or a security breach involving the misappropriation, loss or other unauthorized disclosure of personal, sensitive or confidential information, whether by us, franchisees or our third-party service providers, could have material adverse effects on our and franchisees' business, operations, brands, reputation and financial condition, including decreased revenue, material fines and penalties, litigation, increased financial processing fees, compensatory, statutory, punitive or other damages, adverse actions against our licenses to do business and injunctive relief by court or consent order.

Changes in legislation or requirements related to electronic funds transfer, or our or franchisees' failure to comply with existing or future regulations, may adversely impact our business, results of operations, cash flows and financial condition.

We and franchisees accept payments for our services through electronic funds transfers ("EFTs") from customers' bank accounts and, therefore, we are subject to federal, state and provincial legislation and

certification requirements governing EFTs, including the Electronic Funds Transfer Act. Some states, such as New York and Tennessee, have passed or considered legislation requiring health and fitness clubs to offer a prepaid membership option at all times and/or limit the duration for which memberships can auto-renew through EFTs, if at all. Our business relies heavily on the fact that franchisees' customers continue on a month-to-month basis after the completion of any initial term requirements, and compliance with these laws and regulations and similar requirements may be onerous and expensive. In addition, variances and inconsistencies from jurisdiction to jurisdiction may further increase the cost of compliance and doing business. States that have such health and fitness club statutes provide harsh penalties for violations, including membership contracts being void or voidable. Our failure to comply fully with these rules or requirements may subject us to fines, higher transaction fees, penalties, damages and civil liability and may result in the loss of our and franchisees' ability to accept EFTs, which would have a material adverse effect on our and franchisees' businesses, results of operations, cash flows and financial condition. In addition, any such costs that may arise in the future as a result of changes to such legislation and regulations or in their interpretation, could individually or in the aggregate cause us to change or limit our business practice, which may make our business model less attractive to franchisees and our and their members.

We and franchisees are subject to a number of risks related to ACH, credit card, debit card and gift card payments we accept.

We and franchisees accept payments through ACH, credit card, debit card and gift card transactions. Acceptance of these payment options subjects us and franchisees to rules, regulations, contractual obligations and compliance requirements, including payment network rules and operating guidelines, data security standards and certification requirements, and rules governing electronic funds transfers. For ACH, credit card and debit card payments, we and franchisees pay interchange and other fees, which may increase over time. An increase in those fees would require us to either increase the prices we or franchisees charge for our services and products, which could cause us to lose franchisees or franchisees to lose customers or suffer an increase in operating expenses, either of which could harm our business, results of operations and financial condition.

If we or any of our processing vendors have problems with our billing software, or the billing software malfunctions, it could have an adverse effect on customer satisfaction and could cause one or more of the major credit card companies to disallow continued use of their payment products. In addition, if our billing software fails to work properly and, as a result, customers' credit cards, debit cards or bank accounts are not properly charged on a timely basis or at all, we could lose revenue, which would harm our results of operations. In addition, if we or any of our processing vendors experience a cybersecurity breach affecting data related to services provided to us, we could experience reputational damage or incur liability. Further, we and any of our processing vendors must comply with the standards set by the payment card industry ("PCI"). If we or any of our vendors fail to comply with PCI protocols, we could be subject to fines.

If we fail to adequately control fraudulent ACH, credit card and debit card transactions, we may face civil liability, diminished public perception of our security measures and significantly higher ACH, credit card and debit card related costs, each of which could adversely affect our business, results of operations, cash flows and financial condition. The termination of our ability to accept payments through ACH, credit or debit card transactions would significantly impair our and franchisees' ability to operate our businesses.

In addition, we and franchisees offer gift cards for classes at our and franchisees' studios. Certain states include gift cards under their abandoned and unclaimed property laws and require companies to remit to the state cash in an amount equal to all or a designated portion of the unredeemed balance on the gift cards based on certain card attributes and the length of time that the cards are inactive. To date we have not remitted any amounts relating to unredeemed gift cards to states based upon our assessment of applicable laws. The analysis of the potential application of the abandoned and unclaimed property laws to our gift cards is complex, involving an analysis of constitutional, statutory provisions and factual issues. In the event that one or more states change their existing abandoned and unclaimed property laws or successfully challenge our or franchisees' positions on

the application of its abandoned and unclaimed property laws to gift cards, our or franchisees' liabilities with respect to unredeemed gift cards may be material and may negatively affect our and franchisees' business, results of operations, cash flows and financial condition.

Our dependence on a limited number of suppliers for certain equipment, services and products could result in disruptions to our business and could adversely affect our revenue and results of operation.

Certain equipment, services and products used in franchisees' studios, including exercise equipment andpoint-of-sale software and hardware, are sourced from third-party suppliers. The ability of these third-party suppliers to successfully provide reliable and high-quality equipment, services and products is subject to technical and operational uncertainties that are beyond our or franchisees' control. Any disruption to our third-party suppliers' operations could impact our supply chain and our ability to service existing studios and open new studios on time or at all and thereby generate revenue. If we lose these third-party suppliers or such suppliers encounter financial hardships unrelated to our or franchisees' demand for their equipment, services or products, we may be unable to identify or enter into agreements with alternative suppliers on a timely basis on acceptable terms, if at all. Transitioning to new suppliers would be time consuming and expensive and may result in interruptions in our and franchisees' operations. If we should encounter delays or difficulties in securing the quantity of equipment, services and products that we or franchisees require to service existing studios and open new studios, our third-party suppliers encounter difficulties meeting our and franchisees' demands for equipment, services or products, our or franchisees' websites experience delays or become impaired due to errors in the third-party technology or there is a deficiency, lack or poor quality of equipment, services or products provided, our ability to serve franchisees and their customers, as well as to grow our brands, would be interrupted. If any of these events occur, it could have a material adverse effect on our business, results of operations, cash flows and financial condition.

Our intellectual property rights, including trademarks and trade names, may be infringed, misappropriated or challenged by others.

Our brands and related intellectual property are important to our continued success. If we were to fail to successfully protect our intellectual property rights for any reason, or if any third party misappropriates, dilutes or infringes our intellectual property, the value of our brands may be harmed, which could have an adverse effect on our business, results of operations, cash flows and financial condition. Any damage to the image of our brands or our reputation could cause sales to decline or make it more difficult to attract new franchisees and customers.

We have been and may in the future be required to initiate litigation to enforce our trademarks, service marks and other intellectual property. Third parties have and may in the future assert that we have infringed, misappropriated or otherwise violated their intellectual property rights, which could lead to litigation against us. Litigation is inherently uncertain and could divert the attention of management, result in substantial costs and diversion of resources and could negatively affect our sales and results of operations regardless of whether we are able to successfully enforce or defend our rights.

We and franchisees are dependent on certain music licenses to permit franchisees to use music in their studios and to supplement workouts. Any failure to secure such licenses or to comply with the terms and conditions of such licenses may lead to third party claims or lawsuits against us and/or franchisees and could have an adverse effect on our business.

We obtain, and require franchisees to obtain, certain music licenses in connection with ourVideo-On-Demand platform and for use during classes. In some cases, we require franchisees to license rights to music included on specific playlists that we provide. If we or franchisees fail to comply with any of the obligations under such license agreements, we or franchisees may be required to pay damages and the licensor may have the right to terminate the license. Termination by the licensor would cause us and franchisees to lose valuable rights, and could negatively affect our operations. Our business would suffer if any current or future

licenses expire or if we or franchisees are unable to enter into necessary licenses on acceptable terms. In addition, the royalties and other fees payable by us and franchisees under these agreements could increase in the future, which could negatively affect our business.

Our quarterly results of operations and other operating metrics may fluctuate from quarter to quarter, which makes these results and metrics difficult to predict.

Our quarterly results of operations and other operating metrics have fluctuated in the past and may continue to fluctuate from quarter to quarter. Additionally, our limited operating history makes it difficult to forecast our future results. As a result, you should not rely on our past quarterly results of operations as indicators of future performance. You should take into account the risks and uncertainties frequently encountered by companies in rapidly evolving markets. Our financial condition and results of operations in any given quarter can be influenced by numerous factors, many of which we are unable to predict or are outside of our control, including:

- franchisees' ability to maintain and attract new customers and increase their usage of their studios;
- delays in opening new studios;
- the continued market acceptance of, and the growth of the boutique fitness market;
- our ability to maintain and attract new franchisees;
- our development and improvement of the quality of the studio experience, including enhancing existing and creating new services and products;
- strategic actions by us or competitors;
- additions or departures of our senior management or other key personnel;
- sales, or anticipated sales, of large blocks of our stock;
- guidance, if any, that we provide to the public, as well as any changes in this guidance or our failure to meet this guidance;
- results of operations that vary from expectations of securities analysis and investors;
- issuance of new or changed securities analysts' reports or recommendations;
- system failures or breaches of security or privacy;
- seasonality;
- constraints on the availability of franchisee financing;
- our ability to maintain operating margins;
- the diversification and growth of our revenue sources;
- our successful expansion into international markets;

- increases in marketing, sales and other operating expenses that we may incur to grow and expand our operations and to remain competitive;
- pricing pressure as a result of competition or otherwise;
- the timing and success of new product, service, feature and content introductions by us or our competitors or any other change in the competitive landscape of our market;
- the expansion of our Video-On-Demand platform;
- announcement by us, our competitors or vendors of significant contracts or acquisitions;
- public response to press releases or other public announcements by us or third parties, including our filings with the SEC;
- adverse litigation judgments, settlements or other litigation-related costs, including content costs for past use;
- delays by regulators in accepting our annual FDD filing or amendments to our FDD filing;
- changes in the legislative or regulatory environment, including with respect to privacy and advertising, or enforcement by government regulators, including fines, orders or consent decrees;
- fluctuations in currency exchange rates and changes in the proportion of our revenue and expenses denominated in foreign currencies;
- changes in our effective tax rate;
- changes in accounting standards, policies, guidance, interpretations or principles, including changes in fair value measurements or impairment charges; and
- changes in business or macroeconomic conditions, including lower consumer confidence, recessionary conditions, increased unemployment rates, or stagnant or declining wages.

Any one of the factors above or the cumulative effect of some of the factors above may result in significant fluctuations in our results of operations.

The variability and unpredictability of our quarterly results of operations or other operating metrics could result in our failure to meet our expectations or those of analysts that cover us or investors with respect to revenue or other results of operations for a particular period.

You should not rely on past increases in same store sales as an indication of our future results of operations because they may fluctuate significantly.

The level of same store sales is a significant factor affecting our ability to generate revenue. Same store sales reflect the change in period-over-period sales for North America same store base. We define the same store base to include only sales from studios in North America that have been open for at least 13 months.

A number of factors have historically affected, and will continue to affect, our same store sales, including, among other factors:

- competition;

- overall economic trends, particularly those related to consumer spending;
- franchisees' ability to operate studios effectively and efficiently to meet consumer expectations;
- changes in the prices franchisees charge for memberships or classes; and
- marketing and promotional efforts.

Therefore, the increases in historical same store sales growth should not be considered indicative of our future performance. In particular, a number of our brands have a limited number of studios operating, and the limited operating data makes it difficult to forecast results, and as a result, same store sales may differ materially from our projections.

Use of social media may adversely impact our reputation or subject us to fines or other penalties.

There has been a substantial increase in the use of social media platforms, including blogs, social media websites and other forms of internet-based communication, which allow individuals access to a broad audience of consumers and other interested persons. Negative commentary about us and our brands may be posted on social media platforms or similar media at any time and may harm the image of our brands and our or franchisees' reputations or businesses. Consumers value readily available information about fitness studios and often act on such information without further investigation or regard to its accuracy. The harm may be immediate without affording us an opportunity for redress or correction.

We also use social media platforms as marketing tools. For example, we maintain Facebook and Twitter accounts for us and each of our brands. As laws and regulations rapidly evolve to govern the use of these platforms and media, the failure by us, our employees, franchisees or third parties acting at our direction to abide by applicable laws and regulations in media could adversely impact our and franchisees' business, results of operations, cash flows and financial condition or subject us to fines or other penalties.

We may require additional capital to support business growth and objectives, and this capital might not be available to us on attractive terms, if at all, and may result in stockholder dilution.

We expect that our existing cash and cash equivalents, together with our net proceeds from this offering, will be sufficient to meet our anticipated cash needs for at least the next twelve months. In addition, we intend to continue to make investments to support our business growth and may require additional capital to fund our business and to respond to competitive challenges, including the need to promote our services and products, develop new services and products, enhance our existing services, products and operating infrastructure and, potentially, to acquire complementary businesses and technologies. Accordingly, we may need to engage in equity or debt financings to secure additional funds. There can be no assurance that such additional funding will be available on terms attractive to us, or at all. Our inability to obtain additional funding when needed could have an adverse effect on our business, results of operations, cash flows and financial condition. If additional funds are raised through the issuance of equity or convertible debt securities, holders of our Class A common stock could suffer significant dilution, and any new shares we issue could have rights, preferences and privileges superior to those of our Class A common stock. Our outstanding credit facility includes restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. Any debt financing secured by us in the future could include similar or more restrictive covenants, which may likewise limit our ability to obtain additional capital and pursue business opportunities.

We may engage in merger and acquisition activities, which could require significant management attention, disrupt our business, dilute stockholder value and adversely affect our results of operations.

As part of our business strategy, we acquired our first company in 2017, and we have made and may in the future make investments in other companies. We may be unable to find suitable acquisition candidates and to

complete acquisitions on favorable terms, if at all, in the future. If we do complete acquisitions, we may not ultimately strengthen our competitive position or achieve our goals and any acquisitions we complete could be viewed negatively by customers or investors. Moreover, an acquisition, investment or business relationship may result in unforeseen operating difficulties and expenditures, including disrupting our ongoing operations, diverting management from their primary responsibilities, subjecting us to additional liabilities, increasing our expenses and adversely impacting our business, results of operations, cash flows and financial condition. Moreover, we may be exposed to unknown liabilities and the anticipated benefits of any acquisition, investment or business relationship may not be realized, if, for example, we fail to successfully integrate such acquisitions, or the technologies associated with such acquisitions, into our company.

To pay for any such acquisitions, we would have to use cash, incur debt or issue equity securities, each of which may affect our financial condition or the value of our capital stock, as well as result in dilution to holders of our Class A common stock. If we incur more debt, it would result in increased fixed obligations and could subject us to covenants or other restrictions that would impede our ability to manage our operations.

Further, our outstanding credit facility includes provisions that restrict our ability to engage in merger and acquisition activities and certain other transactions outside the ordinary course of business and to incur debt or issue equity securities. Unless waived, such provisions could prevent us from entering into merger or acquisition agreements or restrict our ability to pay for such acquisitions. Even if these provisions are waived, they could make it more difficult for us to find and reach agreement with suitable merger or acquisition candidates at the outset, which could result in missed opportunities and a failure to realize the benefits of such opportunities, which would have an adverse effect on our business, results of operations, cash flows and financial condition.

If any of our retail products are unacceptable to us or franchisees' customers, our business could be harmed.

We have occasionally received, and may in the future continue to receive, shipments of retail products that fail to comply with our technical specifications or that fail to conform to our quality control standards. We have also received, and may in the future continue to receive, products that either meet our technical specifications but that are nonetheless unacceptable to us, or products that are otherwise unacceptable to franchisees' customers. Under these circumstances, unless we are able to obtain replacement products in a timely manner, we risk the loss of revenue resulting from the inability to sell those products and related increased administrative and shipping costs. Additionally, if the unacceptability of our products is not discovered until after such products are purchased by franchisees' customers, these customers could lose confidence in the quality of our retail products, which could have an adverse effect on the image of our brands, our reputation and our results of operations.

We may face exposure to foreign currency exchange rate fluctuations.

While we have historically transacted in U.S. dollars, we have transacted in some foreign currencies, such as the Canadian Dollar, and may transact in more foreign currencies in the future. Accordingly, changes in the value of foreign currencies relative to the U.S. dollar can affect our revenue and results of operations. As a result of such foreign currency exchange rate fluctuations, it could be more difficult to detect underlying trends in our business and results of operations. In addition, to the extent that fluctuations in currency exchange rates cause our results of operations to differ from our expectations or the expectations of our investors, the trading price of our Class A common stock could be lowered. We do not currently maintain a program to hedge transactional exposures in foreign currencies. However, in the future, we may use derivative instruments, such as foreign currency forward and option contracts, to hedge certain exposures to fluctuations in foreign currency exchange rates. The use of such hedging activities may not offset any or more than a portion of the adverse financial effects of unfavorable movements in foreign exchange rates over the limited time the hedges are in place and may introduce additional risks if we are unable to structure effective hedges with such instruments.

Failure to comply with anti-corruption and anti-money laundering laws, including the U.S. Foreign Corrupt Practices Act and similar laws associated with our activities outside of the United States, could subject us to penalties and other adverse consequences.

We currently have franchised studios in Canada and Japan, signed master franchise agreements governing the development of franchised studios in Saudi Arabia, South Korea, Singapore, Austria and Germany and plan to continue to grow internationally. As we operate and expand globally, we may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities. We are subject to the U.S. Foreign Corrupt Practices Act (the "FCPA"), the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the USA PATRIOT Act, and other applicable anti-bribery and anti-money laundering laws in countries in which we conduct activities. These laws prohibit companies and their employees and third-party intermediaries from corruptly promising, authorizing, offering, or providing, directly or indirectly, improper payments or anything of value to foreign government officials, political parties and private-sector recipients for the purpose of obtaining or retaining business, directing business to any person, or securing any advantage. In addition, U.S. public companies are required to maintain records that accurately and fairly represent their transactions and have an adequate system of internal accounting controls. In many foreign countries, including countries in which we may conduct business, it may be a local custom that businesses engage in practices that are prohibited by the FCPA or other applicable laws and regulations. We face significant risks if we or any of our directors, officers, employees, franchisees, agents or other partners or representatives fail to comply with these laws and governmental authorities in the United States and elsewhere could seek to impose substantial civil and/or criminal fines and penalties which could have a material adverse effect on our business, reputation, results of operations, cash flows and financial condition.

Our employees, contractors, franchisees and agents may take actions in violation of our policies or applicable law. Any such violation could have an adverse effect on our reputation, business, results of operations and prospects.

Any violation of the FCPA, other applicable anti-corruption laws, or anti-money laundering laws could result in whistleblower complaints, adverse media coverage, investigations, loss of export privileges, severe criminal or civil sanctions and, in the case of the FCPA, suspension or debarment from U.S. government contracts, any of which could have a materially adverse effect on our reputation, business, results of operations, cash flows and financial condition. In addition, responding to any enforcement action may result in a significant diversion of management's attention and resources and significant defense costs and other professional fees.

The forecasts of market growth included in this prospectus may prove to be inaccurate, and even if the market in which we compete achieves the forecasted growth, we cannot assure you that our business will grow at a similar rate, if at all.

Growth forecasts are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate. The forecasts in this prospectus relating to the expected growth in the boutique health and fitness market, including estimates based on our internal survey data, may prove to be inaccurate. Even if the market experiences the forecasted growth described in this prospectus, we may not grow our business at a similar rate, or at all. Our growth is subject to many factors, including our success in implementing our business strategy, which is subject to many risks and uncertainties. Accordingly, the forecasts of market growth included in this prospectus should not be taken as indicative of our future growth.

Our management team has limited experience managing a public company.

Most members of our management team have limited experience managing a publicly traded company, interacting with public company investors and complying with the increasingly complex laws pertaining to public companies. Our management team may not successfully or efficiently manage our transition to being a public company subject to significant regulatory oversight and reporting obligations under the federal securities

laws and the continuous scrutiny of securities analysts and investors. These new obligations and constituents will require significant attention from our senior management and could divert their attention away from the day-to-day management of our business, which could adversely affect our business, results of operations, cash flows and financial condition.

If our estimates or judgments relating to our critical accounting policies prove to be incorrect, our results of operations could be adversely affected.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as described in "Management's Discussion and Analysis of Financial Condition and Results of Operations." The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities and equity, and the amount of revenue and expenses that are not readily apparent from other sources. Significant assumptions and estimates used in preparing our consolidated financial statements include those related to revenue recognition, merchandise and equipment revenue, other service revenue, contract costs, business combinations, acquisition-related contingent consideration, impairment of long-lived assets, including goodwill and intangible assets and equity-based compensation. Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below the expectations of securities analysts and investors.

Goodwill and indefinite-lived intangible assets are a material component of our balance sheet and impairments of these assets could have a significant impact on our results.

We have recorded a significant amount of goodwill and indefinite-lived intangible assets, representing our trade marks, on our balance sheet. We test the carrying values of goodwill and indefinite-lived intangible assets for impairment at least annually and whenever events or circumstances indicate the carrying value may not be recoverable. The estimates and assumptions about future results of operations and cash flows made in connection with impairment testing could differ from future actual results of operations and cash flows. While we have concluded that our goodwill and indefinite-lived intangible assets are not impaired, future events could cause us to conclude that the goodwill associated with a given segment, or one of our indefinite- lived intangible assets, may have become impaired. Any resulting impairment charge, although non-cash, could have a material adverse effect on our business, results of operations, cash flows and financial condition.

Our and franchisees' businesses are subject to the risk of earthquakes, fire, power outages, floods and other catastrophic events, and to interruption by manmade problems such as terrorism.

Our and franchisees' businesses are vulnerable to damage or interruption from earthquakes, fires, floods, power losses, terrorist attacks, acts of warþreak-ins and similar events. The third-party systems and operations and suppliers we rely on are subject to similar risks. For example, a significant natural disaster, such as an earthquake, fire or flood, could have an adverse effect on our and franchisees' business, results of operations, cash flows and financial condition, and our and franchisees' insurance coverage may be insufficient to compensate us and franchisees for losses that may occur. Acts of terrorism, which may be targeted at metropolitan areas that have higher population density than rural areas, could also cause disruptions in our, franchisees' or our suppliers' businesses or the economy as a whole.

As of December 31, 2018, we had total indebtedness of $142.8 million and our substantial indebtedness could adversely affect our financial condition and limit our ability to pursue our growth strategy.

We have a substantial amount of debt, which requires significant interest payments. As of December 31, 2018, we had total indebtedness of $142.8 million.

Our substantial level of indebtedness could adversely affect our financial condition and increase the possibility that we may be unable to generate cash sufficient to pay, when due, the principal of, interest on or other amounts due in respect of our indebtedness. Our substantial indebtedness, combined with our other existing and any future financial obligations and contractual commitments, could have important consequences. For example, it could:

- make it more difficult for us to satisfy our obligations with respect to our indebtedness, and any failure to comply with the obligations under our outstanding credit facility, including restrictive covenants, could result in an event of default under such facility;
- require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing funds available for working capital, capital expenditures, acquisitions, selling and marketing efforts, research and development and other purposes;
- increase our vulnerability to adverse economic and industry conditions, which could place us at a competitive disadvantage compared to our competitors that have proportionately less indebtedness;
- increase our cost of borrowing and cause us to incur substantial fees from time to time in connection with debt amendments or refinancings;
- increase our exposure to rising interest rates because a portion of our borrowings is at variable interest rates;
- limit our flexibility in planning for, or reacting to, changes in our business and the industries in which we operate; and
- limit our ability to borrow additional funds, or to dispose of assets to raise funds, if needed, for working capital, capital expenditures, acquisitions, selling and marketing efforts, research and development and other corporate purposes.

In addition, the terms of our credit facility could amplify the challenges posed by our substantial indebtedness. In December 2019, we amended our credit facility to provide for accelerated principal repayment, monthly 1% increases to our interest rate beginning in February 2020, a monthly fee beginning at $500,000 in February 2020 and increasing by an additional $500,000 in each subsequent month and certain other fees of up to $1.5 million. We and certain of our affiliates also agreed that the administrative agent of the credit facility will be issued a warrant granting it the right to purchase up to 1% of the outstanding equity interests of H&W Franchise Holdings (which owned 100% of our outstanding equity interests prior to the consummation of the Reorganization Transactions) if we have not repaid our borrowings under the credit facility in full by April 2020, and an additional 1% each month thereafter until our borrowings are repaid in full.

In February 2020, in connection with a $30 million repayment on the outstanding principal thereof, we further amended our credit facility to cancel our accelerated principal repayment obligations, and to cancel the monthly fees payable pursuant to the December 2019 amendment, and we agreed to pay a monthly fee of $1 million beginning in March 2020 that increases to a monthly fee of $2 million beginning in August 2020 until we have repaid our borrowings under the credit facility in full. We expect to refinance amounts outstanding under and terminate the Second Amended Monroe Credit Agreement prior to the consummation of this offering. If we are unable to refinance, or otherwise repay our borrowings under our credit facility, our repayment obligations will become substantially more burdensome, which could significantly increase each of these challenges.

By the nature of their relationship to our enterprise, debt holders may have different points of view on the use of company resources as compared to our management. The financial and contractual obligations related to our debt also represent a natural constraint on any intended use of company resources.

Our outstanding credit facility contains restrictions that limit our flexibility in operating our business.

Under the terms of our outstanding credit facility, we and certain of our affiliates granted the lenders first priority liens and security interests in substantially all of our assets, including each of our subsidiaries, as collateral. In addition, the terms of the credit facility include certain representations and warranties, indemnification provisions in favor of the administrative agent, events of default and affirmative and negative covenants that place restrictions on how we use our borrowings and limit or restrict our ability to, among other things:

- enter into certain agreements outside the ordinary course of business, including with respect to consolidation, mergers or changes to our entity structure;
- create, incur or assume additional indebtedness;
- encumber or permit additional liens on our assets;
- issue additional equity;
- make payments or distributions to our affiliates or equity holders; and
- enter into certain transactions with our affiliates.

The covenants in our credit facility impose requirements and restrictions on our ability to take certain actions and, in the event that we breach one or more covenants and such breach is not waived, the lenders may choose to declare an event of default and require that we immediately repay all of our borrowings under the credit facility, plus certain prepayment fees, penalties and interest, and foreclose on the collateral granted to them to secure such indebtedness. Such repayment would have a material adverse effect on our business, financial condition and results of operations. In addition, unless waived, certain of the provisions in our credit facility will restrict our ability to consummate the Reorganization Transactions and this offering.

Changes in the method for determining, and the potential replacement of, the London Interbank Offer Rate may affect our cost of borrowing.

As a result of concerns about the accuracy of the calculation of the London Interbank Offer Rate ("LIBOR"), a number of British Bankers' Association ("BBA") member banks entered into settlements with certain regulators and law enforcement agencies with respect to the alleged manipulation of LIBOR. Actions by the BBA, regulators or law enforcement agencies as a result of these or future events may result in changes to the manner in which LIBOR is determined or its discontinuation. On July 27, 2017, the Chief Executive of the U.K. Financial Conduct Authority (the "FCA"), which regulates LIBOR, announced that the FCA will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021. This announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021, and it appears likely that LIBOR will be discontinued or modified by 2021.

The interest rate payable on our borrowings under our outstanding credit facility is determined by reference to LIBOR. Potential changes or uncertainty related to such potential changes or discontinuation may result in a sudden or prolonged increase or decrease in reported LIBOR, which could have a significant impact on the interest we are required to pay. Furthermore, although the terms of our credit facility contemplate the replacement of LIBOR with another reference rate in the event LIBOR comes into disuse, uncertainty related to such discontinuation and potential substitutes could make it difficult for us and our lenders to reach agreement on a reference rate, and any substitute reference rate could increase our cost of borrowing, any of which results could have an adverse impact on our business, financial condition, cash flows and results of operations.

Failure to obtain and maintain required licenses and permits or to comply with health and fitness regulations could lead to delays in opening studios, interruptions in services or the closure of studios, thereby harming our business.

The health and fitness market is subject to various federal, state and local government regulations, including those relating to required domestic or foreign governmental permits and approvals. Such regulations are subject to change from time to time. Our or franchisees' failure to obtain and maintain any required licenses permits or approvals could adversely affect our or franchisees' operating results. Difficulties or failure to maintain or obtain the required licenses, permits and approvals could adversely affect existing franchisees and delay or cancel the opening of new studios, which would adversely affect our results of operations.

Unanticipated changes in effective tax rates or adverse outcomes resulting from examination of our income or other tax returns could adversely affect our business, results of operations, cash flows and financial condition.

We are subject to income taxes in the United States and Canada, and our domestic and foreign tax liabilities will be subject to the allocation of expenses in differing jurisdictions. Our future effective tax rates could be subject to volatility or adversely affected by a number of factors, including:

- changes in the valuation of our deferred tax assets and liabilities;
- expected timing and amount of the release of any tax valuation allowances;
- tax effects of stock-based compensation;
- costs related to intercompany restructurings;
- changes in tax laws, regulations or interpretations thereof;
- lower than anticipated future earnings in jurisdictions where we have lower statutory tax rates; or
- higher than anticipated future earnings in jurisdictions where we have higher statutory tax rates.

In addition, we may be subject to audits of our income, sales and other transaction taxes by U.S. federal and state and foreign authorities. Outcomes from these audits could have an adverse effect on our financial condition and results of operations.

Risks Related to Our Organizational Structure

We are a holding company and our principal asset after the completion of this offering will be our direct and indirect % ownership interest in Xponential Fitness LLC, and we are accordingly dependent upon distributions from Xponential Fitness LLC to pay dividends, if any, and taxes, make payments under the Tax Receivable Agreement and pay other expenses.

We are a holding company and, upon completion of the Reorganization Transactions and this offering, our principal asset will be our direct and indirect ownership of % of the outstanding LLC Units. See "Organizational Structure." We have no independent means of generating revenue. Xponential Fitness LLC will be treated as a partnership for U.S. federal income tax purposes and, as such, generally will not be subject to U.S. federal income tax. Instead, the taxable income of Xponential Fitness LLC will be allocated to holders of LLC Units, including us. Accordingly, we will incur income taxes on our and our wholly owned subsidiaries' allocable share of any net taxable income of Xponential Fitness LLC. We will also incur expenses related to our operations, and will have obligations to make payments under the TRA. As the managing members of Xponential

Fitness LLC, we and our wholly owned subsidiary intend to cause Xponential Fitness LLC to make distributions to the holders of LLC Units and us, or, in the case of certain expenses, payments to us, in amounts sufficient to (i) permit us to pay all applicable taxes payable by us and the holders of LLC Units, (ii) allow us to make any payments required under the TRA we intend to enter into as part of the Reorganization Transactions, (iii) fund dividends to our stockholders in accordance with our dividend policy, to the extent that our board of directors declares such dividends and (iv) pay our expenses.

Deterioration in the financial conditions, earnings or cash flow of Xponential Fitness LLC and its subsidiaries for any reason could limit or impair their ability to pay such distributions. Additionally, to the extent that we need funds and Xponential Fitness LLC is restricted from making such distributions to us under applicable law or regulation, as a result of covenants in its debt agreements or otherwise, we may not be able to obtain such funds on terms acceptable to us, or at all, and, as a result, could suffer a material adverse effect on our liquidity and financial condition.

In certain circumstances, Xponential Fitness LLC will be required to make distributions to us and the other holders of LLC Units, and the distributions that Xponential Fitness LLC will be required to make may be substantial.

Under the Amended LLC Agreement, Xponential Fitness LLC will generally be required from time to time to make pro rata distributions in cash to us and the other holders of LLC Units at certain assumed tax rates in amounts that are intended to be sufficient to cover the taxes on our and the other LLC Unit holders' respective allocable shares of the taxable income of Xponential Fitness LLC. As a result of (i) potential differences in the amount of net taxable income allocable to us and the other LLC Unit holders, (ii) the lower tax rate applicable to corporations than individuals and (iii) the use of an assumed tax rate, based on the tax rate applicable to individuals, in calculating Xponential Fitness LLC's distribution obligations, we may receive distributions significantly in excess of our tax liabilities and obligations to make payments under the TRA. Our board of directors will determine the appropriate uses for any excess cash so accumulated, which may include, among other uses, dividends, repurchases of our Class A common stock, the payment of obligations under the TRA and the payment of other expenses. We will have no obligation to distribute such cash (or other available cash other than any declared dividend) to our stockholders. No adjustments to the redemption or exchange ratio of LLC Units for shares of Class A common stock will be made as a result of either (i) any cash distribution by us or (ii) any cash that we retain and do not distribute to our stockholders. To the extent that we do not distribute such excess cash as dividends on our Class A common stock and instead, for example, hold such cash balances or lend them to Xponential Fitness LLC, holders of LLC Units would benefit from any value attributable to such cash balances as a result of their ownership of Class A common stock following a redemption or exchange of their LLC Units.

We are controlled by the Pre-IPO LLC Members whose interests in our business may be different than yours.

Immediately following the completion of, and the application of the net proceeds from, this offering, our Pre-IPO LLC Members will control approximately % of the combined voting power of our Class A and Class B common stock.

Because the Pre-IPO LLC Members hold a majority of their economic interests in our business through Xponential Fitness LLC rather than through Xponential Fitness, Inc., they may have conflicting interests with holders of shares of our Class A common stock. For example, the Pre-IPO LLC Members may have a different tax position from us, which could influence their decisions regarding whether and when we should dispose of assets or incur new or refinance existing indebtedness, especially in light of the existence of the TRA that we will enter into in connection with this offering, and whether and when we should undergo certain changes of control for purposes of the TRA or terminate the TRA. In addition, the structuring of future transactions may take into consideration these tax or other considerations even where no similar benefit would accrue to us. Pursuant to the Bipartisan Budget Act of 2015, for tax years beginning after December 31, 2017, if the Internal Revenue Service,

or IRS, makes audit adjustments to Xponential Fitness LLC's federal income tax returns, it may assess and collect any taxes (including any applicable penalties and interest) resulting from such audit adjustment directly from Xponential Fitness LLC. If, as a result of any such audit adjustment, Xponential Fitness LLC is required to make payments of taxes, penalties and interest, Xponential Fitness LLC's cash available for distributions to us may be substantially reduced. These rules are not applicable to Xponential Fitness LLC for tax years beginning on or prior to December 31, 2017. In addition, the Pre-IPO LLC Members' significant ownership in us and resulting ability to effectively control us may discourage someone from making a significant equity investment in us, or could discourage transactions involving a change in control, including transactions in which you as a holder of shares of our Class A common stock might otherwise receive a premium for your shares over the then-current market price.

We will be required to pay the Pre-IPO LLC Members and any other persons that become parties to the TRA for certain tax benefits we may receive, and the amounts we may pay could be significant.

As described under "Organizational Structure," we will acquire certain favorable tax attributes from the Blocker Companies in the Mergers. In addition, acquisitions by Xponential Fitness, Inc. of LLC Units from certain Continuing Pre-IPO LLC Members in connection with this offering, future taxable redemptions or exchanges by Continuing Pre-IPO LLC Members of LLC Units for shares of our Class A common stock or cash, and other transactions described herein are expected to result in favorable tax attributes for us. These tax attributes would not be available to us in the absence of those transactions and are expected to reduce the amount of tax that we would otherwise be required to pay in the future.

Upon the completion of this offering, we will be a party to a TRA with the Continuing Pre-IPO LLC Members and the Reorganization Parties. Under the TRA, we generally will be required to pay to the TRA parties in the aggregate 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that we actually realize as a result of (i) certain tax attributes that are created as a result of the redemptions or exchanges of LLC Units for shares of our Class A common stock or cash, (ii) any existing tax attributes associated with LLC Units we acquire, the benefit of which will be allocable to us as a result of the Mergers and exchanges by Continuing Pre-IPO LLC Members of their LLC Units for shares of our Class A common stock or cash (including the portion of Xponential Fitness LLC's existing tax basis in its assets that is allocable to the LLC Units that are acquired), (iii) tax benefits related to imputed interest, (iv) NOLs available to us as a result of the Mergers and (v) tax attributes resulting from payments under the TRA. These payment obligations are obligations of Xponential Fitness, Inc. and not of Xponential Fitness LLC.

The payment obligations under the TRA are our obligations, and we expect that the payments we will be required to make under the TRA will be substantial. Assuming no material changes in relevant tax law and that we earn sufficient taxable income to realize all tax benefits that are subject to the TRA, we expect that the tax savings associated with (1) the Mergers and (2) future redemptions or exchanges of LLC Units as described above would aggregate to approximately $ over 15 years from the date of the completion of this offering, based on an assumed initial public offering price of $ per share of our Class A common stock, the midpoint of the estimated price range set forth on the cover page of this prospectus and assuming all future redemptions or exchanges would occur within one year of the completion of this offering. Under this scenario we would be required to pay the other parties to the TRA approximately 85% of such amount, or $, over the 15-year period from the date of the completion of this offering. The actual amounts we will be required to pay may materially differ from these hypothetical amounts, because potential future tax savings that we will be deemed to realize, and TRA payments by us, will be calculated based in part on the market value of our Class A common stock at the time of each redemption or exchange of an LLC Unit for a share of Class A common stock and the prevailing applicable federal tax rate (plus the assumed combined state and local tax rate) applicable to us over the life of the TRA and will depend on our generating sufficient future taxable income to realize the tax benefits that are subject to the TRA. See "Certain Relationships and Related Party Transactions—Tax Receivable Agreement." Payments under the TRA are not conditioned on our existing owners' continued ownership of us after this offering.

Payments under the TRA will be based on the tax reporting positions we determine, and the IRS or another tax authority may challenge all or a part of the existing tax basis, tax basis increases, NOLs or other tax attributes subject to the TRA, and a court could sustain such challenge. The TRA parties will not reimburse us for any payments previously made if such tax basis, NOLs or other tax benefits are subsequently challenged by a tax authority and are ultimately disallowed, except that any excess payments made to a TRA party will be netted against future payments otherwise to be made to such TRA party under the TRA, if any, after our determination of such excess. In addition, the actual state or local tax savings we may realize may be different than the amount of such tax savings we are deemed to realize under the TRA, which will be based on an assumed combined state and local tax rate applied to our reduction in taxable income as determined for U.S. federal income tax purposes as a result of the tax attributes subject to the TRA. In both such circumstances, we could make payments under the TRA that are greater than our actual cash tax savings and we may not be able to recoup those payments, which could negatively impact our liquidity. The TRA provides that (1) in the event that we materially breach any of our material obligations under the TRA or (2) if, at any time, we elect an early termination of the TRA, our obligations under the TRA (with respect to all LLC Units, whether or not LLC Units have been exchanged or acquired before or after such transaction) would accelerate and become payable in a lump sum amount equal to the present value of the anticipated future tax benefits calculated based on certain assumptions, including that we would have sufficient taxable income to fully utilize the deductions arising from the tax deductions, tax basis and other tax attributes subject to the TRA. The TRA also provides that, upon certain mergers, asset sales or other forms of business combination, or certain other changes of control, our or our successor's obligations with respect to tax benefits would be based on certain assumptions, including that we or our successor would have sufficient taxable income to fully utilize the increased tax deductions and tax basis and other benefits covered by the TRA. As a result, upon a change of control, we could be required to make payments under the TRA that are greater than the specified percentage of our actual cash tax savings, which could negatively impact our liquidity. The change of control provisions in the TRA may result in situations where the Pre-IPO LLC Members have interests that differ from or are in addition to those of our other stockholders.

Finally, because we are a holding company with no operations of our own, our ability to make payments under the TRA depends on the ability of Xponential Fitness LLC to make distributions to us. To the extent that we are unable to make payments under the TRA for any reason, such payments will be deferred and will accrue interest until paid, which could negatively impact our results of operations and could also affect our liquidity in periods in which such payments are made.

Risks Related to Our Class A Common Stock and this Offering

Some provisions of Delaware law and our amended and restated certificate of incorporation and amended and restated bylaws that will be in effect upon the completion of this offering may deter third parties from acquiring us and diminish the value of our Class A common stock.

Our amended and restated certificate of incorporation and our amended and restated bylaws that will be in effect upon the completion of this offering will provide for, among other things:

- a classified board of directors with staggered three year terms;
- the ability of our board of directors to issue one or more series of preferred stock with voting or other rights or preferences that could have the effect of impeding the success of an attempt to acquire us or otherwise effect a change in control;
- advance notice for nominations of directors by stockholders and for stockholders to include matters to be considered at stockholder meetings;
- certain limitations on convening special stockholder meetings; and

- certain provisions of our amended and restated certificate of incorporation and our amended and restated bylaws that may be amended only by the affirmative vote of the holders of at least two-thirds in voting power of all outstanding shares of our stock entitled to vote thereon, voting together as a single class.

In addition, while we have opted out of Section 203 of the Delaware General Corporation Law, the ("DGCL"), our amended and restated certificate of incorporation will contain similar provisions providing that we may not engage in certain "business combinations" with any "interested stockholder" for a three-year period following the time that the stockholder became an interested stockholder, unless:

- prior to such time, our board of directors approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;

- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the votes of our voting stock outstanding at the time the transaction commenced, excluding certain shares; or

- at or subsequent to that time, the business combination is approved by our board of directors and by the affirmative vote of holders of at leasttwo-thirds of the votes of our outstanding voting stock that is not owned by the interested stockholder.

Generally, a "business combination" includes a merger, asset or stock sale or other transaction resulting in a financial benefit to the interested stockholder. Subject to certain exceptions, an "interested stockholder" is a person who, together with that person's affiliates and associates, owns, or within the previous three years owned, 15% or more of the votes of our outstanding voting stock. For purposes of this provision, "voting stock" means any class or series of stock entitled to vote generally in the election of directors. Our amended and restated certificate of incorporation will provide that H&W Franchise Holdings, their respective affiliates and any of their respective direct or indirect designated transferees (other than in certain market transfers and gifts) and any group of which such persons are a party do not constitute "interested stockholders" for purposes of this provision.

Under certain circumstances, this provision will make it more difficult for a person who would be an "interested stockholder" to effect various business combinations with our company for a three-year period. This provision may encourage companies interested in acquiring us to negotiate in advance with our board of directors because the stockholder approval requirement would be avoided if our board of directors approves either the business combination or the transaction that results in the stockholder becoming an interested stockholder. These provisions also may have the effect of preventing changes in our board of directors and may make it more difficult to accomplish transactions that stockholders may otherwise deem to be in their best interests.

These provisions in our amended and restated certificate of incorporation and our amended and restated bylaws may discourage, delay or prevent a transaction involving a change in control of our company that is in the best interest of our minority stockholders. Even in the absence of a takeover attempt, the existence of these provisions may adversely affect the prevailing market price of our Class A common stock if they are viewed as discouraging future takeover attempts. These provisions could also make it more difficult for stockholders to nominate directors for election to our board of directors and take other corporate actions.

Our amended and restated certificate of incorporation that will be in effect upon the completion of this offering will designate the Court of Chancery of the State of Delaware and, to the extent enforceable, the federal district courts of the United States as the sole and exclusive forums for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or agents.

Our amended and restated certificate of incorporation that will be in effect upon the completion of this offering will provide that, unless we consent in writing to the selection of an alternative forum, the Court of

Chancery of the State of Delaware will, to the fullest extent permitted by applicable law, be the sole and exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: (i) any derivative action or proceeding brought on our behalf; (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees, agents or trustees to us or our stockholders; (iii) any action asserting a claim against us or any director or officer or other employee of ours arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our amended and restated bylaws that will be in effect upon the completion of this offering; or (iv) any action asserting a claim against us or any director or officer or other employee of ours that is governed by the internal affairs doctrine, in each such case subject to such Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein. This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act, or any other claim for which the U.S. federal courts have exclusive jurisdiction.

Our amended and restated certificate of incorporation will provide that, to the fullest extent permitted by law, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States will be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the federal securities laws of the United States, subject to and contingent upon a final adjudication in the State of Delaware of the enforceability of such exclusive forum provision. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of, and consented to, the provisions of our amended and restated certificate of incorporation described in the preceding sentences.

These exclusive-forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, employees or agents, which may discourage such lawsuits against us and such persons. If any court of competent jurisdiction were to find either exclusive-forum provision in our amended and restated certificate of incorporation to be inapplicable or unenforceable, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business, results of operations, cash flows and financial condition. For example, the Court of Chancery of the State of Delaware recently determined that the exclusive forum provision of federal district courts of the United States of America for resolving any complaint asserting a cause of action arising under the Securities Act is not enforceable. However, this decision may be reviewed and ultimately overturned by the Delaware Supreme Court. If this ultimate adjudication were to occur, the federal district court exclusive forum provision in our amended and restated certificate of incorporation would no longer be contingent.

We are a "controlled company" within the meaning of the listing standards and, as a result, will qualify for, and intend to rely on, exemptions from certain corporate governance requirements. You will not have the same protections afforded to stockholders of companies that are subject to such requirements.

Upon the completion of this offering, our existing owners will continue to control a majority of the combined voting power of our Class A and Class B common stock. As a result, we are a "controlled company" within the meaning of the listing standards. Under these rules, a company of which more than 50% of the voting power is held by an individual, a group or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements of the , including (i) the requirement that a majority of the board of directors consist of independent directors, (ii) the requirement that we have a nominating and governance committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities and (iii) the requirement that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities. Following this offering, we intend to rely on some or all of these exemptions. As a result, we will not have a majority of independent directors and our compensation and nominating and governance committees will not consist entirely of independent directors. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the .

We are an "emerging growth company" and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our Class A common stock less attractive to investors.

We are an "emerging growth company" as defined in the JOBS Act, and we intend to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act and reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. We cannot predict whether investors will find our Class A common stock less attractive if we rely on these exemptions. If some investors find our Class A common stock less attractive as a result, there may be a less active trading market for our Class A common stock and our Class A common stock price may be more volatile.

The requirements of being a public company may strain our resources and distract our management, which could make it difficult to manage our business, particularly after we are no longer an "emerging growth company."

Following the completion of this offering, we will be required to comply with various regulatory and reporting requirements, including those required by the SEC. Complying with these reporting and other regulatory requirements will be time-consuming and will result in increased costs to us and could have a negative effect on our results of operations, financial condition or business.

As a public company, we will be subject to the reporting requirements of the Exchange Act and the requirements of the Sarbanes-Oxley Act. These requirements may place a strain on our systems and resources. The Exchange Act requires that we file annual, quarterly and current reports with respect to our business and financial condition. The Sarbanes-Oxley Act requires that we implement and maintain effective disclosure controls and procedures and internal controls over financial reporting. To implement, maintain and improve the effectiveness of our disclosure controls and procedures, we will need to commit significant resources, hire additional staff and provide additional management oversight. We will be implementing additional procedures and processes for the purpose of addressing the standards and requirements applicable to public companies. Sustaining our growth also will require us to commit additional management, operational and financial resources to identify new professionals to join our firm and to maintain appropriate operational and financial systems to adequately support expansion. These activities may divert management's attention from other business concerns, which could have a material adverse effect on our results of operations, financial condition or business.

As an "emerging growth company" as defined in the JOBS Act, we intend to take advantage of certain temporary exemptions from various reporting requirements including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act and reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. We may also delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies, as permitted by the JOBS Act.

Our independent registered public accounting firm will not be required to formally attest to the effectiveness of our internal control over financial reporting until the later of our second annual report or the first annual report required to be filed with the Commission following the date we are no longer an "emerging growth company" as defined in the JOBS Act. We have identified material weaknesses in our internal control over financial reporting for the year ended December 31, 2018 and cannot assure you that there will not be material weaknesses or significant deficiencies in our internal controls in the future.

When these exemptions cease to apply, we expect to incur additional expenses and devote increased management effort toward ensuring compliance with them. We cannot predict or estimate the amount of additional costs we may incur as a result of becoming a public company or the timing of such costs.

We have identified material weaknesses in our internal control over financial reporting for the year ended December 31, 2018. If we are unable to remediate these material weaknesses, or if we identify additional material weaknesses in the future or otherwise fail to maintain an effective system of internal controls in the future, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect investor confidence in us and, as a result, the value of our Class A common stock.

Prior to the completion of this offering, we have been a private company with limited accounting personnel to adequately execute our accounting processes and other supervisory resources with which to address our internal control over financial reporting. In connection with the preparation of our financial statements, we identified certain material weaknesses in our internal control over financial reporting for the year ended December 31, 2018 and the material weaknesses remained unremediated as of December 31, 2019. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our financial statements will not be prevented or detected on a timely basis.

The material weaknesses identified related to lack of adequate (i) anti-fraud programs and formalized controls, (ii) formalized controls for the review of financial information and related disclosures in our annual reports, (iii) resources and formalized policies to timely identify and correct potential misstatements related to improper application of GAAP (iv) formalized account reconciliation processes that resulted in certain restatements of prior period results, and (v) lack of design and implementation of general information technology control or other controls over information provided by third-party service providers.

We cannot assure you that the measures we have taken to date, and are continuing to implement, will be sufficient to remediate the material weakness we have identified or avoid potential future material weaknesses. If the steps we take do not correct the material weakness in a timely manner, we will be unable to conclude that we maintain effective internal control over financial reporting. Accordingly, there could continue to be a reasonable possibility that a material misstatement of our financial statements would not be prevented or detected on a timely basis.

If we fail to remediate our existing material weaknesses or identify new material weaknesses in our internal controls over financial reporting, if we are unable to comply with the requirements of Section 404 of the Sarbanes-Oxley Act in a timely manner, if we are unable to conclude that our internal controls over financial reporting are effective, or if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal controls over financial reporting when we are no longer an emerging growth company, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our common stock could be negatively affected. As a result of such failures, we could also become subject to investigations by the stock exchange on which our securities are listed, the SEC, or other regulatory authorities, and become subject to litigation from investors and stockholders, which could harm our reputation and financial condition or divert financial and management resources from our regular business activities.

If you purchase shares of Class A common stock in this offering, you will suffer immediate and substantial dilution of your investment.

The initial public offering price of our Class A common stock is substantially higher than the net tangible book deficit per share of our common stock. Therefore, if you purchase shares of our Class A common stock in this offering, you will pay a price per share that substantially exceeds our net tangible book deficit per share after this offering. You will experience immediate dilution of $ per share, representing the difference between our pro forma net tangible book deficit per share after giving effect to this offering, based on an assumed initial public offering price of $ per share of our Class A common stock (the midpoint of the estimated price range set forth on the cover page of this prospectus). In addition, purchasers of Class A common stock in this offering will have contributed % of the aggregate price paid by all purchasers of our stock but will own only approximately % of our common stock outstanding after this offering. See “Dilution” for more detail.

Your percentage ownership in us may be diluted by future issuances of capital stock, which could reduce your influence over matters on which stockholders vote.

Pursuant to our amended and restated certificate of incorporation and amended and restated bylaws that will be in effect upon the completion of this offering, our board of directors has the authority, without action or vote of our stockholders, to issue all or any part of our authorized but unissued shares of common stock, including shares issuable upon the exercise of options, or shares of our authorized but unissued preferred stock. Issuances of Class A common stock or voting preferred stock would reduce your influence over matters on which our stockholders vote and, in the case of issuances of preferred stock, would likely result in your interest in us being subject to the prior rights of holders of that preferred stock.

An active, liquid trading market for our Class A common stock may not develop, which may limit your ability to sell your shares.

Prior to this offering, there was no public market for our Class A common stock. Although we intend to list shares of our Class A common stock on the under the symbol "XPOF," an active trading market for our Class A common stock may never develop or be sustained following this offering. The initial public offering price will be determined by negotiations among us, and the underwriters and may not be indicative of market prices of our Class A common stock that will prevail in the open market after this offering. A public trading market having the desirable characteristics of depth, liquidity and orderliness depends upon the existence of willing buyers and sellers at any given time, such existence being dependent upon the individual decisions of buyers and sellers over which neither we nor any market maker has control. The failure of an active and liquid trading market to develop and continue would likely have a material adverse effect on the value of our Class A common stock. The market price of our Class A common stock may decline below the initial public offering price, and you may not be able to sell your shares of our Class A common stock at or above the price you paid in this offering, or at all. An inactive market may also impair our ability to raise capital to continue to fund operations by selling shares and may impair our ability to acquire other companies or technologies by using our shares as consideration.

A significant portion of our total outstanding shares are restricted from immediate resale but may be sold into the market in the near future. This could cause the market price of our Class A common stock to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our Class A common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our Class A common stock. After this offering, we will have outstanding shares of Class A common stock based on the number of shares outstanding immediately following the consummation of the Reorganization Transactions. This includes shares of Class A common stock that we are selling in this offering. Substantially all of the shares of Class A common stock that are not being sold in this offering will be subject to a 180-day lock-up period provided under agreements executed in connection with this offering. These shares will, however, be able to be resold after the expiration of the lock-up agreements as described in "Shares Eligible for Future Sale." We also intend to file a Registration Statement on Form S-8 under the Securities Act to register all shares of Class A common stock that we may issue under our equity compensation plans. In addition, the Continuing Pre-IPO LLC Members will have certain demand registration rights that could require us in the future to file registration statements in connection with sales of our stock by them. See "Certain Relationships and Related Party Transactions—Amended and Restated LLC Agreement." Such sales could be significant. Once we register these shares, they can be freely sold in the public market upon issuance, subject to the lock-up agreements described in "Underwriting." As restrictions on resale end, the market price of our Class A common stock could decline if the holders of currently restricted shares sell them or are perceived by the market as intending to sell them.

If securities or industry analysts do not publish research or reports about our business, or if they change their recommendations regarding our Class A common stock adversely, our stock price and trading volume could decline.

The trading market for our Class A common stock will be influenced by the research and reports that industry or securities analysts publish about us or our business. We do not have any control over these analysts. If one or more of the analysts who cover us downgrade our Class A common stock or describe us or our business in a negative manner, the price of our Class A common stock would likely decline. If one or more of these analysts cease coverage of our company or fails to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause the price or trading volume of our Class A common stock to decline. In addition, if we fail to meet the expectations and forecasts for our business provided by securities analysts, the price of our Class A common stock could decline.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

We have made statements under "Prospectus Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Business" and other sections of this prospectus that are forward-looking statements. In some cases, you can identify these statements by forward-looking words such as "may," "might," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential" or "continue," the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to risks, uncertainties and assumptions about us, may include projections of our future financial performance, our anticipated growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements, including those factors discussed under "Risk Factors." You should specifically consider the numerous risks outlined under "Risk Factors."

Although we believe the expectations reflected in the forward-looking statements in this prospectus are reasonable, we cannot guarantee future results, level of activity, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. We are under no duty to update any of these forward-looking statements after the date of this prospectus to conform our prior statements to actual results or revised expectations.

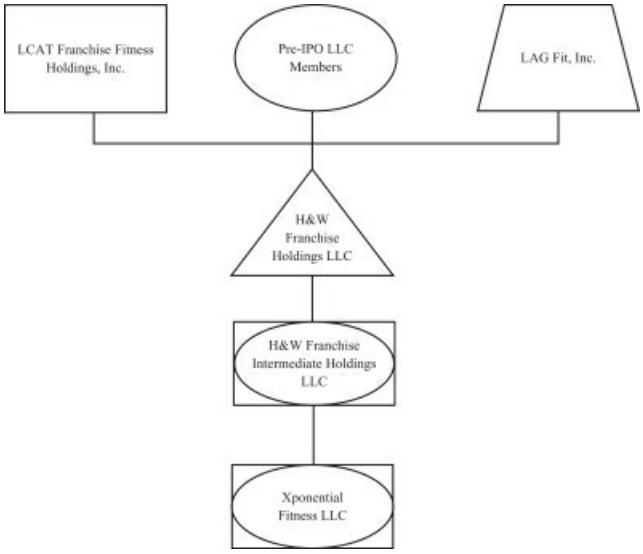
ORGANIZATIONAL STRUCTURE

Structure Prior to the Reorganization Transactions

We currently conduct our business through Xponential Fitness LLC and its subsidiaries. Following this offering, we will be a holding company and our sole material asset will be a controlling ownership interest in Xponential Fitness LLC.

Xponential Fitness, Inc. was incorporated as a Delaware corporation on January 14, 2020 to serve as the issuer of the Class A common stock offered hereby.

The following diagram depicts our organizational structure immediately prior to the Reorganization Transactions. This diagram is provided for illustrative purposes only and does not purport to represent all legal entities within our organizational structure.



Prior to the consummation of the Reorganization Transactions, the amended and restated limited liability company agreement of Xponential Fitness LLC will be amended and restated to, among other things, appoint us and our wholly owned subsidiary as managing members and reclassify its outstanding limited liability company units (the "LLC Units") as non-voting units. We refer to the limited liability company agreement of Xponential Fitness LLC, as in effect at the time of this offering, as the "Amended LLC Agreement."

After the Amended LLC Agreement is effective and prior to the consummation of the Reorganization Transactions, H&W Intermediate, the sole owner of all outstanding LLC Units, will merge with and into H&W Franchise Holdings, which will in turn liquidate under local law, distributing the LLC Units to its equity holders in liquidation of their H&W Franchise Holdings LLC interests. After these transactions and prior to the consummation of the Reorganization Transactions and the completion of this offering, all of Xponential Fitness LLC's outstanding equity interests will be owned by the following persons (collectively, the "Pre-IPO LLC Members"):

- H&W Investco, L.P., which is controlled by Mr. Grabowski, a member of our board of directors;

- LAG Fit, Inc., which is beneficially owned by Mr. Geisler, our Chief Executive Officer and founder;
- LCAT Franchise Fitness Holdings, Inc., which is an affiliate of Mr. Magliacano, a member of our board of directors;
- Certain other direct or indirect former equity holders in H&W Franchise Holdings.

The Reorganization Transactions

In connection with this offering, we intend to enter into the following series of transactions, which we collectively refer to as the "Reorganization Transactions." We refer to the Pre-IPO LLC Members who will retain their equity ownership in Xponential Fitness LLC in the form of LLC Units immediately following the consummation of the Reorganization Transactions as "Continuing Pre-IPO LLC Members."

Because we will manage and operate the business and control the strategic decisions andday-to-day operations of Xponential Fitness LLC and because we will also have a substantial financial interest in Xponential Fitness LLC, we will consolidate the financial results of Xponential Fitness LLC, and a portion of our net income will be allocated to the noncontrolling interest to reflect the entitlement of the Continuing Pre-IPO LLC Members to a portion of Xponential Fitness LLC's net income. In addition, because Xponential Fitness LLC will be under the common control of the Pre-IPO LLC Members before and after the Reorganization Transactions, we will account for the Reorganization Transactions as a reorganization of entities under common control and will initially measure the interests of the Pre-IPO LLC Members in the assets and liabilities of Xponential Fitness LLC at their carrying amounts as of the date of the completion of the consummation of the Reorganization Transactions.

Our amended and restated certificate of incorporation that will be in effect upon the completion of this offering will authorize the issuance of two classes of common stock: Class A common stock and Class B common stock (collectively, our "common stock"). Each share of common stock will entitle its holder to one vote per share on all matters submitted to a vote of our stockholders. See "Description of Capital Stock."

Prior to the completion of this offering, the equity holders of LCAT Franchise Fitness Holdings, Inc., an affiliate of Mr. Magliacano, a member of our board of directors, and one or more other entities each of which directly own LLC Units (the "Blocker Companies"), will contribute their shares of each Blocker Company to Xponential Fitness, Inc. in exchange for Class A common stock of Xponential Fitness, Inc. Each Blocker Company will immediately thereafter merge with and into Xponential Fitness, Inc. or a newly formed subsidiary of Xponential Fitness, Inc. We refer to such transactions as the "Mergers." Equity holders of each Blocker Company, referred to as the Reorganization Parties, will receive a number of shares of our Class A common stock equal to the number of LLC Units held by such Blocker Company prior to the Mergers.

Each Continuing Pre-IPO LLC Member will be issued a number of shares of our Class B common stock in an amount equal to the number of LLC Units held by such Continuing Pre-IPO LLC Member.

Under the Amended LLC Agreement, holders of LLC Units (other than us and our wholly owned subsidiaries), including the ContinuingPre-IPO LLC Members, will have the right, from and after the completion of this offering (subject to the terms of the Amended LLC Agreement), to require Xponential Fitness LLC to redeem all or a portion of their LLC Units for, at our election, newly-issued shares of Class A common stock on a one-for-one basis or a cash payment equal to the volume-weighted average market price of one share of our Class A common stock for each LLC Unit redeemed (subject to customary adjustments, including for stock splits, stock dividends and reclassifications) in accordance with the terms of the Amended LLC Agreement. Additionally, in the event of a redemption request from a holder of LLC Units, we may, at our option, effect a

direct exchange of cash or Class A common stock for LLC Units in lieu of such a redemption. Shares of Class B common stock will be cancelled on a one-for-one basis if we, following a redemption request from a holder of LLC Units, redeem or exchange LLC Units of such holder pursuant to the terms of the Amended LLC Agreement. See "Certain Relationships and Related Party Transactions—Amended LLC Agreement." Except for transfers to us or to certain permitted transferees pursuant to the Amended LLC Agreement, the holders of LLC Units are not permitted to sell, transfer or otherwise dispose of any LLC Units or shares of Class B common stock.

We will issue shares of Class A common stock to the public pursuant to this offering.

We will use all of the net proceeds from this offering (including net proceeds received if the underwriters exercise their option to purchase additional shares of Class A common stock in full) to (i) acquire newly-issued LLC Units from Xponential Fitness LLC and (ii) acquire LLC Units from certain Continuing Pre-IPO LLC Members, at a purchase price per LLC Unit equal to the initial public offering price of Class A common stock, after deducting the underwriting discounts and commissions collectively representing % of Xponential Fitness LLC's outstanding LLC Units (or %, if the underwriters exercise their option to purchase additional shares of Class A common stock in full).

We will enter into a TRA, that will obligate us to make payments to the Continuing Pre-IPO LLC Members, the Reorganization Parties and any future party to the TRA in the aggregate generally equal to 85% of the applicable cash savings that we actually realize as a result of certain favorable tax attributes we will acquire from the Blocker Companies in the Mergers or that may result from the purchase or exchange of LLC Units from Continuing Pre-IPO LLC Members in this offering, future taxable redemptions or exchanges of LLC Units by Continuing Pre-IPO LLC Members and certain payments made under the TRA. We will retain the benefit of the remaining 15% of these tax savings.

We will cause Xponential Fitness LLC to use the proceeds from the sale of LLC Units to us (i) to pay fees and expenses of approximately $ million in connection with this offering and the Reorganization Transactions, (ii) to repay debt and (iii) for working capital. Xponential Fitness LLC will not receive any proceeds from the purchase by us of LLC Units from any Continuing Pre-IPO LLC Members. See "Use of Proceeds."

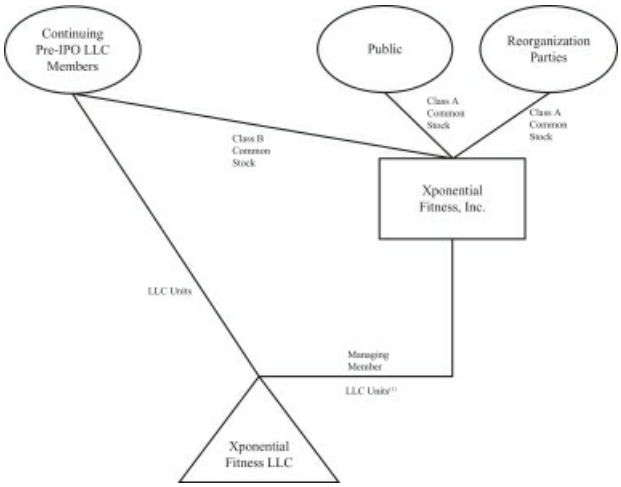
Effect of the Reorganization Transactions and this Offering

The Reorganization Transactions are intended to create a holding company that will facilitate public ownership of, and investment in, the Company and are structured in a tax-efficient manner for the Continuing Pre-IPO LLC Members. The Continuing Pre-IPO LLC Members desire that their investment in the Company maintain its existing tax treatment as a partnership for U.S. federal income tax purposes and, therefore, will continue to hold their ownership interests in Xponential Fitness LLC until such time in the future as they may elect to cause us to redeem or exchange their LLC Units for a corresponding number of shares of our Class A common stock or cash.

We estimate that the offering expenses (other than the underwriting discounts and commissions) will be approximately $. All of such offering expenses will be paid for by Xponential Fitness LLC. See "Use of Proceeds."

The diagram on the following page depicts our organizational structure immediately following the consummation of the Reorganization Transactions, the completion of this offering and the application of the net proceeds from this offering, based on an assumed initial public offering price of $ per share of Class A common stock (the midpoint of the estimated price range set forth on the cover page of this prospectus) and assuming the underwriters do not exercise their option to purchase additional shares of Class A common stock.

This chart is provided for illustrative purposes only and does not purport to represent all legal entities within our organizational structure.



(1) Xponential Fitness, Inc. will own LLC Units directly and indirectly through wholly owned subsidiaries.

Upon completion of the transactions described above, this offering and the application of the net proceeds from this offering:

- Xponential Fitness, Inc. and its wholly owned subsidiary will be appointed as the managing members of Xponential Fitness LLC and will hold LLC Units, constituting % of the outstanding economic interests in Xponential Fitness LLC (or LLC Units, constituting % of the outstanding economic interests in Xponential Fitness LLC if the underwriters exercise their option to purchase additional shares of Class A common stock in full).

- The Pre-IPO LLC Members will hold (i) shares of Class A common stock and (ii) LLC Units, which together represent approximately % of the economic interest in Xponential Fitness LLC (or % if the underwriters exercise their option to purchase additional shares of Class A common stock in full) and (ii) through their ownership of Class A and Class B common stock, approximately % of the combined voting power of our common stock (or % if the underwriters exercise their option to purchase additional shares of Class A common stock in full).

- Investors in this offering will collectively beneficially own (i) shares of our Class A common stock, representing approximately % of the combined voting power of our common stock (or shares and %, respectively, if the underwriters exercise their option to purchase additional shares of Class A common stock in full) and (ii) through our direct and indirect ownership of LLC Units, indirectly will hold approximately % of the economic interest in Xponential Fitness LLC (or % if the underwriters exercise their option to purchase additional shares of Class A common stock in full).

Holding Company Structure and the Tax Receivable Agreement

We are a holding company, and immediately after the consummation of the Reorganization Transactions and this offering our sole material asset will be our direct and indirect ownership interests in

Xponential Fitness LLC. The number of LLC Units that we will own directly and indirectly in the aggregate at any time will equal the aggregate number of outstanding shares of our Class A common stock. The economic interest represented by each LLC Unit that we own directly and indirectly will correspond to one share of our Class A common stock, and the total number of LLC Units owned directly and indirectly by us and the holders of our Class B common stock at any given time will equal the sum of the outstanding shares of all classes of our common stock.

We do not intend to list our Class B common stock on any stock exchange.

We will acquire certain favorable tax attributes from the Blocker Companies in the Mergers. In addition, acquisitions by us of LLC Units from Continuing Pre-IPO LLC Members in connection with this offering, future taxable redemptions or exchanges by the ContinuingPre-IPO LLC Members of LLC Units for shares of our Class A common stock or cash, and other transactions described herein are expected to result in favorable tax attributes that will be allocated to us. These tax attributes would not be available to us in the absence of those transactions and are expected to reduce the amount of tax that we would otherwise be required to pay in the future.

We intend to enter into a TRA with the ContinuingPre-IPO LLC Members and the Reorganization Parties. Under the TRA, we generally will be required to pay to the TRA parties in the aggregate 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that we actually realize as a result of (i) certain tax attributes that are created as a result of the redemptions or exchanges of LLC Units for shares of our Class A common stock or cash, (ii) any existing tax attributes associated with LLC Units that we acquire, the benefit of which will be allocable to us as a result of the Mergers and exchanges of LLC Units for shares of our Class A common stock or cash (including the portion of Xponential Fitness LLC's existing tax basis in its assets that is allocable to the LLC Units that are acquired), (iii) tax benefits related to imputed interest, (iv) NOLs available to us as a result of the Mergers and (v) tax attributes resulting from payments under the TRA.

Payments under the TRA will be based on the tax reporting positions we determine, and the IRS or another tax authority may challenge all or part of the existing tax basis, tax basis increases, NOLs or other tax attributes subject to the TRA, and a court could sustain such challenge. The TRA parties will not reimburse us for any payments previously made if such tax basis, NOLs or other tax benefits are subsequently challenged by a tax authority and are ultimately disallowed, except that any excess payments made to a TRA party will be netted against future payments otherwise to be made to such TRA party under the TRA, if any, after our determination of such excess. As a result, in such circumstances we could make future payments under the TRA that are greater than our actual cash tax savings and may not be able to recoup those payments, which could negatively impact our liquidity. See "Risk Factors—Risks Related to Our Organizational Structure—We will be required to pay the Pre-IPO LLC Members and any other persons that become parties to the TRA for certain tax benefits we may receive, and the amounts we may pay could be significant."

Our obligations under the TRA will also apply with respect to any person who is issued LLC Units in the future and who becomes a party to the TRA.

USE OF PROCEEDS

We estimate that the net proceeds from this offering will be approximately $ million, after deducting underwriting discounts and commissions of approximately $ million, based on an assumed initial public offering price of $ per share (the midpoint of the estimated price range set forth on the cover page of this prospectus) and assuming no exercise of the underwriters option to purchase additional shares of Class A common stock. If the underwriters exercise their option to purchase additional shares of Class A common stock in full, we estimate that the net proceeds from this offering will be approximately $ million, after deducting underwriting discounts and commissions of approximately $ million, based on an assumed initial public offering price of $ per share (the midpoint of the estimated price range set forth on the cover page of this prospectus).

We estimate that the offering expenses (other than the underwriting discount and commissions) will be approximately $ million. All of such offering expenses will be paid for by Xponential Fitness LLC.

We will use all of the net proceeds from this offering (including net proceeds received if the underwriters exercise their option to purchase additional shares of Class A common stock in full) to acquire newly issued LLC Units from Xponential Fitness LLC and LLC Units from certain Continuing Pre-IPO LLC Members, including Anthony Geisler, our Chief Executive Officer and founder, in each case at a purchase price per LLC Unit equal to the initial public offering price of Class A common stock after deducting underwriting discounts and commissions, collectively representing % of Xponential Fitness LLC's outstanding LLC Units (or % if the underwriters exercise their option to purchase additional shares of Class A common stock in full).

We will cause Xponential Fitness LLC to use the proceeds from the sale of LLC Units to us (i) to pay fees and expenses of approximately $ million in connection with this offering and the Reorganization Transactions, (ii) to potentially repay indebtedness and (iii) for working capital.

Xponential Fitness LLC will not receive any proceeds from the purchase by us of LLC Units from any ContinuingPre-IPO LLC Members.

If the underwriters exercise their option to purchase additional shares of Class A common stock in full, we estimate that our additional net proceeds will be approximately $ million. We will use these additional net proceeds to purchase additional LLC Units from Xponential Fitness LLC to maintain the one-to-one ratio between the number of shares of Class A common stock issued by us and the number of LLC Units owned by us. We intend to cause Xponential Fitness LLC to use such additional proceeds it receives for general corporate purposes.

A $ increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) the amount of proceeds to us from this offering available by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

Each 1,000,000 share increase (decrease) in the number of shares offered in this offering would increase (decrease) the amount of proceeds to us from this offering by approximately $ million, assuming that the price per share for the offering remains at $ (the midpoint of the estimated price range set forth on the cover page of this prospectus), and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

DIVIDEND POLICY

Following this offering and subject to funds being legally available, we intend to cause Xponential Fitness LLC to make pro rata distributions to the holders of LLC Units and us in an amount at least sufficient to allow us and the holders of LLC Units to pay all applicable taxes, to make payments under the TRA we will enter into with the Pre-IPO LLC Members and to pay our corporate and other overhead expenses. The declaration and payment of any dividends by us will be at the sole discretion of our board of directors, which may change our dividend policy at any time. Our board of directors will take into account:

- general economic and business conditions;
- our financial condition and operating results;
- our available cash and current and anticipated cash needs;
- our capital requirements;
- contractual, legal, tax and regulatory restrictions and implications on the payment of dividends by us to our stockholders or by our subsidiaries (including Xponential Fitness LLC) to us; and
- such other factors as our board of directors may deem relevant.

Following this offering, we will be a holding company and will have no material assets other than our direct and indirect ownership of LLC Units in Xponential Fitness LLC. As a consequence, our ability to declare and pay dividends to the holders of our Class A common stock will be subject to the ability of Xponential Fitness LLC to provide distributions to us. If Xponential Fitness LLC makes such distributions, the holders of LLC Units will be entitled to receive equivalent distributions from Xponential Fitness LLC. However, because we must pay taxes, make payments under the TRA and pay our expenses, amounts ultimately distributed as dividends to holders of our Class A common stock are expected to be less than the amounts distributed by Xponential Fitness LLC to holders of our LLC Units on a per share basis. See "Certain Relationships and Related Party Transactions—Tax Receivable Agreement."

Assuming Xponential Fitness LLC makes distributions to its members in any given year, the determination to pay dividends, if any, to our Class A common stockholders out of the portion, if any, of such distributions remaining after our payment of taxes, TRA payments and expenses (any such portion, an "excess distribution") will be made by our board of directors. Because our board of directors may determine to pay or not pay dividends to our Class A common stockholders, our Class A common stockholders may not necessarily receive dividend distributions relating to excess distributions, even if Xponential Fitness LLC makes such distributions to us.

In addition, the terms of the Second Amended Monroe Credit Agreement restrict our ability to make cash or equity distributions to our equity holders or purchase or redeem our equity securities. These restrictions would impair our ability to make the distributions described above. We expect to refinance amounts outstanding under and terminate the Second Amended Monroe Credit Agreement prior to the consummation of this offering.

CAPITALIZATION

The following table sets forth our cash, cash equivalents and capitalization as of December 31, 2019:

- on an actual basis for Xponential Fitness LLC;
- on a pro forma basis to reflect the Reorganization Transactions; and
- on a pro forma as adjusted basis to reflect the sale by us of shares of Class A common stock in this offering and the application of the net proceeds from this offering as described in "Use of Proceeds" and based on an assumed initial public offering price of $ per share (the midpoint of the estimated price range set forth on the cover page of this prospectus).

This table should be read in conjunction with "Organizational Structure," "Use of Proceeds," "Selected Consolidated Financial and Other Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Description of Capital Stock" and our consolidated financial statements and related notes thereto included elsewhere in this prospectus.

	As of December 31, 2019		
	Actual	Pro forma	Pro forma as adjusted
		(in thousands)	
Cash and cash equivalents[1][2]	$	$	
Long-term debt	$	$	
Member's equity/stockholders' equity:			
Member's equity			
Class A common stock, $0.0001 par value per share, no shares authorized, no shares issued and outstanding, actual; shares authorized, shares issued and outstanding, pro forma; shares authorized, shares issued and outstanding, pro forma as adjusted	—		
Class B common stock, $0.0001 par value per share, no shares authorized, no shares issued and outstanding, actual; shares authorized, shares issued and outstanding, pro forma; shares authorized, shares issued and outstanding, pro forma as adjusted	—		
Additional paid-in capital	—		
Total stockholders' equity	$	$	
Total capitalization	$	$	

(1) Each $1.00 increase or decrease in the assumed initial public offering price of $ per share (the midpoint of the estimated price range set forth on the cover page of this prospectus) would increase or decrease each of cash and cash equivalents, member's equity/stockholders' equity and total capitalization on a pro forma as adjusted basis by approximately $ million, assuming the number of shares offered, as set forth on the cover page of this prospectus, remains the same, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(2) Each 1,000,000 share increase or decrease in the number of shares offered in this offering would increase or decrease each of cash and cash equivalents, member's equity/stockholders' equity and total capitalization on a pro forma as adjusted basis by approximately $ million, assuming that the price per share for the offering remains at $ (the midpoint of the estimated price range set forth on the cover page of this prospectus), and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

UNAUDITED PRO FORMA FINANCIAL INFORMATION

The unaudited pro forma consolidated statement of operations for the year ended December 31, 2019 gives effect to the Offering Adjustments, as defined below, as if this offering had occurred on January 1, 2019.

The unaudited pro forma balance sheet as of December 31, 2019 gives effect to the Offering Adjustments, as if this offering had occurred on December 31, 2019. See "Capitalization."

The unaudited pro forma financial information has been prepared by our management and is based on (i) Xponential Fitness LLC's consolidated historical financial statements and (ii) the assumptions and adjustments described in the notes thereto. The presentation of the unaudited pro forma financial information has been prepared in conformity with Article 11 of Regulation S-X and are based on currently available information and certain estimates and assumptions. Therefore, the actual adjustments may differ from the pro forma adjustments. Assumptions and estimates underlying the unaudited pro forma adjustments are described in the accompanying notes, which should be read in connection with the unaudited pro forma financial information. The unaudited pro forma consolidated financial information is not necessarily indicative of financial results that would have been attained had the described transactions occurred on the dates indicated above or that could be achieved in the future. However, management believes that the assumptions provide a reasonable basis for presenting the significant effects of the transactions as contemplated and that the pro forma adjustments give appropriate effect to those assumptions and are properly applied in the unaudited pro forma consolidated financial information.

Our historical financial information for the year ended December 31, 2019 has been derived from Xponential Fitness LLC's consolidated financial statements and accompanying notes included elsewhere in this prospectus.

For purposes of the unaudited pro forma financial information, we have assumed that shares of Class A common stock will be issued by us at a price per share equal to the midpoint of the estimated initial offering price range set forth on the cover of this prospectus, and as a result, immediately following the completion of this offering, the ownership percentage represented by LLC Units not held by us will be %, and the net loss attributable to LLC Units not held by us will accordingly represent % of our net loss. If the underwriters' option to purchase additional shares is exercised in full, the ownership percentage represented by LLC Units not held by us will be % and the net loss attributable to LLC Units not held by us will accordingly represent % of our net loss. The higher percentage of net loss attributable to LLC Units not held by us over the ownership percentage of LLC Units not held by us is due to the recognition of additional current income tax expense after giving effect to the adjustments for the Reorganization Transactions and this offering that is entirely attributable to our interest.

We based the pro forma adjustments on available information and on assumptions that we believe are reasonable under the circumstances in order to reflect, on a pro forma basis, the impact of the relevant transactions on the historical financial information of Xponential Fitness LLC. See the notes to unaudited pro forma financial information below for a discussion of assumptions made.

The unaudited pro forma consolidated financial information and related notes are included for informational purposes only and do not purport to reflect the financial position or results of operations of us that would have occurred had we been in existence or operated as a public company or otherwise during the periods presented. If this offering and other transactions contemplated herein had occurred in the past, our operating results might have been materially different from those presented in the unaudited consolidated pro forma financial statements. The unaudited pro forma consolidated financial information should not be relied upon as being indicative of our financial position or results of operations had the described transactions occurred on the dates assumed. The unaudited consolidated financial information also does not project our financial position or results of operations for any future period or date. Future results may vary significantly from the results reflected

in the unaudited pro forma consolidated statements of operations and should not be relied on as an indication of our results after the consummation of this offering and the other transactions contemplated by such unaudited pro forma consolidated financial statements.

The unaudited pro forma financial information should be read together with "Capitalization," "Selected Consolidated Financial and Other Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes thereto included elsewhere in this prospectus.

The pro forma adjustments related to this offering (the "Offering Adjustments") are described in the notes to the unaudited pro forma consolidated financial information, and principally include the following:

- adjustments for the Reorganization Transactions and the entry into the TRA;
- the issuance of shares of our Class A common stock to the purchasers in this offering in exchange for net proceeds of approximately $ million, based on an assumed initial public offering price of $ per share (the midpoint of the estimated price range set forth on the cover page of this prospectus), after deducting underwriting discounts and commissions but before offering expenses;
- the application by us of the net proceeds from this offering and the issuance of shares of Class A common stock (assuming shares of Class A common stock are sold in this offering, and assuming the underwriters do not exercise their option to purchase additional shares of Class A common stock) to acquire newly-issued LLC Units from Xponential Fitness LLC and acquire LLC Units from certain Continuing Pre-IPO LLC Members at a purchase price per LLC Unit equal to the initial public offering price of Class A common stock after deducting underwriting discounts and commissions;
- the application by Xponential Fitness LLC of a portion of the proceeds of the sale of LLC Units to us to pay fees and expenses of approximately $ million in connection with this offering and the Reorganization Transactions; and
- the provision for federal and state income taxes of Xponential Fitness, Inc. as a taxable corporation at an effective rate of % for the year ended December 31, 2019 (which effective rate was calculated using the new U.S. federal income tax rate of 21%).

As a public company, we will be implementing additional procedures and processes for the purpose of addressing the standards and requirements applicable to public companies. We expect to incur additional annual expenses related to these steps and, among other things, additional directors' and officers' liability insurance, director fees, reporting requirements of the SEC and the exchange, transfer agent fees, hiring additional accounting, legal and administrative personnel, increased auditing and legal fees and similar expenses. We have not included any pro forma adjustments relating to these costs.

	Year Ended December 31, 2019		
	Xponential Fitness LLC (1)	Offering Adjustments	Pro Forma Xponential Fitness, Inc.
		(in thousands, except per share data)	
Unaudited Pro Forma Consolidated Statement of Operations			
Revenue, net:			
Franchise revenue			
Equipment revenue			
Merchandise revenue			
Franchise marketing fund revenue			
Other service revenue			
Total revenue, net			
Operating costs and expenses:			
Costs of product revenue			
Costs of franchise and service revenue			
Selling, general and administrative expenses			
Depreciation and amortization			
Marketing fund expenses			
Acquisition and transaction expenses			
Total operating costs and expenses			
Operating loss			

	Year Ended December 31, 2019		
	Xponential Fitness LLC (1)	Offering Adjustments	Pro Forma Xponential Fitness, Inc.
Other income (expense):			
Interest income			
Interest expense			
Total other expense			
Loss before income taxes			
Income taxes		(2)	
Net loss			
Net loss attributable to non-controlling interest		(3)	
Net loss attributable to controlling interests			
Class A common stock outstanding			
Earnings per share			

(1) Xponential Fitness, Inc. was incorporated as a Delaware corporation on January 14, 2020 and it and its wholly owned subsidiary will have no material assets or results of operations until the completion of the Reorganization Transactions and therefore its and its wholly owned subsidiary's historical financial positions are not shown in a separate column in this unaudited pro forma consolidated statement of operations. This column represents the historical consolidated financial statements of Xponential Fitness LLC, the predecessor for accounting purposes.

(2) Before the Reorganization Transactions, Xponential Fitness LLC was a flow-through entity, and after the Reorganization Transactions will be treated as a partnership for U.S. federal and state income tax purposes. As such, income generated by Xponential Fitness LLC will flow through to its partners, including us, and is generally not subject to tax at the Xponential Fitness LLC level. Following the consummation of the Reorganization Transactions and the completion of this offering, we will be subject to U.S. federal income taxes, in addition to state and local income taxes with respect to our direct and indirect share of any taxable income of Xponential Fitness LLC. As a result, the unaudited pro forma consolidated statement of operations reflects adjustments to our income tax expense to reflect an effective income tax rate of %, which was calculated assuming the U.S. federal rates currently in effect and the highest statutory rates apportioned to each applicable state and local jurisdiction.

(3) Upon completion of the Reorganization Transactions, we and our wholly owned subsidiary will become the managing members of Xponential Fitness LLC. As a result, we will consolidate the financial results of Xponential Fitness LLC and will report a non-controlling interest related to the LLC Units held by the ContinuingPre-IPO LLC Members on our consolidated statements of comprehensive income. Following this offering, assuming the underwriters do not exercise their option to purchase additional shares of Class A common stock, we will own % of the economic interest of Xponential Fitness LLC and the Continuing Pre-IPO LLC Members will own the remaining % of the economic interest of Xponential Fitness LLC. Net loss attributable to non-controlling interests will represent % of loss before income taxes of Xponential Fitness LLC. If the underwriters exercise their option to purchase additional shares of Class A common stock in full, we will own % of the economic interest of Xponential Fitness LLC and the Continuing Pre-IPO LLC Members will own the remaining % of the economic interest of Xponential Fitness LLC and net loss attributable to non-controlling interests would represent % of loss before income taxes of Xponential Fitness LLC.

	As of December 31, 2019		
	Xponential Fitness LLC (1)	Offering Adjustments (2)	Pro Forma Xponential Fitness, Inc.
Unaudited Pro Forma Consolidated Balance Sheet			
Assets			
Current Assets:			
Cash and cash equivalents	(3)		
Accounts receivable, net			
Inventories			
Prepaid expenses			
Deferred costs, current portion			
Notes receivable from franchisees, net			
Total current assets			
Property and equipment, net			
Goodwill			
Intangible assets, net			
Deferred costs, net of current portion			
Note receivable from franchisee, net of current portion			
Other assets			
Total assets			
Liabilities and Member's Equity			
Current Liabilities:			
Accounts payable			
Accrued expenses			
Deferred revenue, current portion			
Notes payable to related party			
Current portion of long-term debt			
Other current liabilities			
Related party payable			
Total current liabilities			
Deferred revenue, net of current portion			
Contingent consideration from acquisitions			

	As of December 31, 2019		
	Xponential Fitness LLC (1)	Offering Adjustments (2)	Pro Forma Xponential Fitness, Inc.
Line of credit			
Payable to related parties pursuant to tax receivable agreement	(4)		
Long-term debt, net of current portion and issuance costs			
Other liabilities			
Total liabilities			
Commitments and contingencies			
Member's equity:			
Class A common stock, $0.0001 par value per share, no shares authorized, no shares issued and outstanding, actual; shares authorized, shares issued and outstanding, as adjusted	(3)		
Class B common stock, $0.0001 par value per share, no shares authorized, no shares issued and outstanding, actual; shares authorized, shares issued and outstanding, as adjusted	(3)		
Member's contribution			
Receivable from H&W Intermediate			
Accumulated deficit			
Non-controlling interests	(5)		
Total member's equity			
Total liabilities and member's equity			

(1) Xponential Fitness, Inc. was incorporated as a Delaware corporation on January 14, 2020 and it and its wholly owned subsidiary will have no material assets or results of operations until the completion of the Reorganization Transactions and therefore its and its wholly owned subsidiary's historical financial positions are not shown in a separate column in this unaudited pro forma consolidated balance sheet. This column represents the historical consolidated financial statements of Xponential Fitness LLC, the predecessor for accounting purposes.

(2) For purposes of the unaudited pro forma financial information, we have assumed that shares of Class A common stock will be issued by us in this offering at an initial public offering price per share equal to $ (the midpoint of the estimated price range set forth on the cover page of this prospectus), and as a result, immediately following the completion of this offering, the ownership percentage represented by LLC Units not held by us will be %, and the net loss attributable to LLC Units not held by us will accordingly represent % of our net loss. If the underwriters exercise their option to purchase additional shares of Class A common stock in full, the ownership percentage represented by LLC Units not held by us will be % and the net income attributable to LLC Units not held by us will accordingly represent % of our net loss. The higher percentage of net loss attributable to LLC Units not held by us over the ownership percentage of LLC Units not held by us is due to the recognition of additional current income tax expense after giving effect to the adjustments for the Reorganization Transactions and this offering that is entirely attributable to our interest.

(3) We estimate that the net proceeds from this offering will be approximately $ million (or approximately $ million if the underwriters exercise their option to purchase additional shares of Class A common stock in full), after deducting underwriting discounts and commissions of approximately $ million (or approximately $ million if the underwriters exercise their option to purchase additional shares of Class A common stock in full). We intend to use the net proceeds from this offering to purchase newly-issued LLC Units from Xponential Fitness LLC and LLC Units from certain Continuing Pre-IPO LLC Members, in each case at a purchase price per LLC Unit equal to the initial public offering price per share of Class A common stock after deducting underwriting discounts and commissions. We will cause Xponential Fitness LLC to use the proceeds from the sale of LLC Units to us (i) to pay fees and expenses of approximately $ million in connection with this offering and the Reorganization Transactions, (ii) to repay debt and (iii) for working capital. See "Use of Proceeds."

(4) Reflects adjustments to give effect to the TRA described in "Certain Relationships and Related Party Transactions—Tax Receivable Agreement" and "Organizational Structure," based on the following assumptions:

- we will record an increase of $ million in deferred tax assets for the estimated income tax effects of certain tax assets acquired or created in connection with the Mergers and our acquisitions of LLC Units from Continuing Pre-IPO LLC Members based on enacted federal, state and local tax rates at the date of the transaction. To the extent we estimate that we will not realize the full benefit represented by the deferred tax asset, based on an analysis of expected future earnings, we will reduce the deferred tax asset with a valuation allowance; and

- we will record approximately 85% of the estimated realizable tax benefit as an increase of $ million payable to related parties pursuant to the TRA and the remaining 15% of the estimated realizable tax benefit, or $ million, as an increase to member's interest.

(5) As described in "Organizational Structure," we and our wholly owned subsidiary will become the managing members of Xponential Fitness LLC and will report a non-controlling interest related to the LLC Units held by the ContinuingPre-IPO LLC Members.

DILUTION

If you invest in our Class A common stock, you will experience dilution to the extent of the difference between the initial public offering price per share of our Class A common stock and the pro forma net tangible book value per share of our Class A common stock. Dilution results from the fact that the per share offering price of the Class A common stock is substantially in excess of the pro forma net tangible book value per share attributable to the Pre-IPO LLC Members.

We have presented dilution in pro forma net tangible book value per share of Class A common stock to investors in this offering assuming that all of the holders of LLC Units redeemed or exchanged their LLC Units for a corresponding number of newly-issued shares of Class A common stock (the "Assumed Redemption,") in order to more meaningfully present the dilutive impact on the investors in this offering.

Our pro forma net tangible book value as of December 31, 2018 would have been approximately $ million, or $ per share of our Class A common stock. Pro forma net tangible book value represents the amount of total tangible assets less total liabilities, and pro forma net tangible book value per share represents pro forma net tangible book value divided by the number of shares of Class A common stock outstanding, in each case after giving effect to the Reorganization Transactions and based on an assumed initial public offering price of $ per share (the midpoint of the estimated price range set forth on the cover page of this prospectus), assuming that the Continuing Pre-IPO LLC Members redeem or exchange all of their LLC Units and shares of Class B common stock for newly-issued shares of our Class A common stock on a one-for-one basis (assuming shares of Class A common stock are sold in this offering).

After giving effect to the Reorganization Transactions, assuming that the ContinuingPre-IPO LLC Members redeem or exchange all of their LLC Units for newly-issued shares of our Class A common stock on a one-for-one basis, and after giving further effect to the sale of shares of Class A common stock in this offering at an assumed initial public offering price of $ per share (the midpoint of the estimated price range set forth on the cover page of this prospectus) and the use of the net proceeds from this offering, our pro forma as adjusted net tangible book value would have been approximately $ million, or $ per share, representing an immediate increase in net tangible book value of $ per share to existing equity holders and an immediate dilution in net tangible book value of $ per share to new investors.

The following table illustrates the per share dilution:

Assumed initial public offering price		$
Pro forma net tangible book value per share as of December 31, 2018	$	
Increase in pro forma net tangible book value per share attributable to new investors		
Pro forma adjusted net tangible book value per share after offering		
Dilution in pro forma net tangible book value per share to new investors		$

Dilution is determined by subtracting pro forma net tangible book value per share after this offering from the initial public offering price per share of Class A common stock.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) the dilution per share to new investors by $, in each case assuming the number of shares offered, as set forth on the cover page of this prospectus, remains the same.

To the extent the underwriters exercise their option to purchase additional shares of Class A common stock, there will be further dilution to new investors.

The following table illustrates, as of December 31, 2018, after giving effect to the Assumed Redemption and the sale by us of shares of our Class A common stock in this offering at an assumed initial public offering

price of $ per share (the midpoint of the estimated price range set forth on the cover page of this prospectus), the difference between the existing Pre-IPO LLC Members, and the investors purchasing shares of our Class A common stock in this offering with respect to the number of shares of our common stock purchased from us, the total consideration paid or to be paid to us, and the average price per share paid or to be paid to us, before deducting underwriting discounts and commissions and the estimated offering expenses payable by us:

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Pre-IPO LLC Members		%	$	%	$
Investors purchasing shares of our Class A common stock in this offering					$
Total		100%	$	100%	

Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share (the midpoint of the estimated price range set forth on the cover page of this prospectus) would increase (decrease) the total consideration paid by new investors and the total consideration paid by all stockholders by $ million, assuming the number of shares offered by us remains the same and after deducting estimated underwriting discounts and commissions but before estimated offering expenses.

We may choose to raise additional capital due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. To the extent additional capital is raised through the sale of equity or convertible debt securities, the issuance of these securities could result in further dilution to holders of our Class A common stock.

SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA

The following selected consolidated financial data of Xponential Fitness LLC should be read in conjunction with, and are qualified by reference to, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes thereto included elsewhere in this prospectus. The consolidated statement of operations data for the year ended December 31, 2018 and the consolidated balance sheet data as of December 31, 2018 are derived from, and qualified by reference to, our audited consolidated financial statements and related notes thereto included elsewhere in this prospectus. The results indicated below are not necessarily indicative of the results that may be expected in the future.

	Year Ended December 31, 2018[1] (in thousands)
Consolidated Statement of Operations Data	
Revenue, net:	
Franchise revenue	$ 19,852
Equipment revenue	22,646
Merchandise revenue	9,575
Franchise marketing fund revenue	3,745
Other service revenue	3,446
Total revenue, net	59,264
Operating costs and expenses:	
Costs of product revenue	22,901
Costs of franchise and service revenue	3,127
Selling, general and administrative expenses	44,551
Depreciation and amortization	3,513
Marketing fund expenses	3,285
Acquisition and transaction expenses	18,095
Total operating costs and expenses	95,472
Operating loss	(36,208)
Other income (expense):	
Interest income	56
Interest expense	(6,253)
Total other expense	(6,197)
Loss before income taxes	(42,405)
Income taxes	73
Net loss	$ (42,478)

	As of December 31, 2018 [1] (in thousands)
Consolidated Balance Sheet Data	
Cash and cash equivalents	$ 11,209
Total assets	298,336
Total debt[2]	151,102
Total member's equity	62,185

(1) See Note 3—Acquisition of Business in the notes to the consolidated financial statements accompanying this prospectus.
(2) Includes long-term debt, notes payable and amounts due under settlement agreements, but excludes contingent consideration and deferred loan costs.

	Year Ended December 31, 2018 (in thousands except per unit data)
Key Performance Indicators(1)	
System-wide sales	$ 374,506
Number of new studio openings	260
Number of studios operating	1,066
Number of licenses sold in North America	2,081
Number of licenses contractually obligated to be sold internationally	35
AUV	$ 384
Same store sales	8%
Adjusted EBITDA(2)	$ (10,565)

(1) See "Basis of Presentation" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators" for the definition of and additional information about these metrics.

(2) We define adjusted EBITDA as EBITDA (net income/loss before interest, taxes, depreciation and amortization), adjusted for the impact of certain non-cash and other items that we do not consider in our evaluation of ongoing operating performance. These items include equity-based compensation, transaction fees (certain purchase accounting adjustments, acquisition transaction fees), management fees (that will be discontinued after this offering), integration and related expenses and litigation expenses (consisting of legal and related fees for specific proceedings that arise outside of the ordinary course of our business) that we do not believe reflect our underlying business performance. We believe that adjusted EBITDA is an appropriate measure of operating performance because it eliminates the impact of expenses that we do not believe reflect our underlying business performance. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures."

The following table presents a reconciliation of net loss, the most directly comparable financial measure calculated in accordance with GAAP, to adjusted EBITDA, for the year ended December 31, 2018.

	Year Ended December 31, 2018 (in thousands)
Net loss	$ (42,478)
Interest expense	6,253
Income taxes	73
Depreciation and amortization	3,513
EBITDA	(32,639)
Equity-based compensation	1,969
Acquisition and transaction expenses	18,095
Management fees	847
Integration & related expenses	467
Litigation expenses	696
Adjusted EBITDA	$ (10,565)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with "Selected Consolidated Financial and Other Data," our consolidated financial statements and related notes thereto and the other financial information included elsewhere in this prospectus. In addition to historical financial information, the following discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results and timing may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those discussed under "Risk Factors" and elsewhere in this prospectus.

Overview

Xponential Fitness is the largest boutique fitness franchisor in the United States measured by number of brands and studios. Our mission is to bring the best of boutique fitness to everyone. We partner with franchisees to make specialized workouts in motivating and community-based environments broadly accessible. Our curated portfolio of eight leading brands spans a variety of popular fitness and wellness verticals, including Pilates, barre, cycling, rowing, yoga, running, stretch and dance. Collectively, our brands offer consumers engaging experiences that appeal to a broad range of ages, fitness levels and demographics. In 2019, consumers completed more than 25 million workouts across our brands system-wide. The foundation of our business is built on strong franchisee partnerships. We provide franchisees extensive support to help maximize the performance of their studios, while leveraging our corporate platform to accelerate growth and enhance profitability. We believe the unique combination of a multi-brand offering, franchise model with strong unit economics and integrated platform has enabled us to build our leading market position in the large and growing U.S. boutique fitness industry.

We were formed in 2017 to develop a portfolio of leading boutique fitness brands targeting distinct verticals within the fitness and wellness industry. Our brands consist of:

- *Club Pilates*: acquired in March 2015 by Anthony Geisler, our Chief Executive Officer and founder, and acquired by us in September 2017;
- *CycleBar*: acquired in September 2017;
- *Stretch Lab*: acquired in November 2017;
- *Row House*: acquired in December 2017;
- *AKT*: acquired in March 2018;
- *Yoga Six*: acquired in July 2018;
- *Pure Barre*: acquired in October 2018; and
- *Stride*: acquired in December 2018.

As a franchisor, we benefit from multiple highly predictable and recurring revenue streams that enable us to scale our studio base in a capital efficient manner. As of December 31, 2019, franchisees were contractually committed to open new studios in North America. In addition, our master franchisees were contractually obligated to sell licenses to franchisees to open additional studios in five other countries, of which such master franchisees have sold as of December 31, 2019. Converting our current pipeline of licenses sold to open studios in North America would more than double our existing franchised studio base. In 2018, we had no material revenue outside of the United States and no franchisee accounted for more than 5% of our revenue. We operate in one segment for financial reporting purposes.

Reorganization

Xponential Fitness, Inc. and its wholly owned subsidiary were formed for the purpose of this offering and have engaged to date only in activities in contemplation of this offering. Xponential Fitness, Inc. will be a holding company and its primary asset will be a direct and indirect controlling ownership interest in Xponential Fitness LLC. For more information regarding our reorganization and holding company structure, see "Organizational Structure—The Reorganization Transactions." Upon completion of this offering, all of our business will be conducted through Xponential Fitness LLC and its consolidated subsidiaries, and the financial results of Xponential Fitness LLC and its consolidated subsidiaries will be included in the consolidated financial statements of Xponential Fitness, Inc. After the Reorganization Transactions, Xponential Fitness LLC will be taxed as a partnership for federal income tax purposes and, as a result, its members, including Xponential Fitness, Inc. will pay income taxes with respect to their allocable shares of its net taxable income.

We will acquire certain favorable tax attributes from the Blocker Companies in the Mergers. In addition, acquisitions by Xponential Fitness, Inc. of LLC Units from Continuing Pre-IPO LLC Members in connection with this offering, future taxable redemptions or exchanges by ContinuingPre-IPO LLC Members of LLC Units for shares of our Class A common stock or cash, and other transactions described herein are expected to result in favorable tax attributes that will be allocated to us. These tax attributes would not be available to us in the absence of those transactions and are expected to reduce the amount of tax that we would otherwise be required to pay in the future. The TRA will require Xponential Fitness, Inc. to pay in the aggregate 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that we actually realize to Pre-IPO LLC Members and the Reorganization Parties. Furthermore, payments under the TRA may give rise to additional tax benefits and therefore additional payments under the TRA. See "Certain Relationships and Related Party Transactions—Tax Receivable Agreement."

Factors Affecting Our Results of Operations

We believe that the most significant factors affecting our results of operations include:

- ***Licensing new qualified franchisees, selling additional licenses to existing franchisees and opening studios.*** Our growth depends upon our success in licensing new studios to existing and new franchisees. We believe our success in attracting new franchisees and attracting existing franchisees to invest in additional studios has resulted from our diverse offering of attractive brands, corporate level support, training provided to franchisees and the opportunity to realize attractive returns on their invested capital. We believe our significant investments in centralized systems and infrastructure help support new and existing franchisees. In order to continue to attract qualified new franchisees, sell additional studios to existing franchisees and assist franchisees in opening their studios, we plan to continue to invest in our brands to enable them to deliver positive consumer experiences and in our integrated services at the brand level to support franchisees.

- ***Timing of studio openings.*** Our revenue growth depends to a significant extent on the number of studios that are open and operating. Many factors affect whether a new studio will be opened on time, if at all, including the availability and cost of financing, selection and availability of suitable studio locations, delays in hiring personnel as well as any delays in equipment delivery or installation. To the extent franchisees are unable to open new studios on the timeline we anticipate, we will not realize the revenue growth that we expect. We believe our investments in centralized systems and infrastructure, including real estate site selection, studio build-out and design assistance help enable franchisees to open studios and we plan to continue to invest in our systems to continue to provide assistance during the opening process.

- ***Increasing same store sales.*** Our long-term revenue prospects are driven in part by franchisees' ability to increase same store sales. Several factors affect our same store sales in any given period,

including the number of stores that have been in operation for a significant period of time, growth in total memberships and marketing and promotional efforts. We expect to continue to seek to grow same store sales and average unit volume by helping franchisees acquire new members, increase studio utilization and drive increased spend from consumers. We also intend to expand ancillary revenue streams, such as our Video-On-Demand offerings and retail merchandise.

- ***International expansion.*** We continue to invest in increasing the number of franchisees outside of North America. We have developed strong relationships and executed committed development contracts with master franchisees to propel our international growth and we plan to continue to invest in these relationships and seek new relationships and opportunities in countries that we have targeted for expansion.

- ***Consumer demand and competition for discretionary income.*** Our revenue and future success will depend in part on the attractiveness of our brands and the services provided by franchisees relative to other fitness and entertainment options available to consumers. Macroeconomic factors generally, and economic factors affecting a particular geographic territory, may also impact the returns generated by franchisees and therefore impact our operating results.

Key Performance Indicators

In addition to our GAAP financial statements, we regularly review the following key metrics to measure performance, identify trends, formulate financial projections, compensate our employees and monitor our business. While we believe that these metrics are useful in evaluating our business, other companies may not use similar metrics or may not calculate similarly titled metrics in a consistent manner. See “Basis of Presentation.”

System-Wide Sales

System-wide sales represent gross sales by all studios. System-wide sales growth is driven by new studio openings as well as increases in same store sales. Management reviews system-wide sales on a monthly basis, which enables us to assess changes in our franchise revenue, overall studio performance, the health of our brands and the strength of our market position relative to competitors.

Number of New Studio Openings

The number of new studio openings reflects the number of studios opened globally during a particular reporting period. We consider a new studio to be open once the studio begins offering classes. Opening new studios is an important part of our growth strategy. New studios may not generate material revenue in the early period following an opening and their revenue may not follow historical patterns. Management reviews the number of new studio openings in order to help forecast operating results and to monitor studio opening processes.

Number of Studios Operating

In addition to the number of new studios opened during a period, we track the number of total studios operating at the end of a reporting period. We view this metric on a net basis to take account of any studios that may have closed. While nearly all of our franchised studios are licensed to franchisees, from time to time we own and operate a very limited number of studios (typically as we take possession of a studio following a franchisee ceasing to operate it and as we prepare it to be licensed to a new franchisee). Management reviews the number of studios operating at a point in time in order to help forecast system-wide sales, franchise revenue and other revenue streams.

Licenses Sold

The number of licenses sold in North America reflects the number of studios that franchisees have opened or are contractually obligated to open in North America under franchise and area development agreements. The number of licenses contractually obligated to be sold internationally reflects the number of licenses that master franchisees are contractually obligated to sell to franchisees outside of North America under master franchise agreements. Management reviews the number of licenses sold in North America and the number of licenses contractually obligated to be sold internationally in order to help forecast studio growth and system-wide sales.

Average Unit Volume

AUV consists of the average sales for the trailing 12 full calendar months for all studios in North America that have been open for at least 13 months as of the measurement date. This measure is calculated by dividing sales during the applicable period for all studios being measured by the number of studios being measured. AUV growth is primarily driven by changes in same store sales and is also influenced by new studio openings. Management reviews AUV to assess studio economics.

Same Store Sales

Same store sales refers to period-over-period sales comparisons for the base of studios. We define the same store sales base to include the studios in North America that have been open for at least 13 months as of the measurement date. Any transfer of ownership of a studio does not affect this metric. We measure same store sales based solely upon monthly sales as reported by franchisees. This measure highlights the performance of existing studios, while excluding the impact of new studio openings. Management reviews same store sales to assess the health of the franchised studios.

The following table sets forth our key performance indicators for the year ended December 31, 2018:

	Year Ended December 31, 2018 (in thousands, except unit data)
System-wide sales	$ 374,506
Number of new studio openings	260
Number of studios operating	1,066
Number of licenses sold in North America	2,081
Number of licenses contractually obligated to be sold internationally	35
AUV	$ 384
Same store sales	8%

Non-GAAP Financial Measures

In addition to our results determined in accordance with GAAP, we believe the followingnon-GAAP measure is useful in evaluating our operating performance. We use the following non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe thatnon-GAAP financial information, when taken collectively, may be helpful to investors because it provides consistency and comparability with past financial performance. However, non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool, and should not be considered in isolation or as a substitute for financial information presented in accordance with GAAP. In addition, other companies, including companies in our industry, may calculate similarly-titled non-GAAP measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of ournon-GAAP financial measure as tools for comparison. A reconciliation is provided below for

the non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP. Investors are encouraged to review the related GAAP financial measures and the reconciliation of the non-GAAP financial measure to its most directly comparable GAAP financial measure and not rely on any single financial measure to evaluate our business.

We believe that the non-GAAP financial measure as presented in the below table, when taken together with the corresponding GAAP financial measure, provides meaningful supplemental information regarding our performance by excluding certain items that may not be indicative of our business, results of operations or outlook.

Adjusted EBITDA

We define adjusted EBITDA as EBITDA (net income/loss before interest, taxes, depreciation and amortization), adjusted for the impact of certain non-cash and other items that we do not consider in our evaluation of ongoing operating performance. These items include equity-based compensation, transaction fees (certain purchase accounting adjustments and acquisition transaction fees), management fees (that will be discontinued after this offering), integration and related expenses and litigation expenses (consisting of legal and related fees for specific proceedings that arise outside of the ordinary course of our business) that we do not believe reflect our underlying business performance. We believe that adjusted EBITDA is an appropriate measure of operating performance because it eliminates the impact of expenses that we do not believe reflect our underlying business performance.

We believe that adjusted EBITDA, viewed in addition to, and not in lieu of, our reported GAAP results, provides useful information to investors regarding our performance and overall results of operations because it eliminates the impact of other items that we believe reduce the comparability of our underlying core business performance from period to period and is therefore useful to our investors in comparing the core performance of our business from period to period.

The following table presents a reconciliation of net loss, the most directly comparable financial measure calculated in accordance with GAAP, to adjusted EBITDA for the year ended December 31, 2018.

	Year Ended December 31, 2018 (in thousands)
Net loss	$ (42,478)
Interest expense	6,253
Income taxes	73
Depreciation and amortization	3,513
EBITDA	(32,639)
Equity-based compensation	1,969
Acquisition and transaction expenses	18,095
Management fees	847
Integration & related expenses	467
Litigation expenses	696
Adjusted EBITDA	$ (10,565)

Key Components of Results of Operations

Revenue

Our revenue consists of franchise revenue, merchandise revenue and franchise marketing fund revenue, which we consider recurring revenue, as well as equipment revenue and other service revenue. The following is a brief description of the components of our revenue.

Franchise revenue includes revenue we earn from our franchise agreements and area development agreements. Our franchise agreements typically operate under ten-year terms with the option to renew for up to

two additional five-year renewal terms. Initial franchise fees are non-refundable and are typically collected upon signing of the franchise agreement or area development agreement. Initial franchise fees are recorded as deferred revenue when received and are recognized on a straight-line basis over the franchise life, which we have determined to be ten years (or five years in the case of a renewal) as we fulfill our promise to grant the franchisee the rights to access and benefit from our intellectual property and to support and maintain the intellectual property. Royalty revenue represents royalties earned from each of the studios in accordance with the franchise disclosure document and the franchise agreement for use of the various brands' names, processes and procedures. The royalty rate in the franchise agreement is typically 7% of the gross sales of each location operated by each franchisee. Royalties are billed and recognized as franchisee sales occur. We also earn fees for providing access to third party technology solutions to the franchisee for a fixed, monthly fee and for providing coach training services.

We also sell authorized equipment to franchisees for use in the studios. Equipment revenue includes equipment revenue for new studios, installation of equipment and replacement equipment for existing studios. Franchisees are required to purchase all studio equipment from us or vendors approved by us.

Merchandise revenue is generated from the sale of branded and non-branded merchandise to franchisees for retail sales to members at the studios. For certain non-branded merchandise sales, the company earns a commission to facilitate the transaction between franchisee and the supplier.

We also collect a marketing fee of 2% of gross sales from all franchisees. We use the marketing fees for advertising, marketing, market research, product development, public relations programs and related materials.

Other service revenue includes Video-On-Demand revenue earned from subscriptions to our Video-On-Demandweb-based classes, commissions earned from certain of franchisees' use of preferred vendors and vouchers sold through third parties allowing trial classes at local studios operated by franchisees. Nearly all of our franchised studios are licensed to franchisees, however we may own and operate a limited number of studios at any given time and revenue from those studios is included in other service revenue.

Costs of Revenue

Costs of product revenue primarily consists of cost of equipment and merchandise and related freight charges. Costs of franchise and service revenue primarily includes commissions paid to brokers and sales personnel related to the signing of franchise agreements, travel and personnel expenses related to the on-site training provided to the franchisees and expenses related to the purchase of technology packages and the related monthly fees. Certain of our brokerage contracts were with wholly owned subsidiaries of St. Gregory Holdco, LLC ("STG"), which is a wholly owned subsidiary of H&W Intermediate, which owned all of our outstanding LLC Units before the consummation of the Reorganization Transactions. During the year ended December 31, 2018, we recorded $9.3 million of deferred commission costs paid to STG and Montgomery Venture Investments, LLC ("MVI"), which is being recognized over the initial ten-year franchise agreement term. Effective October 1, 2019, we no longer have brokerage contracts with subsidiaries of STG and instead employ a direct salesforce. See "Certain Relationships and Related Party Transactions—Brokerage Contracts."

Operating Expenses

We primarily incur the following operating expenses: selling, general and administrative expenses, depreciation and amortization, marketing fund expenses and acquisition and transaction expenses.

Selling, general and administrative expenses include costs associated with administrative and franchisee support functions related to our existing business, as well as growth and development activities. These costs primarily consist of payroll, professional and legal expenses, occupancy fees, management fees, travel expenses and conference expenses. Marketing fund expenses include advertising, marketing, market research, product

development, public relations programs and materials that benefit the brands. Acquisition and transaction expenses primarily include costs directly related to the acquisition of businesses, which include expenditures for advisory, legal, valuation, accounting and similar services, in addition to amounts recorded for changes in the fair value of contingent consideration.

Following the completion of this offering, we expect to incur additional expenses as a result of operating as a public company, including costs to comply with the rules and regulations applicable to companies listed on a national securities exchange, costs related to compliance and reporting obligations pursuant to the rules and regulations of the SEC and higher expenses for insurance, investor relations and professional services. We expect our selling, general and administrative expenses will increase in absolute dollars as our business grows.

Cash Flows

We generate a significant portion of our cash flows from royalties and various fees related to transactions involving our franchised studios. We collect our royalties and certain other fees through our third-party hosted system-wide point-of-sale system. Royalties, franchise marketing fund fees, and certain other fees are deducted on a recurring basis monthly. Franchisees are responsible for maintaining the billing records and collection of dues for their respective studios through the point-of-sale system. Royalties and franchise marketing fund fees are based on monthly billings for the studios without regard to the collections of those billings by franchisees. Merchandise and equipment sales to new and existing studios also generate significant cash flows.

Discussion of Results of Operations

Year Ended December 31, 2018 versus 2019

The following is a discussion of our consolidated results of operations for the year ended December 31, 2018 versus the year ended December 31, 2019.

	Years Ended December 31,	
	2018	2019
	(in thousands)	
Revenue:		
Franchise revenue	$ 19,852	
Equipment revenue	22,646	
Merchandise revenue	9,575	
Franchise marketing fund revenue	3,745	
Other service revenue	3,446	
Total revenue	59,264	
Operating costs and expenses:		
Costs of product revenue	22,901	
Costs of franchise and service revenue	3,127	
Selling, general and administrative expenses	44,551	
Depreciation and amortization	3,513	
Marketing fund expenses	3,285	
Acquisition and transaction expenses	18,095	
Total operating costs and expenses	95,472	
Operating loss	(36,208)	
Other income (expense)		
Interest income	56	
Interest expense	(6,253)	
Total other expense	(6,197)	
Loss before income taxes	(42,405)	
Income taxes	73	
Net loss	$ (42,478)	

Results of Operations as Percentage of Revenue

The following table presents the consolidated results of operations for the year ended December 31, 2018 and December 31, 2019 as a percentage of revenue:

	Years Ended December 31,	
	2018	2019
Revenue:		
Franchise revenue	33.5%	
Equipment revenue	38.2%	
Merchandise revenue	16.2%	
Franchise marketing fund revenue	6.3%	
Other service revenue	5.8%	
Total revenue	100.0%	
Operating costs and expenses:		
Costs of product revenue	38.6%	
Costs of franchise and service revenue	5.3%	
Selling, general and administrative expenses	75.2%	
Depreciation and amortization	5.9%	
Marketing fund expenses	5.5%	
Acquisition and transaction expenses	30.5%	
Total operating costs and expenses	161.0%	
Operating loss	61.1%	
Other income (expense)		
Interest income	0.1%	
Interest expense	10.6%	
Total other expense	10.5%	
Loss before income taxes	71.6%	
Income taxes	0.1%	
Net loss	71.7%	

Note: Totals may not add due to rounding.

Revenue

	Years Ended December 31,	
	2018	2019
	(in thousands)	
Revenue:		
Franchise revenue	$ 19,852	$
Equipment revenue	22,646	
Merchandise revenue	9,575	
Franchise marketing fund revenue	3,745	
Other service revenue	3,446	
Total revenue	$ 59,264	

Total revenue. Total revenue was $59.3 million during the year ended December 31, 2018, which primarily consisted of revenue from existing franchisees, opening of new studios and acquisitions of businesses during the year.

Franchise revenue. Franchise revenue was $19.9 million for the year ended December 31, 2018. Franchise revenue consisted primarily of franchise royalty fees of $14.5 million.

Equipment revenue. Equipment revenue was $22.6 million for the year ended December 31, 2018.

Merchandise revenue. Merchandise revenue was $9.6 million for the year ended December 31, 2018.

Franchise marketing fund revenue. Franchise marketing fund revenue was $3.7 million for the year ended December 31, 2018.

Other service revenue. Other service revenue was $3.4 million for the year ended December 31, 2018.

Operating Costs and Expenses

	Year Ended December 31, 2018
	(in thousands)
Costs of product revenue	$ 22,901
Costs of franchise and service revenue	3,127
Selling, general and administrative expenses	44,551
Depreciation and amortization	3,513
Marketing fund expenses	3,285
Acquisition and transaction expenses	18,095
Total operating costs and expenses	$ 95,472

Costs of product revenue. Costs of product revenue was $22.9 million for the year ended December 31, 2018.

Costs of franchise and service revenue. Costs of franchise and service revenue was $3.1 million for the year ended December 31, 2018.

Selling, general and administrative expenses. Selling, general and administrative expenses were $44.6 million for the year ended December 31, 2018. Selling, general and administrative expenses consisted primarily of employee related expenses of $15.6 million, sales and marketing expense of $10.3 million, professional fees of $9.1 million and other expenses of $9.6 million.

Depreciation and amortization. Depreciation and amortization expense was $3.5 million for the year ended December 31, 2018.

Marketing fund expenses. Marketing fund expenses were $3.3 million for the year ended December 31, 2018.

Acquisition and transaction expenses. Acquisition and transaction expenses were $18.1 million for the year ended December 31, 2018. These expenses include $3.2 million in expenses related to costs incurred in connection with the acquisition of businesses in 2018 and $14.9 million in non-cash change in fair value of contingent consideration related to 2017 business acquisitions.

Other Income (Expense)

	Year Ended December 31, 2018 (in thousands)
Other income (expense)	
Interest income	$ 56
Interest expense	(6,253)
Total other expense	$ (6,197)

Other income (expense). Other expense was $6.2 million for the year ended December 31, 2018.

Interest income. Interest income was $0.1 million for the year ended December 31, 2018.

Interest expense. Interest expense was $6.3 million for the year ended December 31, 2018.

Income Taxes

	Year Ended December 31, 2018 (in thousands)
Income taxes	$ 73

Income taxes. Income taxes were $0.1 million for the year ended December 31, 2018.

Liquidity and Capital Resources

As of December 31, 2018, we had $11.2 million of cash and cash equivalents.

We require cash principally to fund day-to-day operations, finance capital investments, service our outstanding debt and address our working capital needs. Based on our current level of operations and anticipated growth, we believe that our available cash balance, the cash generated from our operations, and amounts available under our credit facility will be adequate to meet our anticipated debt service requirements and obligations under our TRA, capital expenditures, payment of tax distributions and working capital needs for at least the next twelve months. Our ability to continue to fund these items and continue to reduce debt could be adversely affected by the occurrence of any of the events described under “Risk Factors.” There can be no assurance, however, that our business will generate sufficient cash flows from operations or that future borrowings will be available under our credit facility or otherwise to enable us to service our indebtedness, including our credit facility, or to make anticipated capital expenditures. Our future operating performance and our ability to service, extend or refinance the credit facility will be subject to future economic conditions and to financial, business and other factors, many of which are beyond our control.

Credit Facility

On October 25, 2018, we and STG entered into a Credit Agreement with Monroe Capital Management Advisors, LLC as administrative agent and the lenders party thereto (the “Second Amended Monroe Credit Agreement”), providing us with a term loan of $135 million and a revolving line of credit of up to $10 million. We also have the option to request an increase in the aggregate principal amount of borrowing available to us of up of an additional $35 million for the term loan and $5 million for the revolving line of credit, subject to satisfying certain financial covenants and other conditions. At the time of the agreement, STG was a wholly-owned subsidiary of H&W Intermediate, which owned all of our outstanding LLC Units before the consummation of the Reorganization Transactions.

Our and STG's obligations under the Second Amended Monroe Credit Agreement are guaranteed by H&W Franchise Holdings, H&W Intermediate, STG, us and our subsidiaries and are secured by substantially all of our assets and all of the assets of H&W Intermediate. The Second Amended Monroe Credit Agreement contains certain representations and warranties, indemnification provisions in favor of the administrative agent and lenders, events of default and affirmative and negative covenants, including, among other things, covenants to use the proceeds of borrowings only for certain specified purposes; covenants to refrain from entering into certain agreements outside the ordinary course of business, including with respect to consolidation, mergers or changes to our parent entity structure; covenants restricting further borrowings or creation of liens; covenants restricting certain transactions with our affiliates; covenants restricting certain payments, including certain payments to our affiliates or equity holders; covenants restricting distributions to equity holders; covenants restricting the issuance of equity; and a provision that under certain circumstances the departure of certain key employees or affiliates, including Mr. Geisler, would constitute an event of default.

We and STG are jointly and severally liable for amounts borrowed under the Monroe Credit Agreement. During 2018, we began servicing the STG portion of the debt and determined STG does not have the ability to repay its portion of the loan. Therefore, we recognized the total outstanding debt on our consolidated financial statements at December 31, 2018. As of December 31, 2018, we recognized $135 million outstanding under the term loan and $8 million outstanding under the revolving credit line. In April 2019, pursuant to our option under the Second Amended Monroe Credit Agreement, we borrowed an additional $12 million under the term loan.

Until we amended the Second Amended Monroe Credit Agreement, as described below, we were required to make: (i) quarterly payments of interest on the term loan, plus 0.25% of the aggregate term loan principal and (ii) quarterly interest only payments on the aggregate revolving loan principal. Borrowings under both the term loan and the revolving credit line bore interest at a per annum rate of LIBOR plus a margin of 5.5%, 6% or 6.5%, which margin was determined by the ratio of our and STG's total consolidated indebtedness to our and STG's EBITDA (as defined in the agreement) for the trailing four quarters. Our applicable interest rate for the period ended December 31, 2018 was LIBOR plus 6% (8.345% as of December 31, 2018).

In December 2019, we entered into a letter agreement with Monroe Capital Management Advisors, LLC and, together with the other parties thereto, and an amendment to the Second Amended Monroe Credit Agreement. Pursuant to the letter agreement, we agreed to pay monthly fees of $500,000 beginning on February 1, 2020, increasing by $500,000 for each subsequent month until the amounts outstanding under the Monroe Credit Agreement are repaid in full, as well as fees of up to an aggregate of $1.5 million if we do not furnish Monroe Capital Management Advisors, LLC with certain information on certain dates through February 2020. Pursuant to the amendment, we received a waiver of certain covenants relating to the provision to furnish annual audit reports to Monroe Capital Management Advisors, LLC. In addition, we agreed that the annualized interest rate applicable to our borrowings under the agreement would increase by 1% beginning on February 1, 2020 and increase by an additional 1% each subsequent month until such borrowings are repaid in full. We further agreed to increase our installment payments on the term loan to 1% of aggregate term loan principal each month beginning on February 1, 2020. We also agreed that Monroe Capital Management Advisors, LLC or its affiliates will be issued a warrant granting the right to purchase up to 1% of the outstanding equity interests of H&W Franchise Holdings if we have not repaid our outstanding borrowings under the Second Amended Monroe Credit Agreement in full by April 1, 2020, and an additional 1% each month thereafter until we have made such repayment.

In February 2020, we entered into a letter agreement with Monroe Capital Management Advisors, LLC and, together with the other parties thereto, a further amendment to the Second Amended Monroe Credit Agreement. Pursuant to the letter agreement, we agreed to cancel the monthly fees payable pursuant to the December 2019 letter agreement described above and agreed to pay a monthly fee of $1 million beginning on March 1, 2020 that increases to a monthly fee of $2 million beginning on August 1, 2020 until the amounts outstanding under the Second Amended Monroe Credit Agreement are repaid in full. Pursuant to the amendment, we received waivers of certain prepayment fees and certain provisions relating to equity issuances and changes of control, and we agreed to make a payment of $30 million to be applied to the outstanding principal balance on

the term loan and decrease our installment payments on the term loan to 0.25% of aggregate term loan borrowings each quarter through June 30, 2020 and 1.25% of aggregate term loan borrowings each quarter thereafter. The $30 million principal payment was paid in February 2020. Other than as described above, the other obligations under the December 2019 amendment remain in effect. We expect to refinance amounts outstanding under and terminate the Second Amended Monroe Credit Agreement prior to the consummation of this offering.

Certain provisions of the Second Amended Monroe Credit Agreement, if not waived, would restrict our ability to effect the Reorganization Transactions and this offering. We expect to terminate the Second Amended Monroe Credit Agreement prior to the consummation of the Reorganization Transactions and this offering.

Cash Flows

The following table presents summary cash flow information for the year ended December 31, 2018:

	Year Ended December 31, 2018 (in thousands)
Net cash provided by operating activities	$ 836
Net cash used in investing activities	(24,431)
Net cash provided by financing activities	31,488
Net increase in cash	$ 7,893

Cash Flows from Operating Activities

In 2018, cash provided by operating activities was $0.8 million, consisting primarily of our net loss of $42.5 million adjusted for non-cash items including depreciation and amortization of $3.5 million, change in fair value of contingent consideration from acquisitions of $14.9 million, bad debt expense of $0.7 million, non-cash interest expense of $0.5 million and equity based compensation of $2.0 million. These amounts were partially offset by the following changes in operating assets and liabilities:

- accounts payable, accrued expenses and other liabilities increased $12.9 million;
- deferred revenue increased $27.0 million;
- current assets, excluding deferred costs, increased $4.4 million; and
- deferred costs increased $14.2 million.

Cash Flows from Investing Activities

In 2018, cash used in investing activities was $24.4 million, primarily attributable to $15.9 million used to acquire businesses and $7.6 million used for purchases of property and equipment, primarily used in our corporate office location.

Cash Flows from Financing Activities

In 2018, cash provided by financing activities was $31.5 million, primarily attributable to net borrowings on our line of credit and long-term debt of $32.6 million, partially offset by payment of debt issuance costs and net loans from related parties and payments to affiliates.

Receivables from H&W Intermediate

As described in Note 8 to our consolidated financial statements included elsewhere in this prospectus, during the year ended December 31, 2017, we advanced $16.3 million to H&W Intermediate, which in turn utilized these funds to acquire STG. As of December 31, 2018, we also had a receivable from H&W Intermediate related to providing funds to STG for operating expenses and debt service aggregating $1.8 million. No interest income was received or accrued by us related to these receivables.

The amount due from H&W Intermediate also includes the STG long-term debt balance of $13.2 million. As described in Note 7 to our consolidated financial statements included elsewhere in this prospectus, we and STG are jointly and severally liable for borrowings under the Credit Facility. During 2018, we began servicing the STG portion of the debt and determined STG did not have the ability to repay its portion of the loan. Therefore, the total outstanding debt is recognized in our consolidated financial statements at December 31, 2018.

As of December 31, 2018, these receivables from H&W Intermediate are reflected on our consolidated financial statements as a reduction to equity of $31.3 million as we determined that H&W Intermediate had no plan to repay these amounts in the foreseeable future. As described in Note 8 to our consolidated financial statements included elsewhere in this prospectus, in February 2020 H&W Intermediate contributed $49.4 million to us, of which $31.3 million was in satisfaction of the receivable and the remainder was a contribution.

Post-Offering Taxation and Expenses

After the Reorganization Transactions, Xponential Fitness LLC will be treated as a pass-through entity for U.S. federal income tax purposes and accordingly will not be subject to U.S. federal income tax. After consummation of this offering, Xponential Fitness LLC will continue to be treated as a pass-through entity for U.S. federal income tax purposes. As a result of its direct and indirect ownership of LLC Units, Xponential Fitness, Inc. will become subject to U.S. federal, state and local income taxes with respect to its allocable share of any taxable income of Xponential Fitness, Inc. and will be taxed at the prevailing corporate tax rates. In addition to tax expenses, we also will incur expenses related to our operations, plus we will be required to make payments under the TRA which may be significant. We intend to cause Xponential Fitness LLC to make distributions in an amount sufficient to allow us to pay our tax obligations and operating expenses, including distributions to fund any ordinary course payments due under the TRA. See “Organizational Structure—Amended and Restated LLC Agreement” and “Organizational Structure—Tax Receivable Agreement.”

Tax Receivable Agreement

Under the Amended LLC Agreement, holders of LLC Units (other than us and our wholly owned subsidiaries) will have the right, from and after the completion of this offering (subject to the terms of the Amended LLC Agreement), to require Xponential Fitness LLC to redeem or exchange their LLC Units for shares of our Class A common stock on a one-for-one basis or, at our election, cash. We will succeed to the share of the existing tax basis that Xponential Fitness LLC has in its assets that is allocable to the redeemed or exchanged units, which may reduce the amount of tax that we would otherwise be required to pay in the future. In addition, Xponential Fitness LLC intends to make an election under Section 754 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder (the “Code”), effective for each taxable year in which a redemption or exchange of LLC Units for shares of Class A common stock or cash occurs, which is expected to result in increases to the tax basis of the assets of Xponential Fitness LLC at the time of a redemption or exchange of LLC Units. These increases in tax basis may also reduce the amount of tax that we would otherwise be required to pay in the future. We also expect that certain NOLs and other tax attributes will be available to us as a result of the Mergers.

Upon the completion of this offering, we will be a party to a TRA with the ContinuingPre-IPO LLC Members and the Reorganization Parties. Under the TRA, we generally will be required to pay to the TRA

parties in the aggregate 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that we actually realize as a result of (i) certain tax attributes that are created as a result of the redemptions or exchanges of LLC Units for shares of our Class A common stock or cash, (ii) any existing tax attributes associated with LLC Units we acquire, the benefit of which will be allocable to us as a result of the Mergers and exchanges by Continuing Pre-IPO LLC Members of their LLC Units for shares of our Class A common stock or cash (including the portion of Xponential Fitness LLC's existing tax basis in its assets that is allocable to the LLC Units that are acquired), (iii) tax benefits related to imputed interest, (iv) NOLs available to us as a result of the Mergers and (v) tax attributes resulting from payments under the TRA. These payment obligations are obligations of Xponential Fitness, Inc. and not of Xponential Fitness LLC.

Assuming no material changes in relevant tax law and that we earn sufficient taxable income to realize all tax benefits that are subject to the TRA, we expect that the tax savings associated with (1) the Mergers and (2) future exchanges of LLC Units as described above would aggregate to approximately $ over the 15-year period from the date of the completion of this offering, based on an assumed initial public offering price of $ per share of our Class A common stock (the midpoint of the estimated price range set forth on the cover page of this prospectus) and assuming all future exchanges would occur within one year of the completion of this offering. Under this scenario we would be required to pay the other parties to the TRA approximately 85% of such amount, or $, over the 15-year period from the date of the completion of this offering. The actual amounts we will be required to pay may materially differ from these hypothetical amounts, because potential future tax savings that we will be deemed to realize, and TRA payments by us, will be calculated based in part on the market value of our Class A common stock at the time of each exchange of an LLC Unit for a share of Class A common stock and the prevailing applicable federal tax rate (plus the assumed combined state and local tax rate) applicable to us over the life of the TRA and will depend on our generating sufficient future taxable income to realize the tax benefits that are subject to the TRA. See "Certain Relationships and Related Party Transactions—Tax Receivable Agreement." Payments under the TRA are not conditioned on our existing owners' continued ownership of us after this offering.

Contractual Obligations and Commitments

The following table summarizes our contractual obligations and commitments as of December 31, 2019:

	Contractual Obligations and Commitments				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
			(in thousands)		
Operating lease obligations(1)	$ 17,688	$ 1,783	$ 4,114	$ 4,085	$ 7,706
Debt, principal(2)	154,444	34,410	14,700	105,334	—
Debt, interest(3)	201,519	31,412	112,965	57,142	—
Contingent consideration payments(4)	22,313	10,250	12,063	—	—
Total	$ 395,964	$ 77,855	$ 143,842	$ 166,561	$ 7,706

(1) We lease our facilities under non-cancelable operating leases.

(2) Represents scheduled debt obligation payments based on the February 2020 amendment.

(3) Represents scheduled interest and additional fees.

(4) Includes current and noncurrent estimated contingent consideration liabilities at December 31, 2019, based on expected achievement dates forearn-out targets, which includes the following contingent consideration: (i) $5.5 million to be paid to Stretch Lab LLC in quarterly payments commencing on December 30, 2019; (ii) $1 million payable to Yoga 6 Company, LLC upon the achievement of certain performance milestones for Yoga Six; (iii) up to $2 million payable to Studio Tread, Inc. upon the achievement of certain

performance milestones for Stride; and (iv) up to $15 million payable to MVI upon the achievement of certain performance milestones for CycleBar. Excludes change of control earn-out amounts for which payment date and amount of payment are not estimable. The recorded liability for change of control earn-outs at December 31, 2019 is $10.8 million.

Off-Balance Sheet Arrangements

As of December 31, 2018, we did not have any off-balance sheet arrangements as defined in the rules and regulations of the SEC.

Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

We are exposed to interest rate risk on our borrowing under our credit facility. We have a LIBOR-based floating rate borrowing under our credit facility, which exposes us to variability in interest payments due to changes in the reference interest rate.

As of December 31, 2019, we had $ million of borrowings outstanding under our credit facility which bears interest on a floating basis tied to LIBOR and therefore subject to changes in the associated interest expense. The effect of an immediate hypothetical 10% change in interest rates would not have a material effect on our consolidated financial statements.

Foreign Currency Exchange Risk

As we expand internationally, our results of operations and cash flows may become increasingly subject to fluctuations due to changes in foreign currency exchange rates. Our revenue is denominated primarily in U.S. dollars. Our expenses are generally denominated in the currencies in which our operations are located, which are primarily in the United States. As of December 31, 2018, the effect of a 10% adverse change in exchange rates on foreign denominated cash and cash equivalents, receivables and payables would not have been material for the period presented. As our operations in countries outside of the United States grow, our results of operations and cash flows may be subject to fluctuations due to changes in foreign currency exchange rates, which could harm our business in the future. To date, we have not entered into any material foreign currency hedging contracts, although we may do so in the future.

Critical Accounting Policies and Estimates

We prepare our consolidated financial statements in accordance with GAAP, which requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and related disclosures of contingent assets and liabilities. We base our estimates on past experience and other assumptions that we believe are reasonable under the circumstances, and we evaluate these estimates on an ongoing basis. Actual results may differ from those estimates.

Our critical accounting policies are those that materially affect our consolidated financial statements including those that involve difficult, subjective or complex judgments by management. A thorough understanding of these critical accounting policies is essential when reviewing our consolidated financial statements. We believe that the critical accounting policies listed below are those that are most important to our results of operations or involve the most difficult management decisions related to the use of significant estimates and assumptions as described above. For a more detailed summary of our significant accounting policies, see the notes to our consolidated financial statements included elsewhere in this prospectus.

Revenue Recognition

Our contracts with customers consist of franchise agreements with franchisees. We also enter into agreements to sell merchandise and equipment, training, Video-On-Demand services and membership to company-owned studios. Our revenue consists of franchise revenue, merchandise revenue and franchise marketing fund revenue which we consider recurring revenue, as well as equipment revenue and other service revenue. In addition, we earn on-demand revenue, service revenue and other revenue.

Each of our primary sources of revenue and their respective revenue policies are discussed further below.

Franchise revenue: We enter into franchise agreements for each studio. Our performance obligation under the franchise license is granting certain rights to access our intellectual property, and all other services we provide under the franchise agreement are highly interrelated, not distinct within the contract, and therefore accounted for as a single performance obligation, which is satisfied over the term of each franchise agreement. Those services include initial development, operational training, preopening support and access to our technology throughout the franchise term. Fees generated related to the franchise license include development fees, royalty fees, marketing fees, technology fees and transfer fees which are discussed further below. Variable fees are not estimated at contract inception, and are recognized as revenue when invoiced, which occurs monthly. We have concluded that our agreements do not contain any financing components.

Franchise development fee revenue: Our franchise agreements typically operate underten-year terms with the option to renew for up to two additional five-year successor terms. We determined the renewal options are neither qualitatively nor quantitatively material and do not represent a material right. Initial franchise fees are non-refundable and are typically collected upon signing of the franchise agreement. Initial franchise fees are recorded as deferred revenue when received and are recognized on a straight-line basis over the franchise life, which we have determined to be ten years (and five years for renewals) as we fulfill our promise to grant the franchisee the rights to use and benefit from our intellectual property and to support and maintain the intellectual property.

We may enter into an area development agreement with certain franchisees. Area development agreements are for a territory in which a developer has agreed to develop and operate a certain number of franchise locations over a stipulated period of time. The related territory is unavailable to any other party and is no longer marketed to future franchisees by us. Depending on the number of studios purchased, under franchise agreements or area development agreements, the initial franchise fee ranges from $49,500 (single studio), which increased to $60,000 during 2019, to $350,000 (ten studios) and is paid to us when a franchisee signs the area development agreement. Area development fees are initially recorded as deferred revenue. The development fees are allocated to the number of studios purchased under the development agreement. The revenue is recognized on a straight-line basis over the franchise life for each studio under the development agreement.

Franchise royalty fee revenue: Royalty revenue represents royalties earned from each of the studios in accordance with the franchise disclosure document and the franchise agreement for use of the various brands' names, processes and procedures. The royalty rate in the franchise agreement is typically 7% of the gross sales of each location operated by each franchisee. Royalties are billed on a monthly basis. The royalties are entirely related to our performance obligation under the franchise agreement and are billed and recognized as franchisee sales occur.

Technology fees: We may provide access to third-party or other proprietary technology solutions to the franchisee for a fixed, monthly fee. The technology solution may include various software licenses for statistical tracking, scheduling, allowing club members to record their personal workout statistics, music and technology support. We bill and recognize the technology fee as earned each month as the technology solution service is performed.

Training revenue: We provide coach training services either through direct training of the coaches who are hired by franchisees or by providing the materials and curriculum directly to the franchisees who utilize the materials to train their hired coaches. Direct training fees are recognized over time as training is provided. Training fees for materials and curriculum are recognized at the point in time of delivery of the materials.

We also offer coach training and final coach certification through online classes. Fees received by us for online class training are recognized as revenue over time for the twelve-month period that we are obligated to provide access to the online training content.

Franchise marketing fund revenue: Franchisees are required to pay marketing fees of 2% of their gross sales. The marketing fees are collected by us on a monthly basis and are to be used for the advertising, marketing, market research, product development, public relations programs and materials deemed appropriate to benefit brands. Our promise to provide the marketing services funded through the marketing fund is considered a component of our performance obligation to grant the franchise license. We bill and recognize marketing fund fees as revenue each month as gross sales occur. Marketing fund expenses are recognized as incurred, and any marketing fund expenditures in excess of marketing fund fees are reclassified as selling and marketing expenses in the accompanying consolidated statement of operations.

Equipment and Merchandise Revenue

The following revenues are generated as a result of transactions with or related to franchisees.

Equipment revenue: We also sell authorized equipment to franchisees to be used in the studios. Certain franchisees may prepay for equipment, and in that circumstance, the revenue is deferred until delivery. Equipment revenue is recognized when control of the equipment is transferred to the franchisee, which is at the point in time delivery and installation of the equipment at the studio is complete.

Merchandise revenue: We sell branded and non-branded merchandise to franchisees for retail sales to members at studios. For branded merchandise sales, the performance obligation is satisfied at the point in time of shipment of the ordered branded merchandise to the franchisee. For such branded merchandise sales, we are the principal in the transaction as we control the merchandise prior to it being delivered to the franchisee. We record branded merchandise revenue and related costs upon shipment on a gross basis. Franchisees have the right to return and/or receive credit for defective merchandise. Returns and credit for defective merchandise was not significant for the year ended December 31, 2018.

For certain non-branded merchandise sales, we earn a commission to facilitate the transaction between franchisee and the supplier. For such non-branded merchandise sales, we are the agent in the transaction, facilitating the transaction between the franchisee and the supplier, as we do not obtain control of the non-branded merchandise during the order fulfillment process. We record non-branded merchandise commissions revenue at the time of shipment.

Other Service Revenue

Service revenue: For company-owned studios, our distinct performance obligation is to provide the fitness classes to the member. Revenue from company-owned studios has been very limited as we typically only own a small number of studios and only for a short period of time pending the resale of the licenses to a franchisee. The company-owned studios sell memberships by individual class and by class packages. Revenue from the sale of classes and class packages for a specified number of classes are recognized over time as the member attends and utilizes the classes. Revenues from the sale of class packages for an unlimited number of classes are recognized over time on a straight-line basis over the duration of the contract period.

On-demand revenue: We grant a subscriber access to an online hosted platform, which contains a library ofweb-based classes that is continually updated, through monthly or annual subscription packages. Revenue is recognized over time on a straight-line basis over the subscription period.

Other revenue: We sold vouchers through third parties allowing up to four trial classes at local studios operated by franchisees. We recognized revenue at the time the vouchers were redeemed, as third parties provided monthly reports detailing purchases and redemptions with submission of funds. We no longer sell vouchers and as of December 31, 2018, we had no vouchers outstanding for which we would continue to recognize revenue.

Additionally, we earn commission income from certain of franchisees' use of certain preferred vendors other than from merchandise and equipment described above. In these arrangements, we are the agent as we are not primarily responsible for fulfilling the orders. Commissions are earned and recognized at the point in time the vendor ships the product to franchisees.

Sales taxes, value added taxes and other taxes that are collected in connection with revenue transactions are withheld and remitted to the respective taxing authorities. As such, these taxes are excluded from revenue. We account for shipping and handling as activities to fulfill the promise to transfer the good. Therefore, shipping and handling fees that are billed to customers, who are primarily franchisees, are recognized in revenue and the associated shipping and handling costs are recognized in cost of goods sold as soon as control of the goods transfers to the customer.

Contract Costs

Contract costs consist of deferred commissions resulting from franchise and area development sales by third-party and affiliate brokers. The total commission charged by the broker is deferred at the point of a franchise sale. The commissions are evenly split among the number of studios purchased under the development agreement and begin to be amortized when a subsequent franchise agreement is executed. The commissions are recognized on a straight-line basis over the initial ten-year franchise agreement term to align with the recognition of the franchise agreement or area development fees.

Business Combinations

We account for business combinations using the acquisition method of accounting, which results in the assets acquired and liabilities assumed being recorded at fair value.

The valuation methodologies used are based upon the nature of the asset or liability. The significant assets and liabilities measured at fair value include intangible assets and deferred revenue. The fair value of trademarks is estimated by following the relief from royalty method. The fair value of franchise agreements and customer relationships is based upon following the excess earnings method. Inputs used in the methodologies primarily included sales forecasts, projected future cash flows, royalty rate and discount rate commensurate with the risk involved.

Amortization of definite-lived trademarks, franchise agreements and customer relationships is recorded over the estimated useful lives of the assets using the straight-method, which we believe approximates the period during which we expect to receive the related benefits.

Consideration for certain business combinations during the year ended December 31, 2018 included the issuance of H&W Franchise Holdings' shares. The shares were valued using factors including recent equity recapitalizations of H&W Franchise Holdings, comparable industry transactions, adjusted EBITDA multiples ranging from 14.1x to 23.6x and the estimated fair value of our reporting units. Assuming there had been a 10% increase in the fair value of the H&W Franchise Holdings shares contributed goodwill would have increased by approximately $4.3 million.

Acquisition-Related Contingent Consideration

Some of the business combinations that we have consummated include contingent consideration to be potentially paid based upon the occurrence of future events, such as the achievement of franchise studio openings

and change of control earn-outs. Acquisition-related contingent consideration associated with a business combination is initially recognized at fair value and remeasured each reporting period, with changes in fair value recorded in the consolidated statement of operations. The estimates of fair value involve the use of acceptable valuation methods, such as probability-weighted discounted cash flow analysis, and contain uncertainties as they require assumptions about the likelihood of achieving specified milestone criteria, projections of future financial performance and assumed discount rates. Changes in the fair value of the acquisition-related contingent consideration result from several factors including changes in the timing and amount of revenue estimates, changes in probability assumptions with respect to the likelihood of achieving specified milestone criteria and changes in discount rates. A change in any of these assumptions could produce a different fair value, which could have a material impact on our results of operations. Assuming there had been a 10% increase in the fair value of operational or change of control distribution valuations, contingent consideration would have increased by $0.2 million for the year ended December 31, 2018.

Impairment of Long-Lived Assets, Including Goodwill and Intangible Assets

Goodwill has been assigned to our reporting units for purposes of impairment testing. Our eight reporting units are each of the brand names under which we sell franchises. We test for impairment of goodwill annually or sooner whenever events or circumstances indicate that goodwill might be impaired. The annual impairment test is performed as of the first day of our fourth quarter. The impairment test is a two-step process, whereby in the first step, the estimated fair value of the asset is compared with the carrying amount, including goodwill. We generally determine the estimated fair value using a discounted cash flow approach, giving consideration to the market valuation approach. If the carrying amount exceeds the fair value, we perform the second step of the impairment test to determine the amount of impairment, if any. At December 31, 2018 the fair value of our reporting units significantly exceeded the carrying amount.

We test for impairment of indefinite-lived trademarks annually or sooner whenever events or circumstances indicate that trademarks might be impaired. We determine the estimated fair value using a relief from royalty approach and compare the fair value to the carrying amount. If the carrying amount exceeds the fair value, we impair the trademarks to their fair value.

We assess potential impairments to our long-lived assets, which include property and equipment and amortizable intangible assets, whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of an asset is measured by a comparison of the carrying amount of an asset group to the estimated undiscounted future cash flows expected to be generated by the asset group. If the carrying amount of the asset group exceeds its estimated undiscounted future cash flows, an impairment charge is recognized as the amount by which the carrying amount of the asset exceeds the fair value of the asset.

There were no impairment charges recorded during the year ended December 31, 2018.

Equity-Based Compensation

We have equity-based compensation plans under which we receive services from our employees as consideration for equity instruments, including phantom units and profit interest units on H&W Franchise Holdings. The compensation expense is determined based on the fair value of the award as of the grant date. To value the underlying H&W units, we utilized a discounted cash flow analysis, a market approach of comparable companies in our industry and a comparable acquisitions analysis. The market approach involves companies in our industry that we determine to be comparable. Comparable acquisitions analysis involves analyzing sales of controlling interests in companies that we determine are comparable. In conducting this valuation, we also took into consideration recent valuation reports of third-party valuation specialists prepared for us, as well as any significant internal and external events occurring subsequent to those reports that may have caused the value of the units to increase or decrease since the dates of those reports. Estimates used in our valuation of equity-based compensation are highly complex and subjective. Valuations and estimates of our common stock value will no

longer be necessary once we are a publicly traded company, at which point we will rely on market price to determine the market value of our shares.

Compensation expense for time-based units is recognized over the vesting period, which is the period over which all of the specified vesting conditions are satisfied. Compensation expense for performance-based units will be recorded when the performance targets are met.

Emerging Growth Company

Pursuant to the JOBS Act, an emerging growth company is provided the option to adopt new or revised accounting standards that may be issued by the Financial Accounting Standards Board (the "FASB") or the SEC either (i) within the same periods as those otherwise applicable to non-emerging growth companies or (ii) within the same time periods as private companies. We intend to take advantage of the exemption for complying with new or revised accounting standards within the same time periods as private companies. Accordingly, the information contained herein may be different than the information you receive from other public companies.

We also intend to take advantage of some of the reduced regulatory and reporting requirements of emerging growth companies pursuant to the JOBS Act so long as we qualify as an emerging growth company, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation, and exemptions from the requirements of holding non-binding advisory votes on executive compensation and golden parachute payments.

Recently Issued Accounting Pronouncements

A description of recently issued accounting pronouncements that may potentially impact our financial position and results of operations is disclosed in Note 2 to our consolidated financial statements included elsewhere in this prospectus.

Internal Control over Financial Reporting

In the course of preparing the financial statements that are included in this prospectus, our independent registered public accountants identified certain material weaknesses in our internal control over financial reporting. A "material weakness" is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. The material weaknesses identified related to lack of adequate anti-fraud programs or formalized controls, formalized controls for the review of financial information and related disclosures in our annual reports, and resources and formalized policies to timely identify and correct potential misstatements related to improper application of GAAP and formalized account reconciliation processes, and the lack of design and implementation of general information technology controls or other controls over information provided by third-party service providers, and resulted in certain restatements of prior period results. For more information, see "Risk Factors—Risks Related to Our Class A Common Stock and this Offering—We have identified material weaknesses in our internal control over financial reporting for the year ended December 31, 2018. If we are unable to remediate these material weaknesses, or if we identify additional material weaknesses in the future or otherwise fail to maintain an effective system of internal controls in the future, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect investor confidence in us and, as a result, the value of our Class A common stock."

We are implementing measures designed to improve our internal control over financial reporting to remediate these material weaknesses, including implementing anti-fraud programs and formalized policies and processes related to the review and disclosure of financial information, application of GAAP and reconciliation

processes. These additional resources and procedures are designed to enable us to broaden the scope and quality of our internal review of underlying information related to financial reporting and to enhance our internal control procedures. With the oversight of senior management, we have begun taking steps to remediate the underlying causes of the material weakness, though there can be no assurance that we will be successful in doing so.

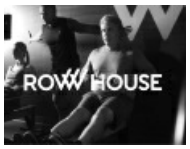
In accordance with the provisions of the JOBS Act, we and our independent registered public accounting firm were not required to, and did not, perform an evaluation of our internal control over financial reporting as of December 31, 2018, nor any period subsequent in accordance with the provisions of the Sarbanes-Oxley Act. Accordingly, we cannot assure you that we have identified all, or that we will not in the future have additional, material weaknesses. Material weaknesses may still exist when we report on the effectiveness of our internal control over financial reporting as required under Section 404 of the Sarbanes-Oxley Act after the completion of this offering.

BUSINESS

Overview

Xponential Fitness is the largest boutique fitness franchisor in the United States measured by number of brands and studios. Our mission is to bring the best of boutique fitness to everyone. We partner with franchisees to make specialized workouts in motivating and community-based environments broadly accessible. Our curated portfolio of eight leading brands spans a variety of popular fitness and wellness verticals, including Pilates, barre, cycling, rowing, yoga, running, stretch and dance. Collectively, our brands offer consumers engaging experiences that appeal to a broad range of ages, fitness levels and demographics. In 2019, consumers completed more than 25 million workouts across our brands system-wide. The foundation of our business is built on strong franchisee partnerships. We provide franchisees extensive support to help maximize the performance of their studios while leveraging our corporate platform to accelerate growth and enhance profitability. We believe the unique combination of a multi-brand offering, franchise model with strong unit economics and integrated platform has enabled us to build our leading market position in the large and growing U.S. boutique fitness industry.

Our Market Leading Brand Portfolio

			
■ Largest Pilates brand, created with the vision to make Pilates more accessible, approachable and welcoming to everyone ■ studios	■ Largest barre brand, offering an effective, low-impact workout for all ages and fitness levels ■ studios	■ Largest indoor cycling brand, offering an inclusive low-impact/high-intensity indoor cycling experience for all ages and fitness levels ■ studios	■ Leading assisted stretching brand ■ Highly complementary with our other brands ■ studios
			
■ Largest rowing brand, offering a full body/low-impact workout which has revolutionized the way people view indoor rowing ■ studios	■ Largest franchised yoga brand, dedicated to the evolution and modernization of yoga ■ studios	■ Dance-based cardio brand founded by celebrity trainer Anna Kaiser combining dance, intervals and strength training ■ studios	■ Treadmill-based cardio and strength workout, offering coached interval running classes for all fitness levels ■ studio

Note: Open studios as of December 31, 2019.

We carefully built the Xponential Fitness brand portfolio through a series of acquisitions, targeting select health and wellness verticals. In curating our portfolio, we identified brands with exceptional programming and a loyal consumer base which we believed would benefit from our operational expertise, franchising experience and scaled platform. With over 25 years of collective franchising experience, our management team is the driving force behind our operational excellence. We have established a proven operational model (the "Xponential Playbook") that helps franchisees generate compelling studio economics. The key pillars of our Xponential Playbook include:

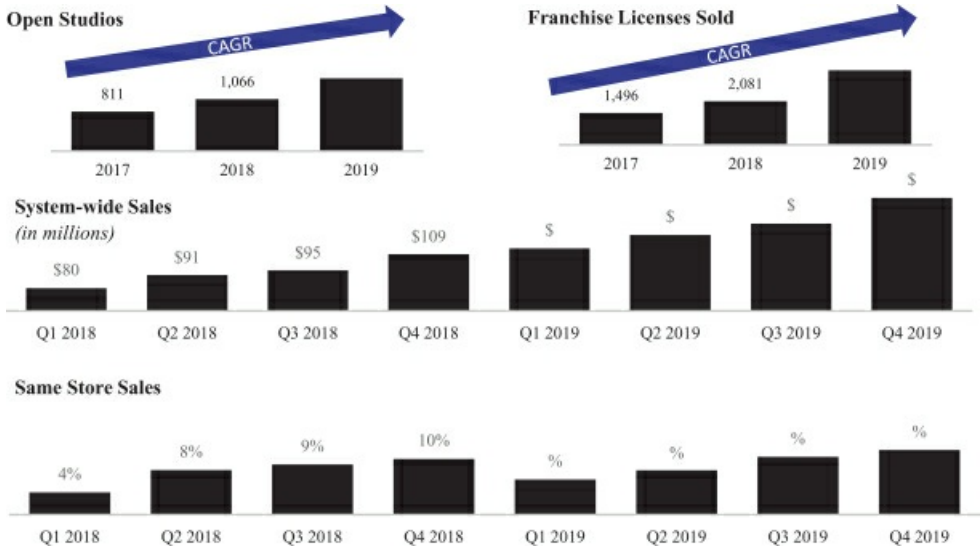
- *optimizing the studio prototype and investment cost;*
- *thoroughly vetting franchisee candidates;*

- *real estate identification, site selection, studio build-out and design assistance;*
- *comprehensive pre-opening support, including membership sales, marketing support, employee training and programming development;*
- *detailed studio-level operational framework and best practices;*
- *intensive instructor and studio-level management training;*
- *data-driven analytical tools to support marketing strategies, member acquisition and retention;*
- *sophisticated technology systems, including uniform point-of-sale and reporting systems, to drive studio-level performance; and*
- *ongoing monitoring and support to promote success.*

The Xponential Playbook is designed to help franchisees achieve compelling AUVs, strong operating margins and an attractive return on their invested capital. Studios are designed to be between 1,000 and 2,500 square feet in size, depending on the brand, which contributed to a relatively low average initial franchisee investment of approximately $350,000 in 2019. By utilizing the Xponential Playbook, our model is designed to generate, on average, an AUV of $500,000 in year two of operations and studio-level operating margins ranging between 25% and 30%, resulting in an unlevered cash-on-cash return of approximately 40%.

We believe our platform, which supports our eight brands, is a unique competitive advantage in the boutique fitness industry and enables us to accelerate growth and enhance operating margins. Our multi-brand offering results in higher franchisee lead flow and conversion, which lowers our franchisee acquisition costs. Our existing franchisees also serve as an embedded pipeline for continued expansion across our brands. As a result of our scale, we benefit from greater access to real estate and favorable vendor relationships. Additionally, we leverage shared corporate services across franchise sales, real estate, supply chain, merchandising, information technology, finance, accounting and legal. As an integrated platform, we are able to invest in technology to provide improved functionality, drive efficiency and access compelling data across our brands. We also benefit from knowledge sharing and best practices across the portfolio. We believe that we are in the early stages of unlocking the power of our platform and driving long-term growth.

As a franchisor, we benefit from multiple highly predictable and recurring revenue streams that enable us to scale our franchised studio base in a capital efficient manner. As of December 31, 2019, franchisees were contractually committed to open studios in North America. Converting our current pipeline of licenses sold to open studios in North America would more than double our existing franchised studio base. Based on our internal and third-party analyses, we estimate that we have the opportunity to increase our franchised studio base to more than additional studios in the United States alone. In addition, our master franchisees were contractually obligated to sell licenses to franchisees to open an additional studios in five other countries as of December 31, 2019.



Note: The above data is presented for North America on a pro forma basis to reflect historical information of the brands we acquired and therefore includes time periods during which certain of the brands were operated by our predecessors. We acquired Club Pilates and CycleBar in September 2017, Stretch Lab in November 2017, Row House in December 2017, AKT in March 2018, Yoga Six in July 2018, Pure Barre in October 2018 and Stride in December 2018.

Our Competitive Strengths

Market leading position in the rapidly growing U.S. boutique fitness industry.

We are the largest boutique fitness franchisor in the United States by number of brands and studios. As of December 31, 2019, we had open studios in North America across eight brands. We believe that we maintain a significant competitive advantage through our scale in a highly fragmented market, which is comprised primarily of single-brand companies focused on a single fitness or wellness vertical. We estimate that in 2019, boutique fitness was a $ billion industry in the United States and the fastest growing segment of the U.S. health and fitness club industry. With 2019 system-wide sales of $ million, we have penetrated less than % of the U.S. boutique fitness industry, and we believe that we are well-positioned to continue our growth.

Diversified multi-vertical portfolio of leading boutique fitness brands.

Our portfolio of eight diversified brands spans a variety of popular fitness and wellness verticals including Pilates, barre, cycling, rowing, running, yoga, stretch and dance. Our three scaled brands have leading market share positions within their respective verticals. These brands, Club Pilates, Pure Barre and CycleBar, were approximately eight times, four times and two times larger than their next largest competitors, respectively, as of December 31, 2019. The strength of our brands is highlighted by the numerous accolades they have received, including Club Pilates, Pure Barre and CycleBar each being listed among Entrepreneur's Franchise 500 rankings. Our brands appeal to a broad range of consumers across ages, fitness levels and demographics and are positioned at an accessible price point. The complementary nature of our brands allows our franchised studios to be located in close proximity to one another, providing variety and convenience to both consumers and

franchisees. We believe that our diversified brand offering expands our total addressable market and translates into increased use occasions for consumers, driving increased share of wallet and enhancing consumer lifetime value across our portfolio.

Our partnership approach, proven Xponential Playbook and extensive franchisee support drive system-wide operational excellence.

We strategically partner with franchisees who have been vetted by a thorough selection process. Through the Xponential Playbook, we provide franchisees with significant support from the outset, focused on delivering a superior experience and maximizing studio-level productivity and profitability. Franchisees also benefit from the significant investments we have made in our corporate platform, through which we leverage integrated systems and shared services. While marketing and fitness programming are specific to each brand, nearly all other franchisee support functions are integrated across brands at the corporate level, and franchisees are guided through the key pillars of successful studio operations, including:

- *optimizing the studio prototype and investment cost;*
- *thoroughly vetting franchisee candidates;*
- *real estate identification, site selection and studio build-out and design assistance;*
- *comprehensive pre-opening support, including membership sales, marketing support, employee training and programming development;*
- *detailed studio-level operational framework and best practices;*
- *intensive instructor and studio-level management training;*
- *data-driven analytical tools to support marketing strategies, member acquisition and retention;*
- *sophisticated technology systems, including uniform point-of-sale and reporting systems, to drive studio-level performance; and*
- *ongoing monitoring and support designed to promote success.*

We believe the relationships we maintain with franchisees drive tangible results for consumers: well-managed boutique fitness studios; retention of highly qualified instructors; and a consistent, community-based experience across brands and geographies. We believe the extensive level of support we provide to franchisees is a key driver of system-wide operational excellence.

Our brands serve a growing, highly attractive and loyal consumer base.

Our franchised studios provide accessible boutique fitness experiences that are fun, energetic and deliver a strong sense of community, engendering loyalty and engagement with consumers. In 2019, consumers completed more than 25 million workouts across our brands system-wide. On average in 2019, members completed approximately classes per month and spent in excess of $ in our franchised studios. Our brands serve a broad demographic; our target consumer is typically a female between the ages of 20 and 60 years old, holds at least a bachelor's degree and reports household income greater than $75,000 per year. Our franchised studios foster consumer engagement, personal accountability to achieve fitness goals and a strong sense of community, which drive repeat visits and maximize consumer lifetime value.

Strong and highly predictable studio-level economics.

The Xponential Playbook is designed to help franchisees achieve compelling AUVs, strong operating margins and an attractive return on their invested capital. Studios are designed to be between 1,000 and 2,500 square feet in size, depending on the brand, which contributed to a relatively low average initial franchisee investment of approximately $350,000 in 2019. Our model is designed to generate, on average, an AUV of $500,000 in year two of operations and studio-level operating margins ranging between 25% and 30%, resulting in an unlevered cash-on-cash return of approximately 40%. new franchisees joined our system in 2019, a % increase year-over-year, which we believe reflects the attractiveness of our unit economic model. Additionally, franchisees frequently re-invest into our system, as % of new studios in 2019 were opened by existing franchisees. We believe our strong studio-level economics have contributed to our growth.

Large and expanding franchisee base with highly visible organic growth.

As of December 31, 2019, we had over franchise licenses sold, more than double the number of franchise licenses sold as of December 31, 2017. Franchisees in North America are contractually obligated to open studios in their territories after purchasing a franchise license. In the event that franchisees are unable to meet their contractual obligations, we have the ability to resell or reassign their territory license(s) to another franchisee in the system or our franchisee pipeline. We are also developing international relationships and have entered into master franchise agreements with master franchisees to propel our international growth. As of December 31, 2019, franchisees were contractually committed to open an additional studios in North America, and our master franchisees were contractually obligated to sell licenses to franchisees to open an additional studios in five other countries. Together, these new studios would nearly double our franchised studio base and provide us with highly visible unit growth.

Our highly predictable revenue streams and asset-light franchise model have enabled rapid unit growth.

As a franchisor, we have an asset-light model with multiple highly predictable revenue streams and low ongoing capital requirements, resulting in the ability to generate strong free cash flow conversion. Upon the granting of access to a license, we receive a one-time, non-refundable upfront payment from franchisees for the right to open a studio in a specific territory. This is followed by a series of contractual payments once a studio is open, many of which are recurring, including royalty fees, technology fees, merchandise sales, marketing fees and instructor and management training revenues. Approximately % of our revenue in 2019 was considered recurring, and we believe this percentage will increase as franchise royalty fees are expected to account for a greater percentage of our revenue over time. We believe our asset-light franchise model drives faster system-wide unit growth, compared to a similarly capitalized corporate-owned model.

Highly experienced management team with an entrepreneurial culture.

Our strategic vision and entrepreneurial culture are driven by our highly experienced management team, led by our Chief Executive Officer and founder, Anthony Geisler. Mr. Geisler has direct experience scaling franchised fitness brands, having previously served as the Chief Executive Officer of LA Boxing, and has worked with many members of our leadership team for several years. Our Brand Presidents are key members of our leadership team and act as the driving force behind their respective brands. Collectively, our management team fosters an entrepreneurial culture and mentality that resonate with franchisees. The strength of our management team is illustrated by the growth of the business and the recent honors that we and our brands have received, including Club Pilates being featured amongst Inc.'s 5000 fastest growing companies in 2018 and our inclusion in Fast Company's 2019 list of "Most Influential Wellness Companies." Our leadership team has significant experience scaling franchised fitness brands and has created a culture designed to enable our future success.

Our Growth Strategies

We believe we are well-positioned to capitalize on multiple opportunities to drive the long-term growth of our business:

Grow our franchised studio base across all brands in North America.

We have the opportunity to meaningfully expand our franchised studio footprint in North America by leveraging our multiple brands and verticals, as well as our proven portability across regions and demographics.

We have grown our franchised studio footprint in North America from 811 open studios across 47 states, the District of Columbia and Canada as of December 31, 2017 on a pro forma basis to open studios across 48 states, the District of Columbia and Canada as of December 31, 2019, representing a CAGR of %. Our track-record of successful expansion demonstrates that the experience and value offered by our brands resonate with consumers across geographies, including urban and suburban markets, ages and income levels. Our small box format and multi-brand model have enabled us to scale rapidly, as franchisees have the ability to open studios from multiple brands adjacent or in close proximity to each other, creating cross-selling opportunities and providing consumers with greater optionality. As we scale, we expect to attract multi-studio franchisees to help us accelerate our pace of growth. Based on our internal and third-party analyses, we believe that we have the potential to open up to studios across our scaled brands, which include Club Pilates, CycleBar and Pure Barre, as well as studios across our other brands, throughout North America.

Drive system-wide same store sales and grow AUV.

We believe we can help franchisees grow same store sales and AUVs by acquiring new consumers, increasing membership penetration, driving increased spend from consumers and expanding ancillary revenue streams through our franchised studios.

- *Acquiring new consumers:* We expect to grow our consumer reach through a variety of targeted marketing campaigns at both the brand and franchisee levels in order to increase brand awareness and drive studio traffic.

- *Increasing membership penetration:* We expect franchisees to convert new and occasional consumers into committed, long-term members by delivering consistent, effective workout experiences across our franchised studios. We intend to continue to utilize insights from our consumer management dashboard to refine our sales strategy and offer a variety of flexible membership options to attract consumers at different engagement levels and price points, including our existing four, eight and unlimited classes per month recurring membership options.

- *Driving increased spend from consumers:* We expect to increase spend from consumers by utilizing dynamic pricing tiers across markets and brands, up-tiering memberships, cross-selling memberships across our brands, driving digital penetration and enhancing our membership engagement. We work closely with franchisees to optimize membership offerings based on local consumer demand, demographics and other market factors in order to maximize our share of wallet.

- *Expanding additional revenue streams within our franchised studios:*We believe we have the opportunity to increase consumer spending at our franchised studios by expanding our offering of branded and third-party retail products across apparel and other health and wellness categories.

Execute on our strategy to grow ancillary revenue streams, including Video-On-Demand and XPASS.

We believe there is an opportunity to capitalize on growing consumer demand for digital and at-home fitness solutions by enhancing system-wide capabilities that will complement our other offerings. Our Video-On-Demand platform consists of a library of digital fitness content that we make available to our consumers across our online and mobile platforms for a monthly fee. In addition to increasing engagement with our existing in-studio members, our Video-On-Demand program enables us to reach remote consumers and generate incremental revenues without increasing overhead costs. Additionally, we are in the early stages of developing XPASS, a membership option that will offer our consumers access to all brands across the Xponential portfolio under a single monthly membership.

We believe that these complementary offerings will enhance the value proposition of our memberships compared to many single-brand fitness competitors, allowing us to cross-sell across our brands to drive higher share of wallet, acquire new consumers and increase consumer satisfaction and retention.

Expand operating margins and drive free cash flow conversion.

We have built our franchised boutique fitness platform across verticals through a series of acquisitions, investments in our brands, corporate infrastructure and leadership team. We expect to realize improved operating leverage and increase operating margins over time as we continue to expand our franchised studio base and leverage our shared services and platform. Our business model provides us with highly predictable and recurring revenue streams, attractive margins and minimal capital requirements, resulting in high free cash flow conversion and the ability to invest in future growth initiatives.

Grow our brands and studio footprint internationally.

We believe there is significant opportunity for international growth in the $94 billion global fitness industry, underscored by our track-record of successful expansion across a diverse array of North American markets.

We are focused on expanding into territories with attractive demographics, including household income, level of education and fitness participation. We have developed strong relationships and executed master franchise agreements with master franchisees to propel our international growth. These master franchise agreements obligate master franchisees to arrange the sale of licenses to franchisees in one or more countries outside North America. As of December 31, 2019, we had studios open internationally, and master franchisees were contractually obligated to sell licenses to franchisees to open an additional studios in five other countries. Under our current development agreements with master franchisees, those franchisees are required to license studios across countries by the end of 2020.

Our Industry

We operate in the large and rapidly growing boutique fitness segment of the broader health and fitness club industry. According to IHRSA, the estimated size of the global health and fitness club industry was $94 billion in 2018, with more than 210,000 clubs serving 183 million members. Since 1998, the U.S. fitness club industry has grown at a 6% CAGR, with more than 20 consecutive years of annual growth. We believe the industry will continue to grow as consumers are increasingly focused on their health and wellness. The 2019 Mordor Global Health and Fitness Club Market report projects that the global health and fitness club industry will grow at a 7.8% CAGR between 2019 and 2024. We believe this growth is a result of the following tailwinds:

- *increased awareness of active lifestyles and the health benefits of exercise;*

- *increased the growth of fitness participation, particularly amongst Millennials and Generation Z (who accounted for 47% of all health and fitness club membership in 2018); and*

- *increased consumer spending on experiences, particularly those that are specialized and personalized.*

Boutique fitness studios offer consumers a highly specialized experience in a personalized physical environment. Boutique fitness studios are built around a social, supportive community of coaches, trainers and consumers helping each other achieve their fitness goals. A boutique fitness studio workout typically offers more customized programming and a more intensive experience complemented by increased levels of personal attention relative to a traditional health and fitness club. While the industry appeals to a broad demographic, the Millennial consumer over-indexes to boutique fitness, and approximately 60% of boutique fitness studio consumers are between the ages of 25 and 44. We estimate that in 2019, boutique fitness was a $ billion industry and was the fastest growing segment of the U.S. health and fitness club industry. Between 2013 and 2018, boutique fitness participation in the United States doubled and outpaced participation in the overall health and fitness club industry, which increased by 2.7%. An estimated 42% of health and fitness club consumers in the United States reported having a boutique fitness membership in 2018, up from 21% in 2013.

We believe boutique fitness studio consumers represent a highly attractive and loyal consumer group. On average, a boutique fitness studio member spends $94 per month, compared to $52 per month for the average health and fitness club consumer, in 2018. Not only do boutique fitness studio consumers spend more per month than any other category of fitness, they are also some of the most engaged consumers. More than 65% of boutique fitness consumers reported engagement with multiple boutique fitness facilities, and 22% reported engagement with at least three boutique fitness facilities, in 2018. On average, boutique fitness consumers used their facility 107 times in 2018, with 34% of consumers reporting usages of 150 times or more, which represented the highest percentage of any fitness industry segment. We believe our multi-vertical platform is well-positioned to capitalize on these favorable boutique fitness industry trends.

Our Brands

We have curated a portfolio of eight brands that span a variety of popular fitness and wellness verticals, including Pilates, barre, cycling, rowing, yoga, running, stretch and dance. Collectively, our brands offer consumers a wide variety of highly specialized and personalized workout experiences that appeal to a broad range of ages, fitness levels and demographics. Under our suggested operating model, consumers may purchase recurring monthly memberships, single classes or private one-on-one training, as well as Video-On-Demand services for select brands.

Franchisees have the opportunity to purchase merchandise in studios. Examples of merchandise include fitness apparel, such as leggings and t-shirts, and accessories, such as water bottles and exercise mats. Merchandise is offered from popular athletic retailers and fitness apparel and accessories featuring our brands' logos and slogans.

Club Pilates

Club Pilates, founded in 2007, is the largest Pilates brand by number of studios and was approximately eight times larger than its next largest competitor as of December 31, 2019. The programming tracks Joseph Pilates' original Reformer-based Contrology method and is modernized with group practice and sophisticated equipment. Club Pilates, our first acquisition in 2017, is fueled by the vision of making Pilates more accessible, approachable and welcoming to everyone. Our Club Pilates franchises offer consistent, high-quality Reformer-based Pilates workouts in an uplifting and supportive atmosphere. As of December 31, 2019, there were studios open across North America, as well as one studio in Japan.

There are nine signature Club Pilates class formats, including introductory, cardio, strength training, stretching and suspension options, among others. Club Pilates offers an extensive training certification. Its

500-hour teacher training program includes instruction on Pilates, barre, Triggerpoint and TRX Suspension Trainers. Our training provides opportunities for technical advancement and increased earnings potential for instructors, which we believe enables the brand to attract and retain high quality instructors.

Under our suggested operating model, customers may purchase recurring monthly memberships for four, eight or unlimited monthly classes. There is also the option to purchase single walk-in classes, as well as one-on-one classes. Depending on the studio location, our suggested price point for a single class ranges from $25 to $45, and an unlimited monthly membership ranges from $169 to $359. The typical studio is approximately 1,500 square feet and is designed to allow up to 12 people to work out together. Some studios also offer private one-on-one classes. Additionally, we offer Video-On-Demand streaming services through the Club Pilates website and mobile application.

Pure Barre

Pure Barre, founded in 2001 and acquired in 2018, is the largest barre brand by number of studios and was approximately four times larger than its next largest competitor as of December 31, 2019. Pure Barre offers a range of effective, low-impact, full-body workouts for a broad range of ages and fitness levels designed to improve strength, muscle tone, agility, flexibility and balance. Pure Barre has cultivated a large and passionate consumer base through the combination of effective programing, an energetic in-studio experience and a supportive and community-oriented culture. As of December 31, 2019, there were studios open across North America.

There are four signature Pure Barre class formats: introductory, classic barre, interval training and resistance training. Pure Barre offers a specialized multi-tiered teacher training program, which includes both classroom and on-the-job training. Our training provides opportunities for technical advancement and increased earnings potential, which we believe enables the brand to attract and retain high quality instructors. The choreography for each class format is refreshed on a quarterly basis. Under our suggested operating model, customers may purchase recurring monthly memberships for four, eight or unlimited monthly classes. There is also the option to purchase single walk-in classes. Depending on the studio location, our suggested price point for a single class ranges from $20 to $35, and unlimited monthly membership prices range from $149 to $259. The typical studio is approximately 1,500 square feet and is designed to allow up to 26 people to work out together. Additionally, we offer Video-On-Demand streaming services through the Pure Barre website and mobile application.

CycleBar

CycleBar, founded in 2004 and acquired in 2017, is the largest indoor cycling brand by number of studios and was approximately twice the size of its next largest competitor as of December 31, 2019. It provides a variety of low-impact, high-intensity indoor cycling workouts that are inclusive for a broad range of ages and fitness levels. CycleBar offers an immersive, multi-sensory experience in state-of-the-art “CycleTheaters,” led by specially trained instructors, enhanced with high-energy “CycleBeats” playlists and tracked using rider-specific “CycleStat” performance metrics. As of December 31, 2019, there were studios open across North America.

There are four signature CycleBar class formats, including metrics-focused classes and “unplugged” classes in which metrics are not tracked. CycleBar offers a specialized training program, which includes both classroom and on-the-job training. Our training provides opportunities for technical advancement and increased earnings potential for instructors, which we believe enables the brand to attract and retain high quality instructors. Under our suggested operating model, customers may purchase monthly memberships for four, eight or unlimited monthly classes. There is also the option to purchase single walk-in classes. Depending on the studio location, our suggested price point for a single class ranges from $20 to $35, and unlimited monthly memberships range from $149 to $229. The typical studio is approximately 2,000 square feet and is designed to allow up to 50 people to work out together.

Stretch Lab

Stretch Lab, founded in 2015 and acquired in 2017, is a leading assisted stretching brand. Stretch Lab was created to help people through customized flexibility services. It appeals to customers across a broad range of ages and fitness levels and is highly complementary to our broader brand portfolio. As of December 31, 2019, there were studios open across North America.

Stretch Lab offers one-on-one and group assisted stretching sessions. Most of Stretch Lab's customers purchase one-on-one sessions. Stretch Lab offers an extensive training program for "Flexologist" instructors. The teacher training program includes both classroom and on-the-job training. Our training provides opportunities for technical advancement and increased earnings potential for instructors, which we believe enables the brand to attract and retain high quality instructors. Under our suggested operating model, customers may purchase monthly memberships for four, eight and unlimited group sessions per month. There is also the option to purchase single group sessions. Depending on the studio location, our suggested price point for a single group session ranges from $25 to $35, and unlimited monthly group sessions range from $129 to $149. One-on-one assisted stretching sessions can be purchased in recurring packages of four or eight classes per month, as well as in single one-on-one sessions. Depending on the studio location, our suggested price point for a single one-on-one session ranges from $45 to $105 and eight one-on-one sessions per month ranges from $249 to $599. Our studio is designed to be between 1,000 and 1,500 square feet and is equipped with approximately ten stretch benches.

Row House

Row House, founded in 2014 and acquired in 2017, was the largest indoor rowing brand by number of studios as of December 31, 2019. Row House's class offerings incorporate personalized performance metrics, resistance training, rowing and stretching exercises to build aerobic endurance and muscular strength. The low-impact nature of rowing workouts makes Row House accessible to a broad range of consumers. Row House's programming fosters a group fitness environment that encourages comradery and a strong sense of community, with all participants rowing in-sync. As of December 31, 2019, there were studios open across North America.

There are six signature Row House class formats: introductory, interval-based, strength training, stretching and two endurance-based. Row House offers a specialized training program for Authorized Rowing Coaches, known as "RH University," which includes both classroom and on-the-job training. Our training provides opportunities for technical advancement and increased earnings potential for instructors, which we believe enables the brand to attract and retain high quality instructors. Under our suggested operating model, customers may purchase monthly memberships for four, eight or unlimited monthly classes. There is also the option to purchase single classes. Depending on the studio location, our suggested price point for a single walk-in class ranges from $20 to $42, and unlimited monthly memberships range from $129 to $279. The typical studio is approximately 2,000 square feet and designed to allow up to 25 people to work out together.

Yoga Six

Yoga Six, founded in 2011 and acquired in 2018, was the largest franchised yoga brand by number of studios as of December 31, 2019. Classes at Yoga Six eliminate the intimidation factor that many people feel when trying yoga for the first time, offering a fresh perspective on one of the world's oldest fitness practices. With modern-day yoga instruction, our diverse yoga and fitness programming includes movement and intensity to help customers achieve their fitness goals. As of December 31, 2019, there were studios open across North America.

There are six signature Yoga Six class formats: introductory, slow flow, stretching, hot yoga, cardio and strength training. Yoga Six offers an extensive accredited teacher training program for Registered Yoga Trainers.

The 200-hour program includes both classroom and on-the-job training. Our training provides opportunities for technical advancement and increased earnings potential for instructors, which we believe enables the brand to attract and retain high quality instructors. Under our suggested operating model, customers may purchase recurring monthly memberships in packages of four, eight or unlimited monthly classes. There is also the option to purchase single classes. Depending on studio location, our suggested price point for a single class ranges from $22 to $40, and unlimited monthly membership prices range from $116 to $196. The typical studio is approximately 2,000 square feet and is designed to allow up to 40 people to work out together.

AKT

AKT, founded in 2013 and acquired in 2018, is a full-body workout that combines cardio dance intervals with strength and toning that are effective and accessible for all fitness levels. Designed by celebrity-trainer Anna Kaiser, AKT is fueled by positivity and a belief that movement has a powerful, lasting impact. With a high-energy atmosphere and lively music, workouts are designed to push customers to sweat, dance and burn calories. As of December 31, 2019, there were studios open across North America.

There are four signature AKT class formats: dance-based, cardio and strength circuits, strength training intervals and toning. AKT offers a specialized training program for Authorized AKT Instructors, which includes both classroom and on-the-job training. Our training provides opportunities for technical advancement and increased earnings potential for instructors, which we believe enables the brand to attract and retain high quality instructors. Under our suggested operating model, customers may purchase recurring monthly memberships for four, eight and unlimited monthly classes. There is also the option to purchase single classes. Depending on the studio location, our suggested price point for a single class ranges from $21 to $37, and unlimited monthly memberships range from $159 to $360. The typical studio is approximately 2,000 square feet and is designed to allow approximately 25 people to work out together. Additionally, we offer Video-On-Demand streaming services through the AKT website and mobile application.

Stride

Stride, founded in 2017 and acquired in 2018, is a treadmill-based cardio and strength workout established to demonstrate to consumers across a broad range of ages and fitness levels that they can enjoy running. Stride offers engaging programming led by dynamic authorized trainers, with state-of-the-art equipment and energizing music. As of December 31, 2019, there was studio open in North America.

The supportive and inclusive environment at Stride fosters a strong sense of community that continues outside of the studio. Stride customers participate in running groups alongside Stride instructors for organized road races and other athletic events. These events deepen customers' connection and loyalty to the Stride brand.

There are three signature Stride class formats: interval, endurance-based and strength training. Under our suggested operating model, customers may purchase monthly memberships for four, eight and unlimited monthly classes. There is also the option to purchase single walk-in classes. Our suggested price point for a single class ranges from $20 to $35, and unlimited monthly membership prices range from $159 to $249. The typical studio is designed to be at least 2,000 square feet and is designed to allow 25 people to work out together.

Our Franchise Model

Franchising Strategy

We rely on our franchising strategy to grow our brands' global footprint in a capital efficient manner. Our franchise model leverages the local market expertise of highly motivated owners, our proven Xponential Playbook and our corporate platform. The model has enabled us to scale our system-wide studio footprint at a CAGR of % from 2017 to 2019.

As of December 31, 2019, we sold a total of franchise licenses in North America, with approximately % of licenses owned by single-unit franchisees and approximately % of licenses owned by multi-unit franchisees. Our largest franchisee in North America owned licenses, representing approximately % of our total franchise licenses sold in North America as of December 31, 2019.

When considering potential franchisees, we evaluate their prior experience in relationship-oriented businesses, level ofhands-on involvement in their communities, financial history and available capital and financing.

Franchisee Selection Process

We created a disciplined and highly effective franchisee development program for our portfolio of brands and franchisees. Our franchisee network in North America has grown rapidly; we have nearly doubled the number of franchises from 1,496 as of December 31, 2017 to over as of December 31, 2019.

When evaluating new potential franchisees in North America, we typically look for the following characteristics:

- *financially qualified individuals*;
- *relationship-oriented business background*;
- *motivated leaders who are driven by success*;
- *passion to help people meet their health and fitness goals; and*
- *willingness to implement our model and strategies.*

Our potential franchisees must also meet the following eligibility criteria:

- *minimum liquidity of $100,000*;
- *minimum net worth of $350,000 (Club Pilates and Stretch Lab) or $500,000 (Pure Barre, CycleBar, Row House, Yoga Six, AKT and Stride); and*
- *financial means to invest between $175,000 to $500,000 to build out their studio, depending on the brand.*

We divide the franchisee selection process into five distinct stages:

- *Inquiry stage:* Potential new franchisees complete and submit a confidential questionnaire form to our franchise development team for consideration.
- *Preliminary screening stage*: Our franchise development team conducts a call with potential franchisees to determine their level of financial, cultural and geographical fit.
- *Introduction stage:* If preliminarily approved, potential franchisees schedule a call with our brand managers to discuss next steps and take part in a number of foundation calls to learn more about the brand.
- *Approval stage:* Following validation calls and potential franchisees' personal due diligence, potential franchisees are invited to a discovery day at our headquarters in Irvine, California to meet with the corporate team as a final step in the approval process.

- *Contract sold stage*: Following the completion of the above steps and once internally approved, potential franchisees sign a franchise agreement.

Franchise Agreements

For each of our brands' franchised studios, we enter into a franchise agreement covering standard terms and conditions. Under our franchise agreement, we grant franchisees the right to access our brands in an exclusive area or territory after taking into account population density and demographics based on our internal and third-party analyses. The proposed location must be approved by us, and each franchisee is responsible for the selection, acquisition and development of the site from which to build the studio. Our franchise agreement requires that our franchisee operates within their designated market areas.

Our franchise agreements have an initial ten-year term. We can terminate the franchise agreement if a franchisee is in default thereunder, has failed to meet our minimum monthly gross revenue quotas or has failed to select a site for the studio that meets our approval within an indicated time period. We expect franchisees to meet and maintain minimum monthly gross revenue quotas by the first and second anniversary of their studio opening. Failure to meet these quotas for 36 consecutive months at any time during the term of the franchise agreement can result in the institution of a mandatory corrective training program or termination of the franchise agreement. We require franchisees to open their studio for regular, continuous business within a specified timeline. Within six months of the expiration of the initial ten-year term, franchisees have the opportunity to renew for one or two additional five-year terms, subject to the terms and conditions prevailing at the time of renewal.

Our franchise agreements require franchisees to comply with our standard operating methods that govern the provision of services, use of vendors and sale of merchandise. These provisions require that franchisees purchase equipment only from an approved list of vendors, and may generally provide products, classes and services only from us or an approved list of suppliers. We reserve the right to charge a penalty fee for each day that a franchisee offers or sells unauthorized products or services from the studio.

Our franchise agreements require franchisees to pay an initial, nonrefundable franchise fee per studio. Beginning on the day that a studio starts generating revenue from its business operations, franchisees are required to pay us a monthly royalty fee based on gross sales.

The Xponential Playbook

We believe the robust and ongoing support that we offer to franchisees is a key differentiator in our value proposition and has been a critical contributor to system-wide operational excellence. We have established the Xponential Playbook, which helps franchisees generate compelling studio economics. The key pillars of our Xponential Playbook include:

- *optimizing the studio prototype and investment cost;*
- *thoroughly vetting franchisee candidates;*
- *real estate identification, site selection, studio build-out and design assistance;*
- *comprehensive pre-opening support, including membership sales, marketing support, employee training and programming development;*
- *detailed studio-level operational framework and best practices;*
- *intensive instructor and studio-level management training;*

- *data-driven analytical tools to support marketing strategies, member acquisition and retention;*
- *sophisticated technology systems, including uniform point-of-sale and reporting systems, to drive studio-level operations; and*
- *ongoing monitoring and support to promote success.*

Attractive Franchisee Return Profile

The Xponential Playbook is designed to help franchisees achieve compelling AUVs, strong operating margins and an attractive return on their invested capital. Studios are designed to be between 1,000 and 2,500 square feet in size, depending on the brand, which contributed to a relatively low average initial franchisee investment of approximately $350,000 in 2019, including all leasehold improvements and required studio furniture, fixtures and equipment. We believe that our scale and vendor relationships enable us to offer equipment and merchandise to franchisees at a significantly lower cost than if they were to acquire it on their own. By utilizing the Xponential Playbook, our model is designed to generate, on average, an AUV of $500,000 in year two of operations and studio-level operating margins ranging between 25% and 30%, resulting in an unlevered cash-on-cash return of approximately 40%.

New Studio Development

Our small-box format studios have the flexibility to be located in a variety of retail buildings and shopping centers, and we consider locations in both high- and low-density markets. We seek out locations with (i) our target customer demographics, (ii) high visibility and accessibility and (iii) favorable traffic counts and patterns. We use internal and third-party analytic tools to access demographic data that we use to analyze potential new and existing sites and markets for franchisees. We assess population density, current tenant mix, layout and potential competition, among other factors. As a result of boutique fitness consumers' affinity for trying multiple fitness concepts, we have the ability to place our different brands within close proximity to each other. Our team follows a detailed approval process to review potential sites and seek to ensure that each site aligns with our strategic growth objectives and the Xponential Playbook.

We guide franchisees through the site selection,build-out and design processes during the development of their studios, ensuring that the studios conform to the physical specifications for their respective brands. Prior to opening, we offer franchisees a list of designated territories in which they may open a new studio. Each franchisee is responsible for selecting, acquiring and leasing a site, but they must obtain site approval from us.

As of December 31, 2019, franchisees were committed to open more than new studios in North America under existing franchise agreements and our master franchisees were contractually obligated to sell licenses to franchisees to open an additional studios in five other countries.

Franchise Development Team

We have a dedicated sales team to help promote and coordinate sales and resales of franchises at the corporate level. We have created a scalable and sustainable model through which we identify potential franchisees. In addition, we have a team dedicated to training and supporting franchisees in lead generation, sales conversion and customer retention support.

We also work with third-party brokers to generate sales leads for potential new franchisees.

Studios

As of December 31, 2019, franchisees operated studios system-wide, across 48 U.S. states and the District of Columbia, as well as studios in Canada and studio in Japan. In 2019, we opened studios across North America as well as international studios across countries. The map below shows our franchised studios by U.S. state:

Note: We also have company-owned studios as of December 31, 2019, which we plan to resell licenses to new or existing franchisees.

Brand	Club Pilates	Pure Barre	CycleBar	Stretch Lab	Row House	Yoga Six	AKT	Stride
Number of U.S. States								

We continue to drive the international expansion of our studio base. We currently have in place master franchise agreements that grant master franchisees the right to sell licenses to potential franchisees in five countries that we have targeted for near-term expansion. As of December 31, 2019, franchisees were contractually committed to open an additional studios in North America and our master franchisees were contractually obligated to sell licenses to franchisees to open an additional studios in five other countries, which together would nearly double our franchised studio base.

Fitness Equipment

Our franchised studios contain state-of-the-art fitness equipment from an array of suppliers. We believe that the quality of the equipment enriches the customers' in-studio experience and thereby enhances their brand loyalty. To ensure consistency across the studio base, we require franchisees to order equipment and supplies directly from us or approved vendors. Franchisees are required to order replacement or upgraded equipment within five to ten years depending on the manufacturers' guidelines. Franchisees also must use our approved vendors for equipment maintenance, who provide warranties on certain equipment purchased from them. As the largest franchisor in the industry, we have significant scale that enables us to negotiate competitive pricing from our suppliers. As a result, we believe that we offer equipment at more attractive pricing than franchisees could otherwise procure on their own, lowering the build-out cost and improving unit economics.

Marketing

Marketing Strategy

Our marketing strategy is designed to highlight our leading brand portfolio, the compelling value proposition of our brands and the unique attributes and benefits of boutique fitness workouts. Each brand has a dedicated marketing team that is focused on building brand awareness, generating new customer leads and increasing studio traffic at the national and local level. We leverage our corporate platform and marketing expertise to develop tailored marketing strategies to capitalize on each of our brands' potential.

Marketing Spending

National advertising. We manage a marketing fund for franchisees, with the goal of building national awareness for our brands. We focus our marketing efforts on national advertising and media partnerships, developing and maintaining creative assets to support local sales throughout the year, and building and supporting the Xponential Fitness community via digital and social media for each of our eight brands. Our franchise agreements require franchisees to contribute 2% of their monthly gross sales to the marketing fund of their respective brand. Our marketing funds have enabled us to spend approximately $ million since formation to increase national awareness of our brands, including over $ million in 2019. We believe this is a powerful marketing tool as it allows us to increase brand awareness in new and existing markets.

Local marketing. Our franchise agreements require franchisees to spend at least $1,500 per month on approved local marketing to support promotional sale periods throughout the year and continue to build the brand in local markets. All franchised studios are supported by our dedicated franchisee marketing team, which provides guidance, tracking, measurement and advice on best practices. Franchisees spend their marketing dollars in a variety of ways to promote business at their studios on a local level. These methods typically include media vehicles that are effective on a local level, including direct mail, outdoor (including billboards), social media and radio advertisements and local partnerships and sponsorships.

Social media. We have an engaged social media platform for each of our brands, which we believe further raises brand awareness and creates a community among our members. Each brand has a dedicated social media page run by us, and we also maintain a corporate social media page where we seek to engage personally with customers. In addition, franchisees operate social media accounts at the local level. We provide franchisees with social media consulting during the pre-opening phase in order to help them maximize their social impact. We believe that local social media pages are additive to the studio-level community and deepen our brands' connection with consumers.

Competition

Although we offer boutique fitness experiences, we believe we compete with both fitness andnon-fitness consumer discretionary spending alternatives for consumers' time and resources.

Franchisees compete with other health and fitness club industry participants, including:

- other national and regional boutique fitness offerings, some of which are franchised and others of which are owned centrally at a corporate level;
- other health and fitness centers, including gyms and other recreational facilities;
- individually owned and operated boutique fitness studios;
- personal trainers;

- racquet, tennis and other athletic clubs;
- online fitness services and health and wellness apps;
- participants in the home-use fitness equipment industry; and
- businesses offering similar services.

The health and fitness club industry is highly competitive and fragmented, and the number, size and strength of competitors vary by region. Some of our competitors may have greater name recognition nationally or locally or an established presence in local markets and some have corporate relationships that facilitate their acquisition of new consumers. These risks are more significant internationally, where we have a limited number of studios and brand recognition.

We also compete to sell franchises to potential franchisees who may choose to purchase franchises from other boutique fitness operators, but who may also consider purchasing franchises in other industries such as restaurants and personal care. We compete with other franchisors on the basis of the expected return on investment of franchisees and the value propositions that we offer for franchisees.

Our competition continues to increase as we expand into new markets and add studios in existing markets. See "Risk Factors—Risks Related to our Business and Industry—We operate in a highly competitive market and we may be unable to compete successfully against existing and future competitors."

Suppliers

We require franchisees to make most purchases related to the build out and operation of their studios from us or our approved vendors. This helps us ensure the timelines of build outs and the maintenance of consistent studio quality within each brand. We sell equipment purchased from third-party equipment manufacturers to franchised studios in North America. Franchisees outside North America must purchase equipment from third-party equipment manufacturers approved by us. We also have various approved suppliers of fitness accessories and apparel.

Vendors arrange for delivery of products and services either directly to our warehouse or to franchisee studios. We continuallyre-evaluate our supplier relationships to ensure we and franchisees obtain competitive pricing and high-quality equipment, merchandise and other items.

Employees

As of December 31, 2019, we had approximately 350 employees, of which approximately 160 were part-time employees. None of our employees are represented by labor unions.

Xponential franchises are independently owned and operated businesses. As such, employees of franchisees are not employees of Xponential Fitness.

Information Technology and Systems

We recognize the value of enhancing and extending the uses of information technology ("IT") in virtually every area of our business. Our IT strategy is aligned to support our business strategy and operating plans. We maintain an ongoing program to monitor, replace or upgrade key IT services and infrastructure.

We recently transitioned the studios to a uniform third-party hosted studio management system for enrolling members and managing member database information including personally identifiable information and payment processing. In addition, this management system tracks and analyzes key operating metrics such as membership statistics, cancellations, cross-studio utilization, member tenure and demographics profiles.

We continue to create a more customizable and efficient experience for members through updated digital tools, including enhanced websites and mobile applications. These digital tools enable consumers to search studio locations, browse class schedules and sign up for classes. We continue to enhance the accessibility of our digital tools to increase our online presence and member engagement.

Through our third-party hosted studio management system, we provide franchisees access to an informational management system to receive informational notices, operational resources and updates, training materials and other franchisee communications.

Our back-office computer systems are comprised of a variety of technologies designed to assist the operation of our business. These include a third-party hosted accounting and financial system, a SaaS solutions system to manage franchisees' leases and franchisee agreements, a third-party hosted payroll system, an inventory and online store management system and a customer relationship management system.

Intellectual Property

We own approximately 46 registered trademarks and service marks in the United States and approximately 214 registered trademarks and service marks in other countries, including "Xponential," "Pure Barre," "Stretch Lab," "Row House," "Yoga Six," "Club Pilates," "CycleBar," "AKT" and "Stride." We believe the Xponential name and the marks associated with our eight brands are of value and are important to our business. Accordingly, as a general policy, we pursue registration of our marks in the United States and select international jurisdictions, monitor the use of our marks in the United States and internationally and oppose any unauthorized use of our marks.

We license the use of our marks to franchisees and third-party vendors through our franchise agreements and vendor agreements. These agreements restrict third parties' activities with respect to use of our marks. Our franchise agreements impose brand standards requirements and require franchisees to inform us of any potential infringement of our marks.

We register some of our copyrighted material and otherwise rely on common law protection of our copyrighted works. Such registered copyrighted materials are not material to our business.

We also license some intellectual property from third parties for use in our franchised studios. Such licenses, including our music licenses, are not material to our business. Franchisees also license certain intellectual property for use in their studios, including music in some cases.

Government Regulation

We and franchisees are subject to various federal, state, provincial and local laws and regulations affecting our business.

We are subject to a trade regulation rule on franchising, known as the FTC Franchise Rule, promulgated by the FTC, that regulates the offer and sale of franchises in the United States and requires us to provide to all prospective franchisees certain mandatory disclosure in a FDD. In addition, we are subject to state franchise sales laws in approximately 19 states that regulate the offer and sale of franchises by requiring us to make a business opportunity exemption or franchise filing or obtain franchise registration prior to making any offer or sale of a franchise in those states and to provide a FDD to prospective franchisees.

We are subject to franchise sales laws in six provinces in Canada that regulate the offer and sale of franchises by requiring us to provide a FDD in a prescribed format to prospective franchisees and that further regulate certain aspects of the franchise relationship. We are also subject to franchise relationship laws in at least 22 states that regulate many aspects of the franchise relationship, including renewals and terminations of franchise agreements, franchise transfers, the applicable law and venue in which franchise disputes must be resolved, discrimination and franchisees' right to associate, among others. In addition, we and franchisees may also be subject to laws in other foreign countries where we or they do business.

We and franchisees are also subject to the U.S. Fair Labor Standards Act of 1938, as amended, similar state laws in certain jurisdictions, and various other laws in the United States and Canada governing such matters as minimum-wage requirements, overtime and other working conditions. A significant number of our and franchisees' employees are paid at rates related to the U.S. federal or state minimum wage, and past increases in such minimum wages have increased labor costs, as would future increases.

Our and franchisees' operations and properties are subject to extensive U.S. and Canadian federal, state, provincial and local laws and regulations, including those relating to environmental, building and zoning requirements. Our and franchisees' development of properties depends to a significant extent on the selection and acquisition of suitable sites, which are subject to zoning, land use, environmental, traffic and other regulations and requirements.

We and franchisees are responsible at the studios we operate for compliance with state laws that regulate the relationship between health clubs and their members. Nearly all states have consumer protection regulations that limit the collection of monthly membership dues prior to a studio opening, require certain disclosure of pricing information, mandate the maximum length of contracts and "cooling off" periods for members (after the purchase of a membership), set escrow and bond requirements, govern member rights in the event of a member relocation or disability, provide specific member rights when a health club closes or relocates, or preclude automatic membership renewals.

We and franchisees primarily accept payments for our memberships through electronic fund transfers from members' bank accounts and, therefore, are subject to both federal and state legislation and certification requirements, including the Electronic Funds Transfer Act. Some states, such as New York, Massachusetts and Tennessee, have passed or considered legislation requiring gyms and health clubs to offer a prepaid membership option at all times and/or limit the duration for which such memberships can auto-renew through electronic fund transfers, if at all. Our business relies heavily on the fact that our memberships continue on a month-to-month basis after the completion of any initial term requirements, and compliance with these laws, regulations, and similar requirements may be onerous and expensive, and variances and inconsistencies from jurisdiction to jurisdiction may further increase the cost of compliance and doing business. States that have such health club statutes provide harsh penalties for violations, including membership contracts being void or voidable.

Additionally, the collection, maintenance, use, disclosure and disposal of individually identifiable data by us, or franchisees are regulated at the federal, state and provincial levels as well as by certain financial industry groups, such as the Payment Card Industry, Security Standards Council, the National Automated Clearing House Association and the Canadian Payments Association. Federal, state and financial industry groups may also consider from time to time new privacy and security requirements that may apply to us or franchisees and may impose further restrictions on our or their collection, disclosure and use of individually identifiable information that are housed in one or more of our or their databases.

Facilities

Our corporate headquarters are located in Irvine, California, where we lease approximately 35,000 square feet of office space pursuant to a lease agreement which expires in 2029. We lease approximately 6,800 square feet for our Video-On-Demand production studio from Von Karman Production LLC, which is owned by Mr. Geisler, our Chief Executive Officer and founder, under a lease that expires in 2024. In addition, we also lease approximately 14,900 square feet of warehouse space, which expires in 2025. We believe that our existing facilities are adequate to meet our business requirements for the near-term and that additional space will be available on commercially reasonable terms, if required.

Legal Proceedings

From time to time, we may be subject to legal proceedings and claims in the ordinary course of business. We are not presently a party to any legal proceedings that, if determined adversely to us, would individually or taken together have a material adverse effect on our business, results of operations, cash flows and financial condition. We have received, and may in the future receive, claims from third parties. Future litigation may be necessary to defend ourselves and franchisees and other partners by determining the scope, enforceability and validity of third-party proprietary rights, or to establish our proprietary rights. The results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, and the diversion of management resources, among other factors.

MANAGEMENT

Executive Officers

The following table sets forth information regarding our executive officers as of December 31, 2019:

Name	Age	Position
Anthony Geisler	43	Chief Executive Officer
John Meloun	42	Chief Financial Officer
Megan Moen	35	Executive Vice President, Finance

Board of Directors

The following table sets forth information regarding our directors as of December 31, 2019, after giving effect to the Reorganization Transactions:

Name	Age	Position
Mark Grabowski	43	Chairman
Anthony Geisler	43	Chief Executive Officer, Director
Brenda Morris	54	Director
Marc Magliacano	45	Director

Executive Officers and Directors

Anthony Geisler is our founder and has served as our Chief Executive Officer and on our board of directors since 2017. In March 2015, Mr. Geisler purchased Club Pilates and served as Chief Executive Officer from 2015 to 2017, creating the platform on which he founded Xponential Fitness LLC. Club Pilates is now a subsidiary of Xponential Fitness LLC. Mr. Geisler holds a B.A. from University of Southern California. We believe Mr. Geisler is qualified to serve on our board of directors because he is a fitness industry veteran with more than 18 years of experience and an accomplished entrepreneur. Furthermore, Mr. Geisler has accumulated extensive perspective, operational insight and expertise as our founder and Chief Executive Officer.

John Meloun has served as our Chief Financial Officer since 2018. From March 2015 to July 2018, Mr. Meloun served in executive roles at The Joint Corp, a national operator, manager and franchisor of chiropractic clinics, including as Chief Financial Officer from November 2016 to July 2018. From January 2010 to March 2015, Mr. Meloun served as a Senior Director of Financial Planning and Analysis at the University of Phoenix, where he provided guidance to the Chief Financial Officer and Vice President on financial changes. Mr. Meloun holds both a B.S. and an M.B.A. from Arizona State University.

Megan Moen has served as our Executive Vice President of Finance since 2017 and has served as the Vice President of Finance for Club Pilates since January 2016. From July 2013 to March 2016, Ms. Moen served as a Senior Director of Valuation and Financial Advisory Services at FTI Consulting, a top global management consulting firm, where she performed business and intangible asset valuations, financial and strategic analysis, forecasting and transaction support. Ms. Moen holds a B.A. from University of California, Los Angeles and an M.B.A. from New York University.

Non-Employee Directors

Mark Grabowski has served as the Chairman of our board of directors since May 2017. Mr. Grabowski is a Managing Partner at Snapdragon Capital Partners, which he founded in 2018, where he focuses on health and wellness as a core vertical of investment. From August 2016 to June 2018, Mr. Grabowski was a partner at TPG Growth, where he oversaw the platform's consumer investments. From January 2007 to August 2016, Mr. Grabowski was a Managing Director at L Catterton, a middle market consumer-focused private equity firm.

Mr. Grabowski has prior private equity experience at AEA Investors and American Capital Strategies. Mr. Grabowski holds an A.B. degree in Economics from Dartmouth College and an M.B.A. from The Wharton School of the University of Pennsylvania. We believe Mr. Grabowski is qualified to serve on our board of directors because of his extensive business and investment expertise and his knowledge of our company and our industry.

Brenda Morris has served on our board of directors since May 2019. Ms. Morris has over 35 years of experience in finance, accounting and operations roles concentrated in consumer products, food and beverage, retail and wholesale sectors. Ms. Morris is currently a Partner at CSuite Financial Partners, a financial executive services firm, which she joined in November 2015. Ms. Morris currently serves on the boards of directors of Boot Barn Holdings, Inc., Duluth Holdings Inc. and Asarasi Inc, a private sparkling tree water company. From 2016 to 2019, Ms. Morris served as Chief Financial Officer at Apex Parks Group, a privately held operating company of family entertainment centers, water parks and amusement parks. From 2015 to 2016, Ms. Morris served as Senior Vice President, Finance at Hot Topic, Inc., a specialty retailer. From 2013 to 2015, Ms. Morris served as Chief Financial Officer at 5.11 Tactical, a tactical gear and apparel wholesaler and retailer. Ms. Morris holds a B.A. from Pacific Lutheran University and an M.B.A. from Seattle University. We believe Ms. Morris is qualified to serve on our board of directors based on her extensive experience in finance, accounting and executive management and as a member of the board of directors of various companies in the consumer and retail industry.

Marc Magliacano has served on our board of directors since October 2018. Mr. Magliacano is a Managing Partner at L Catterton. Mr. Magliacano has been a senior investment professional at L Catterton since May 2006. Prior to joining L Catterton, Mr. Magliacano was a Principal at North Castle Partners, a private equity firm focused on consumer investments that benefit from healthy living and aging trends. Mr. Magliacano has served on the boards of directors of a variety of private and public companies, including Restoration Hardware. Mr. Magliacano currently serves on the board of directors of OneSpaWorld Holdings Limited, a health and wellness services company. Mr. Magliacano holds a B.S. from The Wharton School of the University of Pennsylvania and an M.B.A. from Columbia Business School. We believe Mr. Magliacano is qualified to serve on our board of directors based on his extensive investment experience and knowledge of our company.

Controlled Company

For purposes of the corporate governance rules of the , we are a "controlled company" and will continue to be a "controlled company" upon completion of this offering. Controlled companies under those rules are companies of which more than 50% of the voting power for the election of directors is held by an individual, a group or another company. The Pre-IPO LLC Members will continue to beneficially own more than 50% of the combined voting power of Xponential Fitness, Inc. upon completion of this offering. As a "controlled company," we will be permitted to, and we intend to, elect not to comply with certain corporate governance requirements, including those that would otherwise require our board of directors to have a majority of independent directors and require our compensation and nominating and governance committees each be comprised entirely of independent directors.

Board Structure and Compensation of Directors

Upon the completion of this offering, our board of directors will consist of directors. , , and qualify as independent directors under the corporate governance standards of .

Our directors will be divided into three classes serving staggered three-year terms. Class I, Class II and Class III directors will serve until our annual meetings of stockholders in 2021, 2022 and 2023, respectively. At each annual meeting of stockholders, directors will be elected to succeed the class of directors whose terms have expired. This classification of our board of directors could have the effect of increasing the length of time necessary to change the composition of a majority of the board of directors. In general, at least two annual

meetings of stockholders will be necessary for stockholders to effect a change in a majority of the members of the board of directors.

Directors who are also full-time officers or employees of our company will receive no additional compensation for serving as directors. All other directors will receive an annual retainer of $. In addition, the chairman of our audit committee will receive an annual fee of $ and the chairman of our nominating and governance and compensation committees will receive an annual fee of $. Each non-employee director also will receive an annual grant of restricted stock under our long-term incentive plan having a fair market value (as defined in our long-term incentive plan) of $.

Board Committees

Audit Committee

The members of our audit committee are , and . is the chair of our audit committee. Wewill phase-in to the independence requirements of the corporate governance rules, which require us to have one independent audit committee member upon the listing of our common stock on , a majority of independent audit committee members within 90 days of listing and an audit committee consisting entirely of independent members within one year of listing. Our board of directors has determined that satisfies the "independence" requirements of and the Exchange Act. Each member of our audit committee is financially literate. In addition, our board of directors has determined that and are qualified as audit committee financial experts as defined in Item 407(d)(5)(ii) of Regulation S-K promulgated under the Securities Act. This designation does not impose any duties, obligations or liabilities that are greater than are generally imposed on members of our audit committee and our board of directors. Our audit committee is directly responsible for, among other things:

- selecting a firm to serve as the independent registered public accounting firm to audit our financial statements;
- ensuring the independence and qualifications of the independent registered public accounting firm;
- discussing the scope and results of the audit with the independent registered public accounting firm and reviewing, with management and that firm, our interim and year-end operating results;
- establishing procedures for employees to anonymously submit concerns about questionable accounting or audit matters;
- considering the adequacy of our internal controls and internal audit function;
- reviewing material related party transactions or those that require disclosure; and
- approving or, as permitted, pre-approving all audit and non-audit services to be performed by the independent registered public accounting firm.

Compensation Committee

The members of our compensation committee are , and . is the chair of our compensation committee. We intend to avail ourselves of certain exemptions afforded to controlled companies under corporate governance rules, which will exempt us from the requirement that we have a compensation committee composed entirely of independent directors. Our compensation committee is responsible for, among other things:

- reviewing and approving, or recommending that our board of directors approve, the compensation of our executive officers;

- reviewing and recommending to our board of directors the compensation of our directors;
- administering our stock and equity incentive plans;
- reviewing and approving, or making recommendations to our board of directors with respect to, incentive compensation and equity plans; and
- reviewing our overall compensation philosophy.

Nominating and Governance Committee

The members of our nominating and governance committee are , and . is the chair of our nominating and governance committee. We intend to avail ourselves of certain exemptions afforded to controlled companies under corporate governance rules, which will exempt us from the requirement that we have a nominating and governance committee composed entirely of independent directors. Our nominating and governance committee is responsible for, among other things:

- identifying and recommending candidates for membership on our board of directors;
- reviewing and recommending our corporate governance guidelines and policies;
- reviewing proposed waivers of the code of conduct for directors and executive officers;
- overseeing the process of evaluating the performance of our board of directors; and
- assisting our board of directors on corporate governance matters.

Code of Business Conduct and Ethics Policy

We have adopted a code of business conduct and ethics policy that applies to all of our employees, officers and directors, including those officers responsible for financial reporting. These standards are designed to deter wrongdoing and to promote honest and ethical conduct. Upon the completion of this offering, the full text of our code of business conduct and ethics will be posted on the investor relations section of our website. We intend to disclose future amendments to our code of business conduct and ethics, or any waivers of such code, on our website or in public filings.

Compensation Committee Interlocks and Insider Participation

During 2019, Mark Grabowski, Marc Magliacano and Brenda Morris served as members of our compensation committee. None of the members of our compensation committee had during the prior fiscal year been one of our officers or employees or, except for Mr. Grabowski, had a relationship requiring disclosure under "Certain Relationships and Related Party Transactions." None of our executive officers currently serves, or in the past fiscal year has served, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our board of directors or compensation committee.

With respect to Mr. Grabowski, until the completion of this offering, H&W Franchise Holdings, which owned all of our equity interests prior to the consummation of the Reorganization Transactions, was a party to a management services agreement with H&W Investco Management LLC, pursuant to which H&W Investco Management LLC provided us with certain management services. Mr. Grabowski owns H&W Investco Management LLC. For the fiscal years ended December 31, 2018 and 2019, we paid H&W Investco Management LLC $206,000 and $557,000, respectively, for services provided under the management services agreement. See "Certain Relationships and Related Party Transactions."

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth information concerning the compensation paid to our principal executive officer and our two other most highly compensated executive officers (our "Named Executive Officers") during our fiscal year ended December 31, 2019.

Name and Principal Position	Year	Salary ($)	Bonus(1) ($)	Stock Awards(2) ($)	All Other Compensation(3) ($)	Total ($)
Anthony Geisler *Chief Executive Officer*	2019	400,000	200,000	0	447,611	1,047,611
John Meloun *Chief Financial Officer*	2019	300,000	150,000	—	39,826	489,826
Megan Moen *Executive Vice President, Finance*	2019	180,000	64,050	—	30,177	274,227

(1) Reflects an estimate of the bonus payable for 2019 for each executive officer, based on the executive's target opportunity.

(2) Reflects the grant date value of profits interest awards granted during the applicable year as calculated using the Black-Scholes method in accordance with FASB Accounting Standards Codification ("ASC") Topic 718. As discussed below under "Incentive Unit Awards—2019 Grants," an award of profits interests was made to Mr. Geisler in 2019. On the date of grant it was determined that attainment of the performance condition applicable to this award was not probable. As a result, pursuant to SEC regulations, we are including $0 for the value of this award in the Summary Compensation Table. Assuming that the highest level of performance under the award were achieved, the grant date value of this award as so calculated would be $1,571,000. Assumptions made in the course of this valuation are set forth in Note to our financial statements elsewhere in this prospectus.

(3) Reflects the value of cashout payments upon conversion of our paid time off policy from accrual based to unlimited ($41,417, $9,737 and $18,948 for Mr. Geisler, Mr. Meloun and Ms. Moen, respectively), our matching contributions to the 401(k) plan, our payments to cover the employee portion of medical and dental insurance coverage for Mr. Geisler and Mr. Meloun, and cash payments in lieu of participation in our medical and dental insurance plans for Ms. Moen. For Mr. Geisler, this amount also reflects a $400,000 consulting fee paid to Mr. Geisler by H&W Investco Management LLC for services to us rendered pursuant to the Consulting Agreement. For Mr. Meloun, this amount also reflects $22,917 in commuting expenses paid by us.

Narrative Disclosure to Summary Compensation Table

Employment Agreements

Anthony Geisler

We are party to an employment agreement with Mr. Geisler that was originally entered into between Mr. Geisler and Club Pilates Franchise, LLC as of May 2, 2017 and was assigned to us on September 26, 2017 (the "Geisler Employment Agreement"). The term of the Geisler Employment Agreement initially runs until May 2, 2020, after which the agreement renews annually for successive one-year periods, unless either party provides prior written notice of non-renewal.

Pursuant to the Geisler Employment Agreement, Mr. Geisler's annual base salary, now $400,000, is subject to increase by our board of directors based on Mr. Geisler's performance. Mr. Geisler is eligible to participate in our annual cash bonus program with an annual cash bonus opportunity of 50% of base salary, along with our defined contribution, health, insurance, retirement and other benefit plans as provided to our similarly situated executives. In the event Mr. Geisler elects not to participate in our medical or dental plans, we will continue to pay for his current medical and dental plan (or any reasonable equivalent plan acceptable to Mr. Geisler) in lieu of participating in any such plans.

John Meloun

We are party to an employment agreement with Mr. Meloun that was entered into on June 18, 2018 (the "Meloun Employment Agreement"). The term of the Meloun Employment Agreement initially runs until June 18, 2021, after which the agreement renews annually for successive one-year periods, unless either party provides prior written notice of non-renewal.

Pursuant to the Meloun Employment Agreement, Mr. Meloun's annual base salary, now $300,000, is subject to increase by our board of directors based on Mr. Meloun's performance. Mr. Meloun is eligible to participate in our annual cash bonus program with an annual cash bonus opportunity of 50% of base salary, along with our defined contribution, health, insurance, retirement and other benefit plans as provided to our similarly situated executives. In the event Mr. Meloun elects not to participate in our medical or dental plans, we will continue to pay for his current medical and dental plan (or any reasonable equivalent plan acceptable to Mr. Meloun) in lieu of participating in any such plans.

Megan Moen

We are party to an employment agreement with Ms. Moen that was originally entered into between Ms. Moen and Club Pilates Franchise, LLC as of August 22, 2017 and was assigned to us on September 26, 2017 (the "Moen Employment Agreement"). The term of the Moen Employment Agreement initially runs until August 22, 2020, after which the agreement renews annually for successive one-year periods, unless either party provides prior written notice of non-renewal.

Pursuant to the Moen Employment Agreement, Ms. Moen's annual base salary, now $180,000, is subject to increase by our board of directors based on Ms. Moen's performance. Ms. Moen is eligible to participate in our defined contribution, health, insurance, retirement and other benefit plans as provided to our similarly situated executives. In the event Ms. Moen elects not to participate in our medical or dental plans, we will continue to pay for her current medical and dental plan (or any reasonable equivalent plan acceptable to Ms. Moen) in lieu of participating in any such plans.

We may decide to enter into new employment agreements with our Named Executive Officers in connection with this offering.

Management Services and Consulting Agreement

As discussed in more detail under "Certain Relationships and Related Party Transactions—Management Services Agreement," in 2019, H&W Franchise Holdings was party to a Management Services Agreement with H&W Investco Management LLC, pursuant to which H&W Investco Management LLC provided certain management, advisory, consulting and strategic planning services to H&W Franchise Holdings and its subsidiaries, including us. Pursuant to the Management Services Agreement, H&W Franchise Holdings agreed to pay H&W Investco Management LLC an annual fee of $750,000 and reimburse H&W Investco Management LLC for reasonable out-of-pocket expenses.

In connection with the Management Services Agreement, in 2019 H&W Investco Management LLC was party to a consulting agreement with Mr. Geisler. Pursuant to this consulting agreement, Mr. Geisler agreed

to provide certain consulting services related to managing us pursuant to the Management Services Agreement. In exchange for these services, H&W Investco Management LLC agreed to pay Mr. Geisler a consulting fee of $400,000 per year. This payment is in addition to the $400,000 of annual base salary payable to Mr. Geisler under the Geisler Employment Agreement. A total of $400,000 was payable to Mr. Geisler under the consulting agreement for these consulting services in 2019.

The Management Services Agreement and the consulting agreement will terminate automatically on consummation of this offering.

Equity Compensation Plans and Outstanding Awards

We maintain the First Amended and Restated Profits Interest Plan of H&W Franchise Holdings LLC (the "Profits Interest Plan"), in order to provide eligible employees of H&W Franchise Holdings or its affiliates with an opportunity to participate in our future. Under the Profits Interest Plan, we have granted to each of our Named Executive Officers awards of Class B Units in H&W Franchise Holdings (the "Incentive Units"), that are intended to be "profits interests" for income tax purposes. A profits interest award provides the award holder with value only if and to the extent that we grow in value following the grant of the award.

Incentive Unit Awards—Current Terms and Conditions

Except as noted below, one-half of the Incentive Units granted to each of our Named Executive Officers, referred to here as service-vesting units, are scheduled to vest over a specific schedule, subject only to the recipient's continued service through the applicable vesting date. All service-vesting units would vest upon the recipient's continued service through a Sale of the Company. For this purpose, Sale of the Company is generally defined as a sale or transfer of all or substantially all of the assets of H&W Franchise Holdings or any of its subsidiaries.

Except as noted below, the other half of the Incentive Units granted to each recipient, referred to here as performance-vesting units, are eligible to vest upon a Sale of the Company if, upon the Sale of the Company, if H&W Investco, L.P. realizes net cash proceeds from the Sale of the Company representing a designated multiple from as low as 1.4x to as high as 4x of its aggregate equity investment in our company.

An award of Incentive Units was granted to Mr. Geisler on October 25, 2018 that provided for 24,300 performance-vesting units and no service-vesting units. An award to Mr. Geisler on October 24, 2018 that provided for 62,148 Incentive units provided that the first tranche of service-vesting units were vested as of the date of grant, with the remainder vesting on continued service through May 2, 2019, 2020 and 2021.

Incentive Unit Awards—2019 Grants

In 2019 we granted an award of Incentive Units to Mr. Geisler that provides for 25,000 performance-vesting units and no service-vesting units. This award has a participation threshold of $365.16. Its Incentive Units will vest only in the event of a Sale of the Company in which H&W Investco, L.P. realizes net cash proceeds at least 4x its aggregate equity investment in H&W Franchise Holdings and will be forfeited upon termination of Mr. Geisler's service.

Incentive Unit Awards—Treatment in Connection with this Offering

In connection with this offering and the transactions described in "Organizational Structure—The Reorganization Transactions," we expect that our Incentive Units will remain as profits interests of the respective recipients in H&W Franchise Holdings with a right of conversion into our common shares.

Equity Incentive Plan—Adoption in Connection with this Offering

We intend to adopt a 2020 Equity Incentive Plan to facilitate grants of new equity incentives to our directors, employees (including our named executive officers) and consultants and to enable us and certain of our affiliates to obtain and retain services of these individuals, which are essential to our long-term success. We expect that any new incentive plan will be effective on the date on which it is adopted by our board of directors, subject to approval by our shareholders.

Potential Payments upon Termination of Change in Control

Anthony Geisler

Pursuant to the Geisler Employment Agreement, if Mr. Geisler's employment is terminated (i) by us without "cause" (as defined in the Geisler Employment Agreement) or (ii) by Mr. Geisler for "good reason" (as defined in the Geisler Employment Agreement), and Mr. Geisler executes a release of all claims in substance and form satisfactory to us, Mr. Geisler will be entitled to severance payments of 12 months' base salary, payable in periodic installments according to our regular payroll practices.

John Meloun

Pursuant to the Meloun Employment Agreement, if Mr. Meloun's employment is terminated (i) by us without "cause" (as defined in the Meloun Employment Agreement) or (ii) by Mr. Meloun for "good reason" (as defined in the Meloun Employment Agreement), and Mr. Meloun executes a release of all claims in substance and form satisfactory to us, Mr. Meloun will be entitled to severance payments of six months' base salary, payable in periodic installments according to our regular payroll practices.

Megan Moen

Pursuant to the Moen Employment Agreement, if Ms. Moen's employment is terminated (i) by us without "cause" (as defined in the Moen Employment Agreement) or (ii) by Ms. Moen for "good reason" (as defined in the Moen Employment Agreement), and Ms. Moen executes a release of all claims in substance and form satisfactory to us, Ms. Moen will be entitled to severance payments of three months' base salary, payable in periodic installments according to our regular payroll practices.

Retirement, Health, Welfare and Additional Benefits

Xponential Fitness LLC maintains a tax-qualified retirement plan (the "401(k) Plan"), that provides eligible employees with an opportunity to save for retirement on a tax-advantaged basis. The 401(k) Plan permits us to make matching contributions and profit sharing contributions to eligible participants. Eligible employees are able to participate in the 401(k) Plan one month following their start date, and will be eligible for matching contributions after one year of service. Participants are able to defer up to 100% of their eligible compensation subject to applicable annual Code limits. All participants' interests in their deferrals are 100% vested when contributed. Participants vest into matching contributions and profit sharing contributions over a two- and six-year period, respectively.

In 2019 we provided for a discretionary match of 100% of the first 4% of compensation contributed to the 401(k) Plan for each participant. The amount we contributed on behalf of each Named Executive Officer in 2019, if any, is reflected above under "—Summary Compensation Table."

Outstanding Equity Awards at Fiscal Year End

The following table sets forth information concerning outstanding equity incentive plan awards for our Named Executive Officers as of the end of our fiscal year ended December 31, 2019.

	Incentive Unit Awards			
Name	Number of Incentive Units That Have Not Vested (#)	Market Value of Incentive Units That Have Not Vested ($)(1)	Equity Incentive Plan Awards: Number of Unearned Incentive Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Incentive Units or Other Rights That Have Not Vested ($)(1)
Anthony Geisler	11,046.2(2)		22,092.4(3)	
	15,537.01(4)		31,074.0(5)	
			24,300.0(6)	
			25,000.0(7)	
John Meloun	3,223.3(8)		4,297.7(9)	
Megan Moen	1,380.8(10)		2,761.6(11)	

(1) Reflects the value of each award as of December 31, 2019 based on applicable accounting principles.

(2) Represents unvested Incentive Units under an award granted August 17, 2017, with an initial participation threshold of $92.01, which was adjusted to $98.18 in connection with an assumption of the award by H&W Franchise Holdings. This portion of the award vests in annual installments on the first four anniversaries of the grant date.

(3) Represents unvested Incentive Units under an award granted August 17, 2017 with an initial participation threshold of $92.01, which was adjusted to $98.18 in connection with an assumption of the award by H&W Franchise Holdings. This portion of the award vests upon continued service through a Sale of the Company as defined in the profit interest award agreement if H&W Investco, L.P. realizes net cash proceeds of between 2.2307x to 3.0769x of its equity investment in our company.

(4) Represents unvested Incentive Units under an award granted October 24, 2018 with a participation threshold of $135.00. This portion of the award vests in four equal installments including on the grant date, and the first three anniversaries of May 2, 2018.

(5) Represents unvested Incentive Units under an award granted October 24, 2018 with a participation threshold of $135.00. This portion of the award vests upon continued service through a Sale of the Company as defined in the profit interest award agreement if H&W Investco, L.P. realizes net cash proceeds of between 1.4x to 4x of its equity investment in our company.

(6) Represents unvested Incentive Units under an award granted October 25, 2018 with a participation threshold of $255.00. This portion of the award vests upon continued service through a Sale of the Company as defined in the profit interest award agreement if H&W Investco, L.P. realizes net cash proceeds of 4x of its equity investment in our company.

(7) Represents unvested Incentive Units under an award granted October 1, 2019 with a participation threshold of $365.16. This portion of the award vests upon continued service through a Sale of the Company as defined in the profit interest award agreement if H&W Investco, L.P. realizes net cash proceeds of at least 4x of its equity investment in our company.

(8) Represents unvested Incentive Units under an award granted October 24, 2018 with a participation threshold of $135.00. This portion of the award vests in annual installments on the first four anniversaries of July 2, 2018.

(9) Represents unvested Incentive Units under an award granted October 24, 2018 with a participation threshold of $135.00. This portion of the award vests upon continued service through a Sale of the Company as defined in the profit interest award agreement if H&W Investco, L.P. realizes net cash proceeds of between 2.2307x to 3.0769x of its equity investment in our company.

(10) Represents unvested Incentive Units under an award granted September 26, 2017 with a participation threshold of $98.18. This portion of the award vests in annual installments on the first four anniversaries of the grant date.

(11) Represents unvested Incentive Units under an award granted September 26, 2017 with a participation threshold of $98.18. This portion of the award vests upon continued service through a Sale of the Company as defined in the profit interest award agreement if H&W Investco, L.P. realizes net cash proceeds of between 2.2307x to 3.0769x of its equity investment in our company.

Director Compensation

The table below shows the equity and other compensation granted to oumon-employee directors for fiscal 2019.

Name	Fees Earned or Paid in Cash ($)	Stock Awards(1) ($)	All Other Compensation(2) ($)	Total ($)
Brenda Morris	37,917	84,649	—	122,566
Mark Grabowski	—	—	157,000	157,000
Marc Magliacano	—	—	—	—

(1) Reflects the grant date value of profits interest awards granted during the applicable year as calculated using the Black-Scholes method in accordance with FASB ASC Topic 718. Assumptions made in the course of this valuation are set forth in Note 10 to our financial statements elsewhere in this prospectus.

(2) For Mr. Grabowski, reflects fees paid under the Management Services Agreement with H&W Investco Management LLC. In 2019 we incurred $557,000 for services under this agreement. Of this amount, H&W Investco Management LLC was bound to pay $400,000 to Mr. Geisler in compensation for his services to us under this Management Services Agreement.

As discussed in more detail under the title “Certain Relationships and Related Party Transactions—Management Services Agreement” below, in 2019 H&W Franchise Holdings was party to a Management Services Agreement with H&W Investco Management LLC under which we accrued $557,000 in fees payable to H&W Investco Management LLC in exchange for certain management, advisory or the consulting services for that year. Mr. Grabowski is the sole owner of H&W Investco Management LLC. H&W Investco Management LLC is separately party to a consulting agreement with Mr. Geisler under which it has agreed to pay Mr. Geisler a consulting fee of $400,000 per year for services rendered to us pursuant to the Management Services Agreement. The Management Services Agreement and consulting agreement will be terminated in connection with this offering.

We entered into a Board of Managers Agreement (the “Morris Managers Agreement”) with Ms. Morris in connection with her appointment to our board of directors. The Morris Managers Agreement provides Ms. Morris with annual compensation of $50,000, an annual retainer $15,000 in recognition of her service as the chair of our audit committee and reimbursements for reasonable expenses she incurs in connection with her service on our board of directors.

In connection with Ms. Morris' offer to join our board of directors, we granted Ms. Morris 1,215 Incentive Units with an initial participation threshold of $324.77. 50% of the award will vest on the one year anniversary of May 30, 2019 and the remaining 50% balance will vest in 12 equal monthly installments on the last day of the first month after the one year anniversary of May 30, 2019. If a Sale of the Company, is consummated prior to the last vesting date, the Incentive Units, to the extent not already vested, shall vest immediately prior to, but contingent upon, the consummation of a Sale of the Company.

After the completion of this offering, we may adopt compensation program for oumon-employee directors.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

We describe below transactions and series of related transactions, since we were founded in 2017 or currently proposed, in which:

- we or any of our subsidiaries have been or will be a participant;
- the amounts involved exceeded or will exceed $120,000; and
- any of our directors, executive officers or beneficial holders of more than 5% of any class of our capital stock, or any immediate family member of, or person sharing a household with, any of these individuals, had or will have a direct or indirect material interest.

Other than as described below, there have not been, nor are there any currently proposed, any transactions or series of transactions meeting these criteria to which we have been or will be a party, other than compensation and employment arrangements, which are described where required under "Management" and "Executive Compensation."

Amended LLC Agreement

In connection with the Reorganization Transactions, Xponential Fitness, Inc. and its wholly owned subsidiaries, Xponential Fitness LLC and each of the Continuing Pre-IPO LLC Members will enter into the Amended LLC Agreement. Following the Reorganization Transactions, and in accordance with the terms of the Amended LLC Agreement, we will operate our business through Xponential Fitness LLC. Pursuant to the terms of the Amended LLC Agreement, so long as the Continuing Pre-IPO LLC Members continue to own any LLC Units or securities redeemable or exchangeable into shares of our Class A common stock, we will not, without the prior written consent of such holders, engage in any business activity other than the management and ownership of Xponential Fitness LLC or own any assets other than securities of Xponential Fitness LLC and/or any cash or other property or assets distributed by or otherwise received from Xponential Fitness LLC, unless we determine in good faith that such actions or ownership are in the best interest of Xponential Fitness LLC.

As the managing members of Xponential Fitness LLC, we and our wholly owned subsidiary will have control over all of the affairs and decision making of Xponential Fitness LLC. As such, through our officers and directors, we will be responsible for all operational and administrative decisions of Xponential Fitness LLC and the day-to-day management of Xponential Fitness LLC's business. We will fund any dividends to our stockholders by causing Xponential Fitness LLC to make distributions to the holders of LLC Units and us, subject to the limitations imposed by our debt agreements. See "Dividend Policy."

The holders of LLC Units will generally incur U.S. federal, state and local income taxes on their proportionate share of any net taxable income of Xponential Fitness LLC. Net profits and net losses of Xponential Fitness LLC will generally be allocated to its members pro rata in accordance with the percentages of their respective ownership of LLC Units, though certain non-pro rata adjustments will be made to reflect tax depreciation, amortization and other allocations. The Amended LLC Agreement will provide for pro rata cash distributions to the holders of LLC Units for purposes of funding their tax obligations in respect of the taxable income of Xponential Fitness LLC that is allocated to them. Generally, these tax distributions will be computed based on Xponential Fitness LLC's estimate of the net taxable income of Xponential Fitness LLC allocable to the holders of LLC Units multiplied by an assumed tax rate equal to the highest effective marginal combined U.S. federal, state and local income tax rate prescribed for an individual or corporate resident of California (taking into account the non-deductibility of certain expenses and the character of our income).

Except as otherwise determined by us, if at any time we issue a share of our Class A common stock, the net proceeds received by us with respect to such share, if any, shall be concurrently invested in Xponential

Fitness LLC and Xponential Fitness LLC shall issue to us one LLC Unit (unless such share was issued by us solely to fund the purchase of an LLC Unit from a holder of LLC Units (upon an election by us to exchange such LLC Unit in lieu of redemption following a redemption request by such holder of LLC Units, in which case such net proceeds shall instead be transferred to the selling holder of LLC Units as consideration for such purchase, and Xponential Fitness LLC will not issue an additional LLC Unit to us)). Similarly, except as otherwise determined by us, (i) Xponential Fitness LLC will not issue any additional LLC Units to us unless we issue or sell an equal number of shares of our Class A common stock and (ii) should Xponential Fitness LLC issue any additional LLC Units to the Pre-IPO LLC Members or any other person, we will issue an equal number of shares of our Class B common stock to such Pre-IPO LLC Members or any other person. Conversely, if at any time any shares of our Class A common stock are redeemed, purchased or otherwise acquired by us, Xponential Fitness LLC will redeem, purchase or otherwise acquire an equal number of LLC Units held by us, upon the same terms and for the same price per security, as the shares of our Class A common stock are redeemed, purchased or otherwise acquired by us. In addition, Xponential Fitness LLC will not effect any subdivision (by any unit split, unit distribution, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse unit split, reclassification, reorganization, recapitalization or otherwise) of the LLC Units unless it is accompanied by substantively identical subdivision or combination, as applicable, of each class of our common stock, and we will not effect any subdivision or combination of any class of our common stock unless it is accompanied by a substantively identical subdivision or combination, as applicable, of the LLC Units.

Under the Amended LLC Agreement, the holders of LLC Units (other than us and our wholly owned subsidiaries) will have the right, from and after the completion of this offering (subject to the terms of the Amended LLC Agreement), to require Xponential Fitness LLC to redeem all or a portion of their LLC Units for, at our election, newly-issued shares of Class A common stock on a one-for-one basis or a cash payment equal to the volume-weighted average market price of one share of our Class A common stock for each LLC Unit redeemed (subject to customary adjustments, including for stock splits, stock dividends and reclassifications) in accordance with the Amended LLC Agreement. If we decide to make a cash payment, the holder of an LLC Unit has the option to rescind its redemption request within a specified time period. Upon the exercise of the redemption right, the redeeming member will surrender its LLC Units to Xponential Fitness LLC for cancellation. The Amended LLC Agreement will require that we contribute cash or shares of our Class A common stock to Xponential Fitness LLC in exchange for newly-issued LLC Units in Xponential Fitness LLC that will be issued to us in an amount equal to the number of LLC Units redeemed from the holders of LLC Units. Xponential Fitness LLC will then distribute the cash or shares of Class A common stock to such holder of an LLC Unit to complete the redemption. Additionally, in the event of a redemption request from a holder of LLC Units, we may, at our option, effect a direct exchange of cash or Class A common stock for LLC Units in lieu of such a redemption. Whether by redemption or exchange, we are obligated to ensure that at all times the number of LLC Units that we or our wholly owned subsidiaries own equals the number of shares of Class A common stock issued by us (subject to certain exceptions for treasury shares and shares underlying certain convertible or exchangeable securities). Shares of Class B common stock will be cancelled on a one-for-one basis if we, following a redemption request from a holder of LLC Units, redeem or exchange LLC Units of such holder pursuant to the terms of the Amended LLC Agreement.

The Amended LLC Agreement provides that, in the event that a tender offer, share exchange offer, issuer bid, take-over bid, recapitalization or similar transaction with respect to our Class A common stock is proposed by us or our stockholders and approved by our board of directors or is otherwise consented to or approved by our board of directors, the holders of LLC Units will be permitted to participate in such offer by delivery of a notice of redemption or exchange that is effective immediately prior to the consummation of such offer. In the case of any such offer proposed by us, we are obligated to use our reasonable best efforts to enable and permit the holders of LLC Units to participate in such offer to the same extent or on an economically equivalent basis as the holders of shares of our Class A common stock without discrimination. In addition, we are obligated to use our reasonable best efforts to ensure that the holders of LLC Units may participate in each such offer without being required to redeem or exchange LLC Units.

Subject to certain exceptions, Xponential Fitness LLC will indemnify all of its members, and their officers and other related parties, against all losses or expenses arising from claims or other legal proceedings in which such persons (in their capacity as such) may be involved or become subject to in connection with Xponential Fitness LLC's business or affairs or the Amended LLC Agreement or any related document.

Xponential Fitness LLC may be dissolved upon (i) the determination by us to dissolve Xponential Fitness LLC or (ii) any other event which would cause the dissolution of Xponential Fitness LLC under the Delaware Limited Liability Company Act, unless Xponential Fitness LLC is continued in accordance with the Delaware Limited Liability Company Act. Upon dissolution, Xponential Fitness LLC will be liquidated and the proceeds from any liquidation will be applied and distributed in the following manner: (a) first, to creditors (including creditors who are members or affiliates of members) in satisfaction of all of Xponential Fitness LLC's liabilities (whether by payment or by making reasonable provision for payment of such liabilities, including the setting up of any reasonably necessary reserves) and (b) second, to the members in proportion to their vested LLC Units.

Tax Receivable Agreement

As described under "Organizational Structure," we will acquire certain favorable tax attributes from the Blocker Companies in the Mergers. In addition, acquisitions by Xponential Fitness, Inc. of LLC Units from certain Continuing Pre-IPO LLC Members in connection with this offering, future taxable redemptions or exchanges by Continuing Pre-IPO LLC Members of LLC Units for shares of our Class A common stock or cash, and other transactions described herein are expected to result in favorable tax attributes for us.

These tax attributes would not be available to us in the absence of those transactions and are expected to reduce the amount of tax that we would otherwise be required to pay in the future.

Upon the completion of this offering, we will be a party to a TRA with the Continuing Pre-IPO LLC Members and the Reorganization Parties. Under the TRA, we generally will be required to pay to the TRA parties in the aggregate 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that we actually realize as a result of (i) certain tax attributes that are created as a result of the redemptions or exchanges of LLC Units for shares of our Class A common stock or cash, (ii) any existing tax attributes associated with LLC Units we acquire, the benefit of which will be allocable to us as a result of the Mergers and exchanges by Continuing Pre-IPO LLC Members of their LLC Units for shares of our Class A common stock or cash (including the portion of Xponential Fitness LLC's existing tax basis in its assets that is allocable to the LLC Units that are acquired), (iii) tax benefits related to imputed interest, (iv) NOLs available to us as a result of the Mergers and (v) tax attributes resulting from payments under the TRA. These payment obligations are obligations of Xponential Fitness, Inc. and not of Xponential Fitness LLC.

The payment obligations under the TRA are our obligations, and we expect that the payments we will be required to make under the TRA will be substantial. Assuming no material changes in relevant tax law and that we earn sufficient taxable income to realize all tax benefits that are subject to the TRA, we expect that the tax savings associated with (1) the Mergers and (2) future redemptions or exchanges of LLC Units as described above would aggregate to approximately $ over 15 years from the date of the completion of this offering, based on an assumed initial public offering price of $ per share of our Class A common stock (the midpoint of the estimated price range set forth on the cover page of this prospectus) and assuming all future redemptions or exchanges would occur within one year of the completion of this offering. Under this scenario we would be required to pay the other parties to the TRA approximately 85% of such amount, or $, over the 15-year period from the date of the completion of this offering. The actual amounts we will be required to pay may materially differ from these hypothetical amounts, because potential future tax savings that we will be deemed to realize, and TRA payments by us, will be calculated based in part on the market value of our Class A common stock at the time of each redemption or exchange of an LLC Unit for a share of Class A common stock and the prevailing applicable federal tax rate (plus the assumed combined state and local tax rate) applicable to us over

the life of the TRA and will depend on our generating sufficient future taxable income to realize the tax benefits that are subject to the TRA. Payments under the TRA are not conditioned on our existing owners' continued ownership of us after this offering.

Payments under the TRA will be based on the tax reporting positions we determine, and the IRS or another tax authority may challenge all or a part of the existing tax basis, tax basis increases, NOLs or other tax attributes subject to the TRA, and a court could sustain such challenge. The TRA parties will not reimburse us for any payments previously made if such tax basis, NOLs or other tax benefits are subsequently challenged by a tax authority and are ultimately disallowed, except that any excess payments made to a TRA party will be netted against future payments otherwise to be made to such TRA party under the TRA, if any, after our determination of such excess. In addition, the actual state or local tax savings we may realize may be different than the amount of such tax savings we are deemed to realize under the TRA, which will be based on an assumed combined state and local tax rate applied to our reduction in taxable income as determined for U.S. federal income tax purposes as a result of the tax attributes subject to the TRA. In both such circumstances, we could make payments under the TRA that are greater than our actual cash tax savings, and we may not be able to recoup those payments, which could negatively impact our liquidity. The TRA provides that (1) in the event that we materially breach any of our material obligations under the TRA or (2) if, at any time, we elect an early termination of the TRA, our obligations under the TRA (with respect to all LLC Units, whether or not LLC Units have been exchanged or acquired before or after such transaction) would accelerate and become payable in a lump sum amount equal to the present value of the anticipated future tax benefits calculated based on certain assumptions, including that we would have sufficient taxable income to fully utilize the deductions arising from the tax deductions, tax basis and other tax attributes subject to the TRA. The TRA also provides that, upon certain mergers, asset sales or other forms of business combination, or certain other changes of control, our or our successor's obligations with respect to tax benefits would be based on certain assumptions, including that we or our successor would have sufficient taxable income to fully utilize the increased tax deductions and tax basis and other benefits covered by the TRA. As a result, upon a change of control, we could be required to make payments under the TRA that are greater than the specified percentage of our actual cash tax savings, which could negatively impact our liquidity. The change of control provisions in the TRA may result in situations where the Pre-IPO LLC Members have interests that differ from or are in addition to those of our other stockholders.

Finally, because we are a holding company with no operations of our own, our ability to make payments under the TRA depends on the ability of Xponential Fitness LLC to make distributions to us. To the extent that we are unable to make payments under the TRA for any reason, such payments will be deferred and will accrue interest until paid, which could negatively impact our results of operations and could also affect our liquidity in periods in which such payments are made.

Registration Rights Agreement

Prior to the completion of this offering, we will enter into a registration rights agreement (the "Registration Rights Agreement") with the Continuing Pre-IPO LLC Members.

At any time beginning 180 days following the completion of this offering, subject to several exceptions, the Continuing Pre-IPO LLC Members may require that we register for public resale under the Securities Act all shares of common stock constituting registrable securities that they request be registered at any time following this offering so long as the securities requested to be registered in each registration statement have an aggregate estimated market value of least $ million. If we become eligible to register the sale of our securities on Form S-3 under the Securities Act, which will not be until at least twelve months after the date of this prospectus, the Continuing Pre-IPO LLC Members have the right to require us to register the sale of the registrable securities held by them on Form S-3, subject to offering size and other restrictions. If we propose to register any of our securities under the Securities Act for our own account or the account of any other holder (excluding any registration related to an employee benefit plan or a corporate reorganization or other transaction under Rule 145 of the Securities Act), the Continuing Pre-IPO LLC Members are entitled to notice of such registration and to

request that we include their registrable securities for resale on such registration statement, and we are required, subject to certain exceptions, to include such registrable securities in such registration statement.

We will undertake in the Registration Rights Agreement to use our reasonable best efforts to file a shelf registration statement on Form S-3 to permit the resale of the shares of Class A common stock held by Continuing Pre-IPO LLC Members.

In connection with the transfer of their registrable securities, the parties to the Registration Rights Agreement may assign certain of their respective rights under the Registration Rights Agreement under certain circumstances. In connection with the registrations described above, we will indemnify any selling stockholders, and we will bear all fees, costs and expenses (except underwriting discounts and spreads).

Lease

On September 13, 2019, we entered into a lease agreement with Von Karman Production LLC for the building located at 17522 Von Karman Avenue, Irvine, CA. Von Karman Production LLC is owned by Anthony Geisler, our Chief Executive Officer and founder. Pursuant to the lease, we are obligated to pay monthly rent of $25,000 to Von Karman Productions LLC for an initial lease term of five years expiring on August 31, 2024. In 2019, we paid an aggregate of approximately $130,000 to Von Karman Production LLC.

Equity Financing Transaction

On February 12, 2020, H&W Franchise Holdings sold 5,000,000 of its Class A-4 Units at a purchase price of $10 per unit for an aggregate purchase price of $50 million to LCAT Franchise Fitness Holdings, Inc., which is an affiliate of Mr. Magliacano, a member of our board of directors. H&W Franchise Holdings then contributed $49.4 million, which represents the proceeds from the sale less certain expenses, to H&W Intermediate, which then contributed the $49.4 million to us.

Brand Acquisitions

After our formation in August 2017, we acquired certain of our brands in a series of transactions that resulted in certain entities becoming the holders of 5% or more of our parent entity's equity interests and in which certain of our related parties had a direct or indirect material interest.

Club Pilates

On September 26, 2017, the unitholders of Club Pilates Franchise, LLC ("Club Pilates") entered into a contribution agreement with H&W Franchise Holdings, which owned all of our equity interests prior to the consummation of the Reorganization Transactions, whereby they contributed all of the outstanding units of Club Pilates to H&W Franchise Holdings in exchange for an equivalent number of Class A-1 Units, Class A-2 Units and Class B Units of H&W Franchise Holdings. H&W Franchise Holdings then contributed its interest in Club Pilates to H&W Intermediate, its wholly owned subsidiary and our sole member prior to the Reorganization Transactions. H&W Intermediate then contributed its interest in Club Pilates to us.

Prior to the transaction, LAG Fit, Inc., which is beneficially owned by Mr. Geisler, our Chief Executive Officer and founder, and TPG Growth III Fitness, L.P. ("TPG"), which was at the time an affiliate of Mr. Grabowski, a member of our board of directors, were each the holders of 5% or more of the equity interests of Club Pilates. After the transaction, each of LAG Fit, Inc. and TPG became the beneficial owner of 5% or more of the equity interests in H&W Franchise Holdings. Following these transactions, TPG and LAG Fit, Inc. held 701,892 and 233,533.7 Class A-1 Units of H&W Franchise Holdings, respectively. In addition, Mr. Geisler held 44,184.8 Class B Units in his personal capacity, and Megan Moen, our Executive Vice President, Finance, held a total of 7,920.4 Class A-1 Units, Class A-2 Units and Class B Units of H&W Franchise Holdings.

CycleBar

On September 29, 2017, H&W Franchise Holdings entered into (i) a unit purchase agreement with MVI to acquire CycleBar Holdco, LLC ("CycleBar") and (ii) a unit purchase and contribution agreement with Montgomery Ventures Investments II, LLC ("MVI II"), to acquire STG. H&W Franchise Holdings agreed to, and we paid, MVI an upfront cash payment of approximately $21 million to acquire CycleBar and agreed to pay it an additional $5 million and $10 million if certain operating milestones are reached by September 2022. Pursuant to the unit purchase and contribution agreement with MVI II, H&W Franchise Holdings paid MVI II approximately $29 million in cash and issued it 110,375.9 of its Class A-1 Units, which it valued at approximately $10.5 million, to acquire STG. H&W Franchise Holdings then contributed CycleBar and STG to H&W Intermediate, which then contributed CycleBar (but not STG) to us, and H&W Franchise Holdings assigned the CycleBar unit purchase agreement to us.

As a result of these transactions, CycleBar became our wholly owned subsidiary and MVI II became a holder of 5% or more of the equity interests of H&W Franchise Holdings. We recorded a liability for contingent consideration from the CycleBar acquisition of $4.4 million, $7.7 million and $922,000 for the years ended 2017, 2018 and 2019, respectively.

Pure Barre

On October 25, 2018, H&W Franchise Holdings entered into an agreement and plan of merger with CP Barre Holdings, Inc. to acquire Barre Holdco, LLC ("Pure Barre"). Pursuant to this agreement, a wholly owned subsidiary of H&W Franchise Holdings merged with and into Pure Barre, which emerged from the transaction as a wholly owned subsidiary of H&W Franchise Holdings. As consideration for the acquisition, H&W Franchise Holdings (i) issued 159,306.1 of its Class A-3 Units, which it valued at approximately $40 million, to CP Barre Holdings, Inc., (ii) assumed approximately $53 million of debt attributable to Pure Barre and (iii) paid cash-out payments of approximately $13 million to the other unitholders of Pure Barre. H&W Franchise Holdings then contributed Pure Barre to H&W Intermediate, which then immediately contributed Pure Barre to us. We are considered the acquirer for purposes of purchase accounting as we financed the acquisition through cash and debt.

As a result of these transactions, Pure Barre became our wholly owned subsidiary and CP Barre Holdings, Inc. became a holder of 5% or more of the equity interests of H&W Franchise Holdings. CP Barre Holdings subsequently transferred its Class A-3 Units of H&W Franchise Holdings to LCAT Franchise Fitness Holdings, Inc. Each of CP Barre Holdings, Inc. and LCAT Franchise Fitness Holdings, Inc. is an affiliate of Mr. Magliacano, a member of our board of directors.

Management Services Agreement

On September 29, 2017, H&W Franchise Holdings, which owned all of our equity interests prior to the consummation of the Reorganization Transactions, entered into a management services agreement (the "Management Services Agreement") with TPG Growth III Management, LLC, an affiliate of TPG, which owned 5% or more of the equity interests of H&W Franchise Holdings at the time of the transaction, pursuant to which it provided certain management, advisory, consulting and strategic planning services to H&W Franchise Holdings and us. In connection with these services, we recorded approximately $94,000 and $640,000 of expense, net of expenses allocated to STG, during 2017 and 2018, respectively, including reimbursement for reasonable out-of-pocket expenses incurred by it, its affiliates and designees in connection with their management, operations and the provision of services pursuant to this agreement.

On June 28, 2018, TPG Growth III Management, LLC assigned its interest in the Management Services Agreement to H&W Investco Management LLC. H&W Investco Management LLC is owned by Mark Grabowski, a member of our board of directors. Pursuant to the Management Services Agreement, H&W

Investco Management LLC provides certain management, advisory, consulting and strategic planning services to H&W Franchise Holdings and its subsidiaries, including us. In exchange, H&W Franchise Holdings agreed to pay H&W Investco Management LLC an annual fee of $750,000 and reimburse it for reasonable out-of-pocket expenses. During 2018 and 2019, we recorded expense for our share of services received from H&W Investco Management LLC of approximately $206,000 and $557,000, respectively, which is included in selling, general and administrative expenses. The Management Services Agreement will terminate automatically upon the completion of this offering.

In connection with the Management Services Agreement, H&W Investco Management LLC entered into a consulting agreement with Anthony Geisler, our Chief Executive Officer and founder, on June 30, 2018. Pursuant to the consulting agreement, Mr. Geisler provided certain consulting services related to managing us. In exchange for these services, H&W Investco Management LLC agreed to pay Mr. Geisler a consulting fee of $400,000 per year. We pay the fee described above to H&W Investco Management LLC pursuant to the Management Services Agreement, and H&W Investco Management LLC pays the consulting fee to Mr. Geisler pursuant to the consulting agreement. During the years 2018 and 2019, H&W Investco Management LLC paid Mr. Geisler an aggregate of $103,297 and $400,000, respectively. This consulting agreement will terminate automatically upon the completion of this offering.

Loans from the Chief Executive Officer

Anthony Geisler, our Chief Executive Officer, is the sole owner of ICI, which has directly and indirectly provided financing to a limited number of franchisees to fund working capital, equipment leases, franchise fees and other related expenses. ICI has also provided unsecured loans to us, and we in turn loaned these funds to franchisees. The loans from ICI to us accrued interest at 15% per annum. Loans from us to the franchisees generally began accruing interest 45 days after the issuance to the franchisee. At December 31, 2018, we had recorded approximately $928,000 of notes receivable from franchisees and $1.6 million of notes payable to ICI. We recognized approximately $36,000 and $78,000 of interest income for the loans to franchisees and interest expense for the loans from ICI, respectively, for the year ended December 31, 2018. At December 31, 2019, we had recorded approximately $221,000 of notes receivable from franchisees and $225,000 of notes payable to ICI. We recognized approximately $49,000 and $61,000 of interest income for the loans to franchisees and interest expense for the loans from ICI, respectively, for the year ended December 31, 2019. We paid approximately $2.1 million of the outstanding principal amount in the year ended December 31, 2019. In 2019, the largest aggregate amount of principal outstanding between us and ICI was $2.5 million.

In addition, in 2018, Row House received a net additional $155,000 from ICI, which was not disbursed to a franchisee and remained outstanding at December 31, 2018. In 2019, Row House dispersed all of these funds to pay a franchisee's invoice related to leasehold improvements.We did not pay any interest on this loan.

Transactions with STG

Prior to the consummation of the Reorganization Transactions, we and STG were each wholly owned subsidiaries of H&W Intermediate. After the consummation of the Reorganization Transactions, H&W Intermediate will no longer hold any interest in us, and STG will be dissolved.

Funding STG

During the year ended December 31, 2017, we advanced funds of $16.3 million to H&W Intermediate, which in turn utilized these funds to acquire STG. As of December, 31, 2018, we had a receivable from H&W Intermediate related to providing funds to STG for operating expenses and debt service aggregating approximately $1.8 million and $13.2 million for debt owed by STG that we assumed as STG did not have the ability to repay the debt to the lender. No interest income was received or accrued by us related to these receivables. During 2018, we recorded a reduction on our consolidated financial statements to H&W

Intermediate's equity of approximately $31.3 million as we determined that H&W Intermediate had no plan to repay these amounts in the foreseeable future. During 2019, we provided funds to STG aggregating approximately $297,000 and recorded a corresponding reduction to H&W Intermediate's equity for this same amount. The aggregate receivable from H&W intermediate at December 31, 2019 is approximately $31.6 million, which was repaid in February 2020.

Brokerage Agreements

In 2018, our wholly owned subsidiaries Club Pilates Franchise, LLC, CycleBar Franchising LLC, AKT Franchise LLC, Row House Franchise, LLC, Stretch Lab Franchise, LLC, Yoga Six Franchise, LLC and PB Franchising, LLC, entered into brokerage agreements with CP EBD LLC, EBD AKT LLC, EBD RH LLC, EBD SL LLC, EBD YS, LLC and EBD PB, LLC (collectively, the "EBD Entities"), which were wholly owned subsidiaries of STG. During the years ended December 31, 2018 and December 31, 2019, we recorded $8.3 million and $10.7 million of deferred commission costs paid to the EBD Entities, respectively, which is recognized over the initial ten-year franchise agreement term. Pursuant to the brokerage agreements, we paid commission to the EBD entities for each license of an AKT, Row House, Stretch Lab or Yoga Six studio sold to a franchisee, and we paid a commission for each license of a Club Pilates or CycleBar studio sold to a franchisee who was not already in the system before entry in to previous brokerage agreements.

In addition, pursuant to the brokerage agreements, we paid MVI II, which owned 5% or more of the equity interests of H&W Franchise Holdings at the time of the transactions, a commission of $3,000 for each license of an AKT, Row House or Yoga Six studio sold to a franchisee. We paid MVI approximately $1 million and $150,000 during the years ended December 31, 2018 and December 31, 2019 respectively.

Effective October 1, 2019, we no longer have brokerage contracts with the EBD Entities and instead employ a direct salesforce.

Credit Facility

On September 29, 2017, H&W Intermediate entered into a Credit Agreement with Monroe Capital Management Advisors, LLC as administrative agent and the lenders party thereto (the "Monroe Credit Agreement"), and the rights and obligations under the Monroe Credit Agreement were immediately assigned to us and STG. The Monroe Credit Agreement provided for a $55 million term loan (the "Term Loan") and a $3 million revolving credit line (the "Revolving Credit Line"). Our and STG's obligations under the Credit Agreement were guaranteed by H&W Franchise Holdings, H&W Intermediate, STG, us and our subsidiaries, and were secured by substantially all of our assets and all of the assets of H&W Intermediate, H&W Franchise Holdings, STG and our subsidiaries, subject to certain exceptions. The Monroe Credit Agreement was amended on July 31, 2018, to increase the Term Loan to $71 million and the Revolving Credit Line to $5 million. We further amended the Monroe Credit Agreement on October 25, 2018 (the "Second Amended Monroe Credit Agreement"), to increase the Term Loan to $135 million and the Revolving Credit Line to $10 million and to extend the maturity to October 25, 2023. During 2018, we began servicing the STG portion of the debt, which was approximately $13 million, and determined STG did not have the ability to repay its portion of the loan. Therefore, the total outstanding debt is recognized on our consolidated financial statements at December 31, 2018. We amended the Monroe Credit Agreement in December 2019 and in February 2020. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Credit Facility" for more information about the Monroe Credit Agreement.

Indemnification

Our amended and restated certificate of incorporation that will be in effect upon the completion of this offering will contain provisions limiting the liability of directors, and our amended and restated bylaws that will be in effect upon the completion of this offering will provide that we will indemnify each of our directors,

officers, employees and other agents to the fullest extent permitted under Delaware law. In addition, in connection with this offering, we will enter into an indemnification agreement with each of our directors and executive officers, which will require us to indemnify them. For more information regarding these agreements, see "Description of Capital Stock—Directors' Liability; Indemnification of Directors and Officers."

Related Person Transactions Policy

Upon the completion of this offering, we will adopt a written Related Person Transaction Policy, which will set forth our policy with respect to the review, approval, ratification and disclosure of all related person transactions by our audit committee. In accordance with its terms, our audit committee will have overall responsibility for the implementation of, and for compliance with the Related Person Transaction Policy.

For purposes of the Related Person Transaction Policy, a "related person transaction" is a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which we were, are or will be a participant and the amount involved exceeded, exceeds or will exceed $120,000 and in which any related person (as defined in the Related Person Transaction Policy) had, has or will have a direct or indirect material interest. A "related person transaction" does not include any employment relationship or transaction involving an executive officer and any related compensation resulting solely from that employment relationship that has been reviewed and approved by our board of directors.

The Related Person Transaction Policy will require that notice of a proposed related person transaction be provided to our legal department prior to entry into such transaction. If our legal department determines that such transaction is a related person transaction, the proposed transaction will be submitted to our audit committee for consideration at its next meeting. Under the Related Person Transaction Policy, our audit committee may approve only those related person transactions that are in, or not inconsistent with, our best interests. In the event that we become aware of a related person transaction that has not been previously reviewed, approved or ratified under the Related Person Transaction Policy and that is ongoing or is completed, the transaction will be submitted to our audit committee so that it may determine whether to ratify, rescind or terminate the related person transaction.

The Related Person Transaction Policy will also provide that our audit committee review certain previously approved or ratified related person transactions that are ongoing to determine whether the related person transaction remains in our best interests and the best interests of our stockholders. Additionally, we will make periodic inquiries of directors and executive officers with respect to any potential related person transaction of which they may be a party or of which they may be aware.

PRINCIPAL STOCKHOLDERS

The following table sets forth information regarding the beneficial ownership of our common stock as of , 2020 (i) as adjusted to give effect to the Reorganization Transactions, but prior to this offering, and (ii) as adjusted to give effect to the Reorganization Transactions, this offering and the purchase of LLC Units from certain Continuing Pre-IPO LLC Members as described in "Use of Proceeds" by:

- each person or group whom we know to own beneficially more than 5% of our common stock;
- each of the directors and named executive officers individually; and
- all directors and executive officers as a group.

The numbers of shares of common stock beneficially owned, percentages of beneficial ownership and percentages of combined voting power before this offering that are set forth below are based on the number of shares of Class A common stock and Class B common stock to be issued and outstanding prior to this offering after giving effect to the Reorganization Transactions. See "Organizational Structure." The numbers of shares of common stock beneficially owned, percentages of beneficial ownership and percentages of combined voting power after this offering that are set forth below are based on the number of shares of Class A common stock and Class B common stock to be issued and outstanding immediately after this offering.

In connection with this offering, we will issue to each ContinuingPre-IPO LLC Member one share of Class B common stock for each LLC Unit such Continuing Pre-IPO LLC Member beneficially owns immediately prior to the completion of this offering. Shares of Class B common stock will be cancelled on a one-for-one basis if we, following a redemption request from a Continuing Pre-IPO LLC Member, redeem or exchange LLC Units of such ContinuingPre-IPO LLC Member pursuant to the terms of the Amended LLC Agreement. See "Certain Relationships and Related Party Transactions—Amended LLC Agreement." As a result, the number of shares of Class B common stock set forth in the table below correlates to the number of LLC Units each Pre-IPO LLC Member will beneficially own immediately after this offering. The number of shares of Class A common stock set forth in the table below represents the Class A common stock that will be issued in connection with this offering.

In accordance with the rules of the SEC, beneficial ownership includes voting or investment power with respect to securities and includes the shares issuable pursuant to stock options that are exercisable within 60 days of , 2020. The number of shares of Class A common stock outstanding after this offering includes shares of Class A common stock being offered for sale by us in this offering. Unless otherwise indicated, the address for each listed stockholder is: c/o Xponential Fitness, Inc., 17877 Von Karman Ave, Suite 100, Irvine, CA 92614. To our knowledge, except as indicated in the footnotes to this table and pursuant to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares of common stock.

The following table assumes the underwriters do not exercise their option to purchase additional shares of Class A common stock.

	Class A Common Stock Owned(1)				Class B Common Stock Owned(2)				Combined Voting Power(3)			
	Before This Offering		After This Offering		Before This Offering		After This Offering		Before This Offering		After This Offering	
Name of Beneficial Owner	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Directors and executive officers:												
Anthony Geisler(4)												
Mark Grabowski(5)												
Marc Magliacano(6)												
Brenda Morris(7)												
John Meloun(8)												
Megan Moen(9)												
Other 5% or greater beneficial owners:												
H&W Investco, L.P.(10)												
LAG Fit, Inc.(11)												
LCAT Franchise Fitness Holdings, Inc.(12)												
All directors and executive officers as a group (seven persons)												

* Less than 1%

The following table assumes the underwriters' option to purchase additional shares of Class A common stock is exercised in full.

	Class A Common Stock Owned(1)				Class B Common Stock Owned(2)				Combined Voting Power(3)			
	Before This Offering		After This Offering		Before This Offering		After This Offering		Before This Offering		After This Offering	
Name of Beneficial Owner	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Directors and executive officers:												
Anthony Geisler(4)												
Mark Grabowski(5)												
Marc Magliacano(6)												
Brenda Morris(7)												
John Meloun(8)												
Megan Moen(9)												
Other 5% or greater beneficial owners:												
H&W Investco, L.P.(10)												
LAG Fit, Inc.(11)												
LCAT Franchise Fitness Holdings, Inc(12)												
All directors and executive officers as a group (seven persons)												

* Less than 1%

(1) On a fully exchanged and converted basis. Subject to the terms of the Amended LLC Agreement, LLC Units are redeemable or exchangeable for shares of our Class A common stock on a one-for-one basis. Shares of Class B common stock will be cancelled on aone-for-one basis if we redeem or exchange LLC Units pursuant to the terms of the Amended LLC Agreement. Beneficial ownership of shares of our Class A

common stock reflected in this table does not include beneficial ownership of shares of our Class A common stock for which such LLC Units may be redeemed or exchanged.

(2) On a fully exchanged and converted basis. The Continuing Pre-IPO LLC Members hold all of the issued and outstanding shares of our Class B common stock.

(3) Represents percentage of voting power of the Class A common stock and Class B common stock held by such person voting together as a single class. Each holder of Class A common stock and Class B common stock is entitled to one vote per share on all matters submitted to our stockholders for a vote. See "Description of Capital Stock—Common Stock."

(4) Consists of shares of Class B common stock held directly by Mr. Geisler and shares of Class A common stock held by LAG Fit, Inc. Mr. Geisler has reported sole investment and dispositive power over the shares held by LAG Fit, Inc. The address for LAG Fit, Inc. is 6789 Quail Hill Parkway #408, Irvine, CA 92603.

(5) Consists of shares of Class B common stock held by H&W Investco, L.P., of which Mr. Grabowski is the Managing Partner. Mr. Grabowski has reported sole investment and dispositive power over these shares. The address for H&W Investco, L.P. is 1 Lincoln Plaza, 33D, New York, NY 10023.

(6) Consists of shares of Class A common stock held by equity holders of LCAT Franchise Fitness Holdings, Inc. Mr. Magliacano reported sole investment and dispositive power over these shares. The address for LCAT Franchise Fitness Holdings, Inc. is 599 West Putnam Avenue, Greenwich, CT 06830.

(7) Consists of shares of Class B common stock held directly by Ms. Morris.

(8) Consists of shares of Class B common stock held directly by Mr. Meloun.

(9) Consists of shares of Class B common stock held directly by Ms. Moen.

(10) Consists of shares of Class B common stock held by H&W Investco, L.P., of which Mr. Grabowski is the Managing Partner. Mr. Grabowski has reported sole investment and dispositive power over these shares. The address for H&W Investco, L.P. is 1 Lincoln Plaza, 33D, New York, NY 10023.

(11) Consists of shares of Class A common stock held by LAG Fit, Inc. Mr. Geisler has reported sole investment and dispositive power over these shares. The address for LAG Fit, Inc. is 6789 Quail Hill Parkway #408, Irvine, CA 92603.

(12) Consists of shares of Class A common stock held by equity holders of LCAT Franchise Fitness Holdings, Inc. Mr. Magliacano reported sole investment and dispositive power over these shares. The address for LCAT Franchise Fitness Holdings, Inc. is 599 West Putnam Avenue, Greenwich, CT 06830.

DESCRIPTION OF CAPITAL STOCK

In connection with this offering, we will amend and restate our certificate of incorporation and our bylaws. The following is a description of the material terms of, and is qualified in its entirety by, our amended and restated certificate of incorporation and amended and restated bylaws that will be in effect upon the completion of this offering, the forms of which are filed as exhibits to the registration statement of which this prospectus forms a part. Under "Description of Capital Stock," "we," "us," "our" and "our company" refer to Xponential Fitness, Inc.

Upon the completion of this offering, our authorized capital stock will consist of shares of Class A common stock, par value $0.0001 per share, shares of Class B common stock, par value $0.0001 per share, and shares of preferred stock, par value $0.0001 per share. Unless our board of directors determines otherwise, we will issue all shares of our capital stock in uncertificated form.

Common Stock

Class A Common Stock

Holders of shares of our Class A common stock are entitled to one vote for each share held of record on all matters on which stockholders are entitled to vote generally, including the election or removal of directors. The holders of our Class A common stock do not have cumulative voting rights in the election of directors.

Holders of shares of our Class A common stock are entitled to receive dividends when and if declared by our board of directors out of funds legally available therefor, subject to any statutory or contractual restrictions on the payment of dividends and to any restrictions on the payment of dividends imposed by the terms of any outstanding preferred stock.

Upon our liquidation, dissolution or winding up and after payment in full of all amounts required to be paid to creditors and to the holders of preferred stock having liquidation preferences, if any, the holders of shares of our Class A common stock will be entitled to receive pro rata our remaining assets available for distribution.

All shares of our Class A common stock that will be outstanding at the completion of this offering will be fully paid and non-assessable. The Class A common stock will not be subject to further calls or assessments by us. The rights, powers and privileges of our Class A common stock will be subject to those of the holders of any shares of our preferred stock or any other series or class of stock we may authorize and issue in the future.

Class B Common Stock

Holders of shares of our Class B common stock are entitled to one vote for each share held of record on all matters on which stockholders are entitled to vote generally, including the election or removal of directors. The holders of our Class B common stock do not have cumulative voting rights in the election of directors.

Except for transfers to us pursuant to the Amended LLC Agreement or to certain permitted transferees, the holders of LLC Units are not permitted to sell, transfer or otherwise dispose of any LLC Units or shares of Class B common stock. Holders of shares of our Class B common stock will vote together with holders of our Class A common stock as a single class on all matters on which stockholders are entitled to vote generally, except as otherwise required by law.

Holders of our Class B common stock do not have any right to receive dividends or to receive a distribution upon a liquidation or winding up of our company.

Preferred Stock

No shares of preferred stock will be issued or outstanding immediately after the completion of this offering. Our amended and restated certificate of incorporation will authorize our board of directors to establish one or more series of preferred stock (including convertible preferred stock). Unless required by law or any stock exchange, the authorized shares of preferred stock will be available for issuance without further action by holders of our common stock. Our board of directors is able to determine, with respect to any series of preferred stock, the powers (including voting powers), preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, including, without limitation:

- the designation of the series;
- the number of shares of the series, which our board of directors may, except where otherwise provided in the preferred stock designation, increase (but not above the total number of authorized share of the class) or decrease (but not below the number of shares then outstanding);
- whether dividends, if any, will be cumulative or non-cumulative and the dividend rate of the series;
- the dates at which dividends, if any, will be payable;
- the redemption rights and price or prices, if any, for shares of the series;
- the terms and amounts of any sinking fund provided for the purchase or redemption of shares of the series;
- the amounts payable on shares of the series in the event of any voluntary or involuntary liquidation, dissolution orwinding-up of the affairs of our company;
- whether the shares of the series will be convertible into shares of any other class or series, or any other security, of our company or any other entity, and, if so, the specification of the other class or series or other security, the conversion price or prices or rate or rates, any rate adjustments, the date or dates as of which the shares will be convertible and all other terms and conditions upon which the conversion may be made;
- restrictions on the issuance of shares of the same series or of any other class or series; and
- the voting rights, if any, of the holders of the series.

We could issue a series of preferred stock that could, depending on the terms of the series, impede or discourage an acquisition attempt or other transaction that some, or a majority, of the holders of our common stock might believe to be in their best interests or in which the holders of our common stock might receive a premium over the market price of the shares of common stock. Additionally, the issuance of preferred stock may adversely affect the holders of our common stock by restricting dividends on the common stock, diluting the voting power of the common stock or subordinating the liquidation rights of the common stock. As a result of these or other factors, the issuance of preferred stock could have an adverse impact on the market price of our common stock. Authorized but unissued capital stock

Delaware law does not require stockholder approval for any issuance of authorized shares. However, the listing requirements of , which would apply so long as the shares of Class A common stock remain listed on , require stockholder approval of certain issuances equal to or exceeding 20% of the then outstanding voting power or the then outstanding number of shares of Class A common stock (we believe the position of is that the calculation in this latter case treats as outstanding shares of Class A common

stock issuable upon redemption or exchange of outstanding LLC Units not held by us). These additional shares of Class A common stock may be used for a variety of corporate purposes, including future public offerings, to raise additional capital or to facilitate acquisitions.

One of the effects of the existence of unissued and unreserved common stock or preferred stock may be to enable our board of directors to issue shares to persons friendly to current management, which could render more difficult or discourage an attempt to obtain control of our company by means of a merger, tender offer, proxy contest or otherwise, and thereby protect the continuity of our management and possibly deprive the stockholders of opportunities to sell their shares at prices higher than prevailing market prices.

Dividends

The DGCL permits a corporation to declare and pay dividends out of "surplus" or, if there is no "surplus," out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. "Surplus" is defined as the excess of the net assets of the corporation over the amount determined to be the capital of the corporation by its board of directors. The capital of the corporation is typically calculated to be (and cannot be less than) the aggregate par value of all issued shares of capital stock. Net assets equal the fair value of the total assets minus total liabilities. The DGCL also provides that dividends may not be paid out of net profits if, after the payment of the dividend, remaining capital would be less than the capital represented by the outstanding stock of all classes having a preference upon the distribution of assets. Declaration and payment of any dividend will be subject to the discretion of our board of directors.

Stockholder Meetings

Our amended and restated certificate of incorporation and our amended and restated bylaws will provide that annual stockholder meetings be held at a date, time and place, if any, as exclusively selected by our board of directors. Our amended and restated bylaws will provide that special stockholder meetings may be called only by or at the direction of our board of directors, the Chairman of our board of Directors or Chief Executive officer. To the extent permitted under applicable law, we may conduct meetings by remote communications, including by webcast.

Transferability, Redemption and Exchange

Under the Amended LLC Agreement, the holders of LLC Units (other than us and any of our wholly owned subsidiaries) will have the right, from and after the completion of this offering (subject to the terms of the Amended LLC Agreement), to require Xponential Fitness LLC to redeem all or a portion of their LLC Units for, at our election, newly issued shares of Class A common stock on a one-for-one basis or a cash payment equal to the volume-weighted average market price of one share of our Class A common stock for each LLC Unit redeemed (subject to customary adjustments, including for stock splits, stock dividends and reclassifications) in accordance with the terms of the Amended LLC Agreement. Additionally, in the event of a redemption request from a holder of LLC Units, we may, at our option, effect a direct exchange of cash or Class A common stock for LLC Units in lieu of such a redemption. Shares of Class B common stock will be cancelled on a one-for-one basis if we, following a redemption request from a holder of LLC Units, redeem or exchange LLC Units of such holder pursuant to the terms of the Amended LLC Agreement. See "Certain Relationships and Related Party Transactions—Amended LLC Agreement."

Except for transfers to us pursuant to the Amended LLC Agreement or to certain permitted transferees, the holders of LLC Units are not permitted to sell, transfer or otherwise dispose of any LLC Units or shares of Class B common stock.

Other Provisions

Neither the Class A common stock nor the Class B common stock has any preemptive or other subscription rights.

At such time when no LLC Units remain redeemable or exchangeable for shares of our Class A common stock, our Class B common stock will be cancelled.

Corporate Opportunity

Our amended and restated certificate of incorporation will provide that, to the fullest extent permitted by law, the doctrine of "corporate opportunity" will only apply against our directors and officers and their respective affiliates for competing activities related to insurance brokerage activities.

Certain Certificate of Incorporation, Bylaws and Statutory Provisions

The provisions of our certificate of incorporation and bylaws and of the DGCL summarized below may have an anti-takeover effect and may delay, defer or prevent a tender offer or takeover attempt that you might consider in your best interest, including an attempt that might result in your receipt of a premium over the market price for your shares of Class A common stock.

Anti-Takeover Effects of our Certificate of Incorporation and Bylaws

Our amended and restated certificate of incorporation and amended and restated bylaws will contain certain provisions that are intended to enhance the likelihood of continuity and stability in the composition of our board of directors and that may have the effect of delaying, deferring or preventing a future takeover or change in control of our company unless such takeover or change in control is approved by our board of directors. These provisions include:

Election of directors; no cumulative voting. Our board of directors will consist of between three and seven directors. The exact number of directors will be fixed from time to time by resolution of the board. Under Delaware law, the right to vote cumulatively does not exist unless the certificate of incorporation specifically authorizes cumulative voting. Our amended and restated certificate of incorporation will not authorize cumulative voting.

Removal of directors; vacancies. Our amended and restated certificate of incorporation will provide that directors may only be removed for cause, and only by the affirmative vote of holders of at least two-thirds in voting power of all outstanding shares of common stock of our company entitled to vote thereon, voting together as a single class. Any vacancy occurring on the board of directors and any newly created directorship may be filled only by a majority of the remaining directors in office.

Staggered board. In connection with this offering, our board of directors will be will be divided into three classes serving staggered three-year terms. Class I, Class II and Class III directors will serve until our annual meetings of stockholders in 2021, 2022 and 2023 respectively. At each annual meeting of stockholders, directors will be elected to succeed the class of directors whose terms have expired. This classification of our board of directors could have the effect of increasing the length of time necessary to change the composition of a majority of the board of directors. In general, at least two annual meetings of stockholders will be necessary for stockholders to effect a change in a majority of the members of the board of directors.

Limits on written consents. Our amended and restated certificate of incorporation and our amended and restated bylaws provide that holders of our common stock will not be able to act by written consent without a meeting, unless such consent is unanimous.

Special stockholder meetings. Our amended and restated certificate of incorporation and our amended and restated bylaws will provide that special meetings of our stockholders may be called only by the chairman of our board of directors or a majority of the directors. Our amended and restated certificate of incorporation and our amended and restated bylaws will specifically deny any power of any other person to call a special meeting.

Amendment of certificate of incorporation. The provisions of our amended and restated certificate of incorporation described under "—Election of directors; no cumulative voting," "—Removal of directors; vacancies," "—Staggered board," "—Limits on written consents," "—Special stockholder meetings" and the voting thresholds described in this section may be amended, altered, repealed or rescinded only by the affirmative vote of the holders of at least two-thirds in voting power of all outstanding shares of stock of our company entitled to vote thereon, voting together as a single class. The affirmative vote of holders of at least a majority of the voting power of our outstanding shares of stock will generally be required to amend other provisions of our amended and restated certificate of incorporation.

Amendment of bylaws. Any amendment, alteration, rescission or repeal of certain provisions of our amended and restated bylaws will require either (i) the affirmative vote of a majority of directors present at any regular or special meeting of the board of directors called for that purpose, provided that any alteration, amendment or repeal of, or adoption of any bylaw inconsistent with, specified provisions of the bylaws, including those related to special and annual meetings of stockholders, action of stockholders by written consent, classification of the board of directors, nomination of directors, special meetings of directors, removal of directors, committees of the board of directors and indemnification of directors and officers, requires the affirmative vote of at least two-thirds of all directors in office at a meeting called for that purpose; or (ii) the affirmative vote of the holders of two-thirds of the voting power of our outstanding shares of voting stock, voting together as a single class.

Authorized but unissued shares. The authorized but unissued shares of common stock and preferred stock are available for future issuance without stockholder approval, subject to any limitations imposed by the listing rules of . The existence of authorized but unissued and unreserved common stock and preferred stock could make more difficult or discourage an attempt to obtain control of us by means of a proxy contest, tender offer, merger or otherwise. See "—Preferred Stock" and "—Anti-Takeover Effects of our Certificate of Incorporation and Bylaws—Authorized but unissued shares" above.

Business combinations with interested stockholders. In general, Section 203 of the DGCL prohibits a publicly held Delaware corporation from engaging in a business combination, such as a merger, with a person or group owning 15% or more of the corporation's voting stock for a period of three years following the date the person became an interested stockholder, unless (with certain exceptions) the business combination or the transaction in which the person became an interested stockholder is approved in a prescribed manner. We have expressly elected not to be governed by the "business combination" provisions of Section 203 of the DGCL.

Directors' Liability; Indemnification of Directors and Officers

Our amended and restated certificate of incorporation will limit the liability of our directors to the fullest extent permitted by the DCGL and provides that we will provide them with customary indemnification. We expect to enter into customary indemnification agreements with each of our executive officers and directors that provide them, in general, with customary indemnification in connection with their service to us or on our behalf.

Transfer Agent and Registrar

The transfer agent and registrar for our Class A common stock will be .

Securities Exchange

We have applied to have our Class A common stock approved for listing on under the symbol "XPOF."

U.S. FEDERAL INCOME AND ESTATE TAX CONSIDERATIONS TONON-U.S. HOLDERS

The following is a general discussion of the material U.S. federal income and estate tax consequences of the purchase, ownership and disposition of our Class A common stock by a "non-U.S. holder." A "non-U.S. holder" is a beneficial owner of a share of our Class A common stock that is, for U.S. federal income tax purposes:

- a non-resident alien individual, other than a former citizen or resident of the U.S. subject to U.S. tax as an expatriate,
- a foreign corporation, or
- a foreign estate or trust.

If a partnership or other pass-through entity (including an entity or arrangement treated as a partnership or other type of pass-through entity for U.S. federal income tax purposes) owns our Class A common stock, the tax treatment of a partner or beneficial owner of the entity may depend upon the status of the partner or beneficial owner, the activities of the entity and certain determinations made at the partner or beneficial owner level. Partners and beneficial owners in partnerships or other pass-through entities that own our Class A common stock should consult their own tax advisors as to the particular U.S. federal income and estate tax consequences applicable to them.

This discussion is based on the Code and administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, changes to any of which subsequent to the date of this prospectus may affect the tax consequences described herein (possibly with retroactive effect). This discussion does not address all aspects of U.S. federal income and estate taxation that may be relevant to non-U.S. holders in light of their particular circumstances and does not address any U.S. federal gift, alternative minimum tax or Medicare contribution tax considerations or any tax consequences arising under the laws of any state, local or foreign jurisdiction. Prospective holders are urged to consult their tax advisors with respect to the particular tax consequences to them of owning and disposing of our Class A common stock, including the consequences under the laws of any state, local or foreign jurisdiction.

Dividends

To the extent that we make a distribution of cash or other property (other than certain pro rata distributions of our stock) in respect of our Class A common stock, the distribution generally will be treated as a dividend for U.S. federal income tax purposes to the extent it is paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Any portion of a distribution that exceeds our current and accumulated earnings and profits generally will be treated first as a tax-free return of capital that reduces the adjusted tax basis of a non-U.S. holder's Class A common stock, and to the extent the amount of the distribution exceeds a non-U.S. holder's adjusted tax basis in our Class A common stock, the excess will be treated as gain from the disposition of our Class A common stock (the tax treatment of which is discussed below under "—Gain on Disposition of our Class A Common Stock").

Dividends paid to a non-U.S. holder generally will be subject to U.S. federal withholding tax at a 30% rate, or a reduced rate specified by an applicable income tax treaty, subject to the discussion of FATCA (as defined below) withholding taxes below. In order to obtain a reduced rate of withholding under an applicable income tax treaty, a non-U.S. holder generally will be required to provide a properly executed IRS FormW-8BEN or IRS Form W-8BEN-E, as applicable, certifying its entitlement to benefits under the treaty.

Dividends paid to a non-U.S. holder that are effectively connected with the non-U.S. holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, are attributable

to a permanent establishment or fixed base maintained by the non-U.S. holder in the United States) will not be subject to U.S. federal withholding tax if the non-U.S. holder provides a properly executed IRS Form W-8ECI. Instead, the effectively connected dividend income will generally be subject to regular U.S. income tax as if the non-U.S. holder were a U.S. person as defined under the Code. A non-U.S. holder that is treated as a corporation for U.S. federal income tax purposes receiving effectively connected dividend income may also be subject to an additional "branch profits tax" imposed at a rate of 30% (or a lower treaty rate) on its effectively connected earnings and profits (subject to certain adjustments).

A non-U.S. holder eligible for a reduced rate of U.S. federal withholding tax pursuant to an income tax treaty may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

Gain on Disposition of our Class A Common Stock

Subject to the discussions of backup withholding and FATCA withholding tax below, a non-U.S. holder generally will not be subject to U.S. federal income tax on gain realized on a sale or other disposition of our Class A common stock unless:

- the gain is effectively connected with the conduct of a trade or business by the non-U.S. holder in the United States (and, if required by an applicable tax treaty, the gain is attributable to a permanent establishment or fixed base maintained by the non-U.S. holder in the United States), in which case the gain will be subject to U.S. federal income tax generally in the same manner as effectively connected dividend income as described above;

- the non-U.S. holder is an individual present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are met, in which case the gain (net of certain U.S.-source losses) generally will be subject to U.S. federal income tax at a rate of 30% (or a lower treaty rate); or

- we are or have been a "U.S. real property holding corporation" (as described below) at any time within the five-year period preceding the disposition or the non-U.S. holder's holding period, whichever period is shorter, and either (i) our Class A common stock is not regularly traded on an established securities market prior to the beginning of the calendar year in which the sale or disposition occurs or (ii) the non-U.S. holder has owned or is deemed to have owned, at any time within the five-year period preceding the disposition or the non-U.S. holder's holding period, whichever period is shorter, more than 5% of our Class A common stock.

We will be a U.S. real property holding corporation at any time that the fair market value of our "U.S. real property interests" (as defined in the Code and applicable Treasury regulations), equals or exceeds 50% of the aggregate fair market value of our worldwide real property interests and our other assets used or held for use in a trade or business (all as determined for the U.S. federal income tax purposes). We believe that we are not, and do not anticipate becoming in the foreseeable future, a U.S. real property holding corporation.

Information Reporting and Backup Withholding

Distributions paid to a non-U.S. holder and the amount of any tax withheld with respect to such distributions generally will be reported to the IRS. Copies of the information returns reporting such distributions and any withholding may also be made available to the tax authorities in the country in which the non-U.S. holder resides under the provisions of an applicable income tax treaty.

A non-U.S. holder will not be subject to backup withholding on dividends received if such holder certifies under penalty of perjury that it is a non-U.S. holder (and the payor does not have actual knowledge or reason to know that such holder is a U.S. person), or such holder otherwise establishes an exemption.

Information reporting and, depending on the circumstances, backup withholding will apply to the proceeds of a sale or other disposition of our Class A common stock made within the United States or conducted through certain U.S.-related financial intermediaries, unless the non-U.S. holder complies with certification procedures to establish that it is not a U.S. person in order to avoid information reporting and backup withholding. The certification procedures required to claim a reduced rate of withholding under a treaty will generally satisfy the certification requirements necessary to avoid backup withholding as well.

Backup withholding is not an additional tax and the amount of any backup withholding from a payment to a non-U.S. holder will be allowed as a credit against the non-U.S. holder's U.S. federal income tax liability and may entitle the non-U.S. holder to a refund, provided that the required information is furnished to the IRS in a timely manner.

FATCA Withholding Tax

Under Sections 1471 through 1474 of the Code (such Sections commonly referred to as FATCA), payments of dividends on and the gross proceeds of dispositions of our Class A common stock paid to (i) a "foreign financial institution" (as specifically defined in the Code) or (ii) a "non-financial foreign entity" (as specifically defined in the Code) will be subject to a withholding tax (separate and apart from, but without duplication of, the withholding tax described above) at a rate of 30%, unless various U.S. information reporting and due diligence requirements (generally relating to ownership by U.S. persons of interests in or accounts with those entities) have been satisfied or an exemption from these rules applies. Under proposed U.S. Treasury regulations promulgated by the Treasury Department on December 13, 2018, which state that taxpayers may rely on the proposed Treasury regulations until final Treasury regulations are issued, this withholding tax will not apply to the gross proceeds from the sale or disposition of our Class A common stock. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. If a dividend payment is both subject to withholding under FATCA and subject to the withholding tax discussed above under "—Dividends," the withholding under FATCA may be credited against, and therefore reduce, such other withholding tax. Non-U.S. holders should consult their tax advisors regarding the possible implications of this withholding tax on their investment in our Class A common stock.

Federal Estate Tax

Individual non-U.S. holders (as specifically defined for U.S. federal estate tax purposes) and entities the property of which is potentially includible in such an individual's gross estate for U.S. federal estate tax purposes (for example, a trust funded by such an individual and with respect to which the individual has retained certain interests or powers) should note that our Class A common stock will be treated as U.S. situs property subject to U.S. federal estate tax, unless an applicable estate tax treaty provides otherwise.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our Class A common stock. We cannot make any prediction as to the effect, if any, that sales of Class A common stock or the availability of Class A common stock for future sales will have on the market price of our Class A common stock. The market price of our Class A common stock could decline because of the sale of a large number of shares of our Class A common stock or the perception that such sales could occur in the future. These factors could also make it more difficult to raise funds through future offerings of Class A common stock. See "Risk Factors—Risks Relating to Ownership of Our Class A Common Stock—If a substantial number of shares become available for sale and are sold in a short period of time, the market price of our Class A common stock could decline."

Sale of Restricted Shares

Upon the completion of this offering, we will have shares of Class A common stock (or shares if the underwriters exercise their option to purchase additional shares of Class A common stock in full) outstanding. Of these shares, the shares sold in this offering (or shares if the underwriters exercise their option to purchase additional shares of Class A common stock in full) will be freely tradable, without further restriction or registration under the Securities Act, except any shares held by our "affiliates," as that term is defined in Rule 144 under the Securities Act ("Rule 144"). In the absence of registration under the Securities Act, shares held by affiliates may only be sold in compliance with the limitations of Rule 144 described below or another exemption from the registration requirements of the Securities Act. As defined in Rule 144, an affiliate of an issuer is a person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with the issuer. Upon the completion of this offering, approximately of our outstanding shares of Class A common stock will be deemed "restricted securities," as that term is defined under Rule 144, and would also be subject to the "lock-up" period noted below.

In addition, upon the completion of this offering, ContinuingPre-IPO LLC Members will own an aggregate of LLC Units and all of the shares of our Class B common stock. Continuing Pre-IPO LLC Members, from time to time following the completion of this offering, may require Xponential Fitness LLC to redeem or exchange all or a portion of their LLC Units for newly issued shares of Class A common stock on a one-for-one basis. Shares of our Class B common stock will be cancelled on a one-for-one basis if we, following a redemption request from a ContinuingPre-IPO LLC Member, redeem or exchange LLC Units of such ContinuingPre-IPO LLC Member pursuant to the terms of the Amended LLC Agreement. Shares of our Class A common stock issuable to the Continuing Pre-IPO LLC Member upon a redemption or exchange of LLC Units would be considered "restricted securities," as that term is defined under Rule 144 and would also be subject to the "lock-up" period noted below.

Restricted securities may be sold in the public market only if they qualify for an exemption from registration under Rule 144, which is summarized below, or any other applicable exemption under the Securities Act, or pursuant to a registration statement that is effective under the Securities Act. Immediately following the completion of this offering, the holders of approximately shares of our Class A common stock and shares of our Class B common stock (on an assumed as-exchanged basis) will be entitled to dispose of their shares following the expiration of an initial 180-day underwriter "lock-up" period pursuant to the holding period, volume and other restrictions of Rule 144. BofA Securities, Inc. and Goldman Sachs & Co. LLC are entitled to waive these lock-up provisions at their discretion prior to the expiration dates of such lock-up agreements.

Rule 144

In general, a person who has beneficially owned restricted shares of our common stock for at least six months would be entitled to sell such securities, provided that (i) such person is not deemed to have been one of

our affiliates at the time of, or at any time during the 90 days preceding the sale and (ii) we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Persons who have beneficially owned restricted shares of our common stock for at least six months but who are our affiliates at the time of, or any time during the 90 days preceding the sale, would be subject to additional restrictions, by which such person would be entitled to sell within any three-month period only a number of securities that does not exceed the greater of the following:

- % of the number of shares of our Class A common stock then outstanding, which will equal approximately shares immediately after this offering (or approximately shares if the underwriters exercise their option to purchase additional shares of Class A common stock in full); or
- the average weekly trading volume of our common stock on during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale;

provided, in each case, that we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Such sales both by affiliates and by non-affiliates must also comply with the manner of sale and notice provisions of Rule 144 to the extent applicable.

Lock-Up Agreements

Our executive officers, directors and our other security holders have agreed that, for a period of 180 days from the date of this prospectus, they will not, without the prior written consent of BofA Securities, Inc. and Goldman Sachs & Co. LLC, dispose of or hedge any shares of our common stock or any securities convertible into or exchangeable for our common stock (including LLC Units) subject to certain exceptions (including dispositions in connection with the Reorganization Transactions).

We have agreed, subject to certain exceptions, not to issue, sell or otherwise dispose of any shares of our Class A common stock or any securities convertible into or exchangeable for our Class A common stock (including LLC Units) during the 180-day period following the date of this prospectus.

Registration Rights

Our Registration Rights Agreement grants registration rights to the Continuing Pre-IPO LLC Members. See “Certain Relationships and Related Party Transactions—Registration Rights Agreement.”

UNDERWRITING

BofA Securities, Inc., Goldman Sachs & Co. LLC and Jefferies LLC are acting as representatives of each of the underwriters named below. Subject to the terms and conditions set forth in an underwriting agreement among us and the underwriters, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us the number of shares of Class A common stock set forth opposite its name below.

Underwriter	Number of Shares
BofA Securities, Inc.	
Goldman Sachs & Co. LLC	
Jefferies LLC	
Total	

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the shares sold under the underwriting agreement if any of these shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the shares, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officer's certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Commissions and Discounts

The representatives have advised us that the underwriters propose initially to offer the shares to the public at the public offering price set forth on the cover page of this prospectus and to dealers at that price less a concession not in excess of $ per share. After the initial offering, the public offering price, concession or any other term of this offering may be changed.

The following table shows the public offering price, underwriting discount and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of their option to purchase additional shares

	Per Share	Without Option	With Option
Public offering price	$	$	$
Underwriting discount	$	$	$
Proceeds, before expenses, to us	$	$	$

Our offering expenses, not including the underwriting discount, are estimated at $. We have agreed to reimburse the underwriters for certain of their expenses, in an amount of up to $. In addition, the underwriters have agreed to reimburse us for a portion of our out-of-pocket expenses.

Option to Purchase Additional Shares

We have granted an option to the underwriters, exercisable for 30 days after the date of this prospectus, to purchase up to additional shares of our Class A common stock at the public offering price, less the

underwriting discount. If the underwriters exercise this option, each will be obligated, subject to conditions contained in the underwriting agreement, to purchase a number of additional shares proportionate to that underwriter's initial amount reflected in the above table.

No Sales of Similar Securities

We, our executive officers and directors and our other security holders have agreed not to sell or transfer any common stock or securities convertible into, exchangeable for, exercisable for, or repayable with common stock, for 180 days after the date of this prospectus without first obtaining the written consent of BofA Securities, Inc. and Goldman Sachs & Co. LLC. Specifically, we and these other persons have agreed, with certain limited exceptions, not to directly or indirectly

- offer, pledge, sell or contract to sell any common stock,
- sell any option or contract to purchase any common stock,
- purchase any option or contract to sell any common stock,
- grant any option, right or warrant for the sale of any common stock,
- lend or otherwise dispose of or transfer any common stock,
- request or demand that we file or make a confidential submission of a registration statement related to the common stock, or
- enter into any swap or other agreement that transfers, in whole or in part, the economic consequence of ownership of any common stock whether any such swap or transaction is to be settled by delivery of shares or other securities, in cash or otherwise.

This lock-up provision applies to common stock and to securities convertible into or exchangeable or exercisable for or repayable with common stock. It also applies to common stock owned now or acquired later by the person executing the agreement or for which the person executing the agreement later acquires the power of disposition.

Exchange Listing

We expect to apply to list the shares of our Class A common stock on the under the symbol "XPOF."

Before this offering, there has been no public market for our Class A common stock. The initial public offering price will be determined through negotiations between us and the representatives. In addition to prevailing market conditions, the factors to be considered in determining the initial public offering price are

- the valuation multiples of publicly traded companies that the representatives believe to be comparable to us,
- our financial information,
- the history of, and the prospects for, our company and the industry in which we compete,
- an assessment of our management, its past and present operations and the prospects for, and timing of, our future revenues,

- the present state of our development, and

- the above factors in relation to market values and various valuation measures of other companies engaged in activities similar to ours.

An active trading market for the shares may not develop. It is also possible that after the offering the shares will not trade in the public market at or above the initial public offering price.

The underwriters do not expect to sell more than 5% of the shares in the aggregate to accounts over which they exercise discretionary authority.

Price Stabilization, Short Positions and Penalty Bids

Until the distribution of the shares is completed, SEC rules may limit underwriters and selling group members from bidding for and purchasing our Class A common stock. However, the representatives may engage in transactions that stabilize the price of the Class A common stock, such as bids or purchases to peg, fix or maintain that price.

In connection with this offering, the underwriters may purchase and sell our Class A common stock in the open market. These transactions may include short sales, purchases on the open market to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in this offering. “Covered” short sales are sales made in an amount not greater than the underwriters’ option to purchase additional shares described above. The underwriters may close out any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option granted to them. “Naked” short sales are sales in excess of such option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our Class A common stock in the open market after pricing that could adversely affect investors who purchase in this offering. Stabilizing transactions consist of various bids for or purchases of shares of Class A common stock made by the underwriters in the open market prior to the completion of this offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Similar to other purchase transactions, the underwriters’ purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our Class A common stock or preventing or retarding a decline in the market price of our Class A common stock. As a result, the price of our Class A common stock may be higher than the price that might otherwise exist in the open market. The underwriters may conduct these transactions on the , in the over-the-counter market or otherwise.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our Class A common stock. In addition, neither we nor any of the underwriters make any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Electronic Distribution

In connection with this offering, certain of the underwriters or securities dealers may distribute prospectuses by electronic means, such ase-mail.

Other Relationships

Some of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Notice to Prospective Investors in the European Economic Area and the United Kingdom

In relation to each Member State of the European Economic Area and the United Kingdom (each, a "Relevant State"), no Shares have been offered or will be offered pursuant to the public in that Relevant State prior to the publication of a prospectus in relation to the Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation), except that offers of Shares may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Shares shall require the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

Each person in a Relevant State who initially acquires any Shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with us and the representatives that it is a qualified investor within the meaning of the Prospectus Regulation.

In the case of any Shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in a Relevant State to qualified investors, in circumstances in which the prior consent of the representatives has been obtained to each such proposed offer or resale.

We, the representatives and their affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

For the purposes of this provision, the expression an "offer to the public" in relation to any Shares in any Relevant State means the communication in any form and by any means of sufficient information on the

terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

References to the Prospectus Regulation include, in relation to the United Kingdom, the Prospectus Regulation as it forms part of U.K. domestic law by virtue of the European Union (Withdrawal) Act 2018.

The above selling restriction is in addition to any other selling restrictions set out below.

Notice to Prospective Investors in the United Kingdom

This document is for distribution only to persons who (i) have professional experience in matters relating to investments and who qualify as investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended (the "FSMA")) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together, "relevant persons"). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

Notice to Prospective Investors in Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or this offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to this offering, our company, the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Notice to Prospective Investors in the Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority ("DFSA"). This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The shares to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

Notice to Prospective Investors in Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission ("ASIC"), in relation to this offering.

This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001 (the "Corporations Act"), and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the shares may only be made to persons (the "Exempt Investors") who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the shares without disclosure to investors under Chapter 6D of the Corporations Act.

The shares applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under this offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring shares must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

Notice to Prospective Investors in Hong Kong

The securities have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the securities has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Notice to Prospective Investors in Japan

The securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, will not be offered or sold, directly or indirectly, in Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Notice to Prospective Investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the securities were not offered or sold or caused to be made the subject of an invitation for subscription or purchase and will not be offered or sold or caused to be made the subject of an invitation for

subscription or purchase, and this prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the securities, has not been circulated or distributed, nor will it be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the securities pursuant to an offer made under Section 275 of the SFA except:

(c) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(d) where no consideration is or will be given for the transfer;

(e) where the transfer is by operation of law; or

(f) as specified in Section 276(7) of the SFA.

Notice to Prospective Investors in Canada

The securities may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the securities must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 *Underwriting Conflicts* (**NI 33-105**), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

LEGAL MATTERS

The validity of the issuance of the shares of Class A common stock offered hereby will be passed upon for Xponential Fitness, Inc. by Davis Polk & Wardwell LLP. Latham & Watkins LLP is representing the underwriters.

EXPERTS

The financial statements of Xponential Fitness, Inc. as of January 23, 2020 included in this prospectus, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing herein and elsewhere in the Registration Statement. Such financial statements are included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements of Xponential Fitness LLC. as of and for the year ended December 31, 2018 included in this prospectus, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing herein and elsewhere in the Registration Statement. Such financial statements are included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements of Barre Midco LLC for the for the period January 1, 2018 to October 24, 2018, included in this prospectus have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report appearing herein, and are included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the Class A common stock offered hereby. This prospectus does not contain all of the information set forth in the registration statement and the exhibits and schedules thereto. For further information with respect to our company and our Class A common stock, reference is made to the registration statement and the exhibits and any schedules filed therewith. Statements contained in this prospectus as to the contents of any contract or other document referred to are not necessarily complete and in each instance, if such contract or document is filed as an exhibit, reference is made to the copy of such contract or other document filed as an exhibit to the registration statement, each statement being qualified in all respects by such reference. The SEC maintains an Internet site at www.sec.gov that contains reports, proxy and information statements we have filed electronically with the SEC.

As a result of this offering, we will be required to file periodic reports and other information with the SEC. We also maintain an Internet site at www.xponential.com. Our website and the information contained therein or connected thereto shall not be deemed to be incorporated into this prospectus or the registration statement of which it forms a part.

INDEX TO FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholder of
Xponential Fitness, Inc:

Opinion on the Financial Statements

We have audited the accompanying balance sheet of Xponential Fitness, Inc. (the "Company") as of January 23, 2020 and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of January 23, 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

Costa Mesa, California
February 12, 2020

We have served as the Company's auditor since 2020.

XPONENTIAL FITNESS, INC.

Balance Sheet

	January 23, 2020
Assets	
Current Assets:	
Receivable from stockholder	$ 1,000
Total assets	$ 1,000
Commitments and contingencies	
Stockholder's Equity	
Stockholder's equity:	
Common stock, $0.0001 par value, 1,000 shares authorized, issued and outstanding	$ —
Additional paid-in capital	1,000
Total stockholder's equity	$ 1,000

See accompanying notes to balance sheet.

XPONENTIAL FITNESS, INC.

Notes to Balance Sheet

Note 1—Organization and Background

Xponential Fitness, Inc. (the "Company"), was incorporated in Delaware on January 14, 2020. Pursuant to a reorganization into a holding company structure, the Company will be a holding company with its principal asset being a controlling ownership interest in Xponential Fitness LLC.

Basis of presentation—The Company's balance sheet has been prepared in accordance with accounting principles generally accepted in the United States. Statements of income, stockholder's equity and cash flows have not been presented because the Company has not engaged in any business or other activities except in connection with the formation of the Company.

Note 2—Summary of Significant Accounting Policies

Income taxes—The Company is treated as a C corporation, and therefore, is subject to both federal and state income taxes. Xponential Fitness LLC continues to be recognized as a limited liability company, a pass-through entity for income tax purposes.

Note 3—Stockholder's Equity

On January 14, 2020, the Company was authorized to issue 1,000 shares of common stock, $0.0001 par value. On January 23, 2020, the Company issued 1,000 shares for $1,000, all of which are owned by H&W Franchise Holdings LLC. Payment for the shares was received January 30, 2020.

Note 4—Subsequent Events

The Company has evaluated subsequent events through February 12, 2020, which is the date this balance sheet was available to be issued.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Managers and Member of
Xponential Fitness LLC:

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Xponential Fitness LLC (a wholly owned subsidiary of H&W Franchise Holdings, LLC) and subsidiaries (the "Company"), as of December 31, 2018, the related consolidated statements of operations, changes to member's equity and cash flows, for the year ended December 31, 2018, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2018, and the results of its operations and its cash flows for the year ended December 31, 2018, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

Costa Mesa, California
February 12, 2020

We have served as the Company's auditor since 2018.

XPONENTIAL FITNESS LLC (A WHOLLY OWNED SUBSIDIARY OF H&W FRANCHISE HOLDINGS, LLC)

Consolidated Balance Sheet
(amounts in thousands)

	December 31, 2018
Assets	
Current Assets:	
Cash and cash equivalents	$ 11,209
Accounts receivable, net	4,428
Inventories	4,527
Prepaid expenses	933
Deferred costs, current portion (Note 8)	1,929
Notes receivable from franchisees, net	1,015
Total current assets	24,041
Property and equipment, net	7,536
Goodwill	140,865
Intangible assets, net	107,108
Deferred costs, net of current portion (Note 8)	18,117
Note receivable from franchisee, net of current portion	191
Other assets	478
Total assets	$ 298,336
Liabilities and Member's Equity	
Current Liabilities:	
Accounts payable	$ 9,849
Accrued expenses (Note 8)	15,945
Deferred revenue, current portion	14,371
Notes payable to related party (Note 8)	1,777
Current portion of long-term debt	1,513
Other current liabilities	2,645
Related party payable (Note 8)	255
Total current liabilities	46,355
Deferred revenue, net of current portion	33,313
Contingent consideration from acquisitions (Note 9)	14,130
Line of credit	8,000
Long-term debt, net of current portion and issuance costs	130,935
Other liabilities	3,418
Total liabilities	236,151
Commitments and contingencies (Note 9)	
Member's equity:	
Member's contribution	150,201
Receivable from Member (Note 8)	(31,298)
Accumulated deficit	(56,718)
Total member's equity	62,185
Total liabilities and member's equity	$ 298,336

See accompanying notes to consolidated financial statements.

XPONENTIAL FITNESS LLC (A WHOLLY OWNED SUBSIDIARY OF H&W FRANCHISE HOLDINGS, LLC)

Consolidated Statement of Operations
(amounts in thousands)

	Year ended December 31, 2018
Revenue, net:	
Franchise revenue	$ 19,852
Equipment revenue	22,646
Merchandise revenue	9,575
Franchise marketing fund revenue	3,745
Other service revenue	3,446
Total revenue, net	59,264
Operating costs and expenses:	
Costs of product revenue	22,901
Costs of franchise and service revenue (Note 8)	3,127
Selling, general and administrative expenses (Note 8)	44,551
Depreciation and amortization	3,513
Marketing fund expense	3,285
Acquisition and transaction expenses (Note 8)	18,095
Total operating costs and expenses	95,472
Operating loss	(36,208)
Other income (expense):	
Interest income	56
Interest expense (Note 8)	(6,253)
Total other expense	(6,197)
Loss before income taxes	(42,405)
Income taxes	73
Net loss	$ (42,478)

See accompanying notes to consolidated financial statements.

XPONENTIAL FITNESS LLC (A WHOLLY OWNED SUBSIDIARY OF H&W FRANCHISE HOLDINGS, LLC)

Consolidated Statement of Changes to Member's Equity
(amounts in thousands)

	Member's Contribution	Receivable from Member	Accumulated Deficit	Total Member's Equity
Balance at January 1, 2018	$ 105,222	$ —	$ (14,240)	$ 90,982
Parent's stock contributed for acquisitions	43,010	—	—	43,010
Equity based compensation	1,969	—	—	1,969
Receivable from Member	—	(31,298)	—	(31,298)
Net loss	—	—	(42,478)	(42,478)
Balance at December 31, 2018	$ 150,201	$ (31,298)	$ (56,718)	$ 62,185

See accompanying notes to consolidated financial statements.

XPONENTIAL FITNESS LLC (A WHOLLY OWNED SUBSIDIARY OF H&W FRANCHISE HOLDINGS, LLC)

Consolidated Statement of Cash Flows
(amounts in thousands)

	Year ended December 31, 2018
Cash flows from operating activities:	
Net loss	$ (42,478)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Depreciation and amortization	3,513
Change in fair value of contingent consideration from acquisitions (Note 8)	14,900
Amortization of debt issuance cost	263
Bad debt expense	772
Equity based compensation	1,969
Non-cash interest expense	247
Loss from disposal of assets	116
Changes in assets and liabilities:	
Accounts receivable	(2,172)
Inventories	(804)
Prepaid expenses	(347)
Deferred costs (Note 8)	(14,204)
Other current assets	790
Notes receivable	(1,859)
Accounts payable	6,430
Accrued expenses	1,696
Other current liabilities	1,900
Deferred revenue	27,011
Other assets	175
Other liabilities	2,918
Net cash provided by operating activities	836
Cash flows from investing activities:	
Purchases of property and equipment	(7,551)
Proceeds from disposal of property and equipment	1
Purchase of franchise agreements, web design and other intangible assets	(933)
Acquisition of businesses, net of cash acquired	(15,948)
Net cash used in investing activities	(24,431)
Cash flows from financing activities:	
Borrowings from line of credit	8,000
Payments on line of credit	(2,000)
Borrowings from long-term debt	79,770
Payments on assumed and other long-term debt	(53,206)
Debt issuance costs	(1,704)
Loans from related party (Note 8)	2,435
Payments on loans from related party (Note 8)	(688)
Payments to member and affiliates, net (Note 8)	(1,119)
Net cash provided by financing activities	31,488
Increase in cash and cash equivalents	7,893
Cash and cash equivalents, beginning of year	3,316
Cash and cash equivalents, end of year	$ 11,209
Supplemental cash flow information:	
Interest paid	$ 5,557
Income taxes paid	63
Noncash investing and financing activity:	
Parent's stock issued for acquisition of businesses	$ 43,010
Contingent consideration upon acquisition	2,748
Debt assumed in acquisition	52,691
Note payable issued in connection with acquisition of business	724
Capital expenditures accrued	12
Related party receivable reclassified to equity (Note 8)	18,070
Assumption of related party long-term debt (Note 8)	13,228

See accompanying notes to consolidated financial statements.

XPONENTIAL FITNESS LLC (A WHOLLY OWNED SUBSIDIARY OF H&W FRANCHISE HOLDINGS, LLC)

Notes to the Consolidated Financial Statements
(amounts in thousands, except share amounts)

Note 1—Nature of Business and Operations

Xponential Fitness LLC (the "Company") was formed on August 11, 2017 as a Delaware Limited Liability Company for the sole purpose of franchising fitness brands in several verticals within the boutique fitness industry. The Company is a wholly owned subsidiary of H&W Franchise Intermediate Holdings, LLC ("Member") and ultimately, H&W Franchise Holdings, LLC ("Parent").

Currently, the Company's portfolio of eight brands includes: "Club Pilates," a Pilates facility franchisor; "CycleBar," a premier indoor cycling franchise; "Stretch Lab," a fitness concept offering one-on-one assisted stretching services; "Row House," a rowing concept that provides an effective and efficient workout centered around the sport of rowing; "Yoga Six," a yoga concept that concentrates on connecting to one's body in a way that is energizing; "AKT" and "Pure Barre," which are dance-based concepts that provide a combination of personal training and movement based techniques; and "Stride," a running concept that offers treadmill-based high-intensity interval training and strength-training. The Company, through its brands, licenses its fitness and training systems to franchisees who in turn operate studios to promote training and instruction programs to their club members within each vertical. In addition to franchised studios, the Company operated 14 Company-owned studios as of December 31, 2018.

Basis of presentation—The Company's consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("US GAAP").

Principles of consolidation—The Company's consolidated financial statements include the accounts of its wholly owned subsidiaries Club Pilates Franchise, LLC, CycleBar Holdco, LLC, Stretch Lab Franchise, LLC, Row House Franchise, LLC, Yoga Six Franchise, LLC, AKT Franchise, LLC, Barre Holdco, LLC and Stride Franchise, LLC. All intercompany transactions have been eliminated in consolidation.

Use of estimates—The preparation of the consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the consolidated financial statements. Actual results could differ from these estimates under different assumptions or conditions.

Note 2—Summary of Significant Accounting Policies

Segment information—Operating segments are defined as components of an entity for which separate financial information is available and that is regularly reviewed by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources to an individual segment and in assessing performance. The Company's Chief Executive Officer is the Company's CODM. The CODM reviews financial information presented on a consolidated basis for purposes of making operating decisions, allocating resources and evaluating financial performance. As such, the Company has determined that it operates in one operating segment. During the year ended December 31, 2018, the Company did not generate material international revenues and as of December 31, 2018, the Company did not have material assets located outside of the United States.

Cash and cash equivalents—The Company considers all highly liquid investments with an original maturity of 90 days or less to be cash equivalents.

Concentration of credit risk—Financial instruments which potentially subject the Company to concentrations of credit risk consist primarily of cash and accounts receivable. The Company maintains its cash

with high-credit quality financial institutions. As of December 31, 2018, the Company had cash and cash equivalents that total $9,262 on deposit with high-credit quality financial institutions that exceed federally insured limits. The Company has not experienced any loss as a result of these or previous similar deposits. In addition, the Company closely monitors the extension of credit to its franchisees while maintaining allowances for potential credit losses.

Accounts receivable and allowance for doubtful accounts—Accounts receivable primarily consist of amounts due from franchisees. These receivables primarily relate to royalties, advertising contributions, equipment and product sales, training and other miscellaneous charges. Receivables from franchisees are unsecured, however, the franchise agreements provide the Company the right to terminate the franchise for nonpayment. On a periodic basis, the Company evaluates its accounts receivable balance and establishes an allowance for doubtful accounts, based on a number of factors, including evidence of the franchisee's ability to comply with credit terms, economic conditions and historical receivables. Account balances are written off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. At December 31, 2018, the allowance for doubtful accounts was $137.

Inventories—Inventories are comprised of finished goods including equipment and branded merchandise primarily held for sale to franchisees. Cost is determined using the first-in-first-out method. Management analyzes obsolete, slow-moving and excess merchandise to determine adjustments that may be required to reduce the carrying value of such inventory to the lower of cost and net realizable value. Write-down of obsolete or slow-moving and excess inventory charges are included in costs of product revenue in the consolidated statement of operations.

Property and equipment, net—Property and equipment are carried at cost less accumulated depreciation. Depreciation is recognized on a straight-line method, based on the following estimated useful lives:

Furniture and equipment	5 years
Computers	3 years
Vehicles	5 years
Leasehold improvements	lesser of useful life or lease term

The cost and accumulated depreciation of assets sold or retired are removed from the accounts and any gain or loss is included in the results of operations during the period of sale or disposal. Costs for repairs and maintenance are expensed as incurred. Repairs and maintenance costs for the year ended December 31, 2018 were insignificant.

Goodwill and indefinite-lived intangible assets—Indefinite-lived intangible assets consist of goodwill and certain trademarks.

The Company tests for impairment of goodwill annually or sooner whenever events or circumstances indicate that goodwill might be impaired. The impairment test is a two-step process, whereby in the first step, the Company compares the estimated fair value with the carrying amount, including goodwill. The Company generally determines the estimated fair value using a discounted cash flow approach, giving consideration to the market valuation approach. If the carrying amount exceeds the fair value, the Company performs the second step of the impairment test to determine the amount of impairment, if any. Goodwill has been assigned to reporting units for purposes of impairment testing. The Company's reporting units are the brand names under which it sells franchises.

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The Company tests for impairment of indefinite-lived trademarks annually or sooner whenever events or circumstances indicate that trademarks might be impaired. The Company determines the estimated fair value using a relief from royalty approach and compares the fair value to the carrying amount. If the carrying amount exceeds the fair value, the Company impairs the trademarks to their fair value.

Definite-lived intangible assets—Definite-lived intangible assets consisting of franchise agreements, non-compete agreements, certain trademarks and web design and domain are amortized using the straight-line method over the estimated remaining economic lives. Amortization expense related to intangible assets is included in general and administrative expense. The recoverability of the carrying values of all intangible assets with finite lives is evaluated when events or changes in circumstances indicate an asset's value may be impaired. Impairment testing is based on a review of forecasted undiscounted operating cash flows. If such analysis indicates that the carrying value of these assets is not recoverable, the carrying value of such assets is reduced to fair value, which is determined based on discounted future cash flows, through a charge to the statement of operations. No definite-lived intangible asset impairment was recorded for the year ended December 31, 2018.

Revenue recognition—The Company's contracts with customers consist of franchise agreements with franchisees. The Company also enters into agreements to sell merchandise and equipment, training, on-demand video services and membership to Company-owned studios. The Company's revenues primarily consist of franchise license revenues, other franchise related revenues including merchandise and equipment sales and training revenue. In addition, the Company earns on-demand revenue, service revenue and other revenue.

Each of the Company's primary sources of revenue and their respective revenue policies are discussed further below.

Franchise revenue—

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

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

The Company may enter into an area development agreement with certain franchisees. Area development agreements are for a territory in which a developer has agreed to develop and operate a certain

number of franchise locations over a stipulated period of time. The related territory is unavailable to any other party and is no longer marketed to future franchisees by the Company. Depending on the number of studios purchased under franchise agreements or area development agreements, the initial franchise fee ranges from $50 (single studio) to $300 (ten studios) and is paid to the Company when a franchisee signs the area development agreement. Area development fees are initially recorded as deferred revenue. The development fees are allocated to the number of studios purchased under the development agreement. The revenue is recognized on a straight-line basis over the franchise life for each studio under the development agreement.

Franchise royalty fee revenue—Royalty revenue represents royalties earned from each of the franchised studios in accordance with the franchise disclosure document and the franchise agreement for use of the various brands' names, processes and procedures. The royalty rate in the franchise agreement is typically 7% of the gross sales of each location operated by each franchisee. Royalties are billed on a monthly basis. The royalties are entirely related to the Company's performance obligation under the franchise agreement and are billed and recognized as franchisee sales occur.

Technology fees—The Company may provide access to third-party or other proprietary technology solutions to the franchisees for a fee. The technology solution may include various software licenses for statistical tracking, scheduling, allowing club members to record their personal workout statistics, music and technology support. The Company bills and recognizes the technology fee as earned each month as the technology solution service is performed.

Training revenue—The Company provides coach training services either through direct training of the coaches who are hired by franchisees or by providing the materials and curriculum directly to the franchisees who utilize the materials to train their hired coaches. Direct training fees are recognized over time as training is provided. Training fees for materials and curriculum are recognized at the point in time of delivery of the materials.

The Company also offers coach training and final coach certification through online classes. Fees received by the Company for online class training are recognized as revenue over time for the 12-month period that the Company is obligated to provide access to the online training content.

Franchise marketing fund revenue—Franchisees are required to pay marketing fees of 2% of their gross sales. The marketing fees are collected by the Company on a monthly basis and are to be used for the advertising, marketing, market research, product development, public relations programs and materials deemed appropriate to benefit brands. The Company's promise to provide the marketing services funded through the marketing fund is considered a component of the Company's performance obligation to grant the franchise license. The Company bills and recognizes marketing fund fees as revenue each month as gross sales occur.

Equipment and merchandise revenue—

The following revenues are generated as a result of transactions with or related to the Company's franchisees.

Equipment revenue—The Company also sells authorized equipment to franchisees to be used in the franchised studios. Certain franchisees may prepay for equipment, and in that circumstance, the revenue is deferred until delivery. Equipment revenue is recognized when control of the equipment is transferred to the franchisee, which is at the point in time delivery and installation of the equipment at the studio is complete.

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Merchandise revenue—The Company sells branded and non-branded merchandise to franchisees for retail sales to customers at studios. For branded merchandise sales, the performance obligation is satisfied at the point in time of shipment of the ordered branded merchandise to the franchisee. For such branded merchandise sales, the Company is the principal in the transaction as it controls the merchandise prior to it being delivered to the franchisee. The Company records branded merchandise revenue and related costs upon shipment on a gross basis. Customers have the right to return and/or receive credit for defective merchandise. Returns and credit for defective merchandise were not significant for the year ended December 31, 2018.

For certain non-branded merchandise sales, the Company earns a commission to facilitate the transaction between franchisee and the supplier. For such non-branded merchandise sales, the Company is the agent in the transaction, facilitating the transaction between the franchisee and the supplier, as the Company does not obtain control of the non-branded merchandise during the order fulfillment process. The Company records non-branded merchandise commissions revenue at the time of shipment.

Other revenue—

Service revenue—Revenue from Company-owned studios has been very limited as we typically only own a small number of studios and only for a short period of time pending the resale of the license to a franchisee. For Company-owned studios, the Company's distinct performance obligation is to provide the fitness classes to the customer. The Company-owned studios sell memberships by individual class and by class packages. Revenue from the sale of classes and class packages for a specified number of classes are recognized over time as the customer attends and utilizes the classes. Revenues from the sale of class packages for an unlimited number of classes are recognized over time on a straight-line basis over the duration of the contract period.

On-demand revenue—The Company grants a subscriber access to an online hosted platform, which contains a library ofweb-based classes that is continually updated, through monthly or annual subscription packages. Revenue is recognized over time on a straight-line basis over the subscription period.

Other revenue—Through August 2018, the Company sold vouchers through third parties allowing up to four trial classes at local clubs operated by franchisees. The Company recognized revenue at the time the vouchers were redeemed, as third parties provided monthly reports detailing purchases and redemptions with submission of funds.

Additionally, the Company earns commission income from certain of its franchisees' use of certain preferred vendors. In these arrangements, the Company is the agent as it is not primarily responsible for fulfilling the orders. Commissions are earned and recognized at the point in time the vendor ships the product to franchisees.

Sales taxes, value added taxes and other taxes that are collected in connection with revenue transactions are withheld and remitted to the respective taxing authorities. As such, these taxes are excluded from revenue. The Company elected to account for shipping and handling as activities to fulfill the promise to transfer the good. Therefore, shipping and handling fees that are billed to franchisees are recognized in revenue and the associated shipping and handling costs are recognized in cost of goods sold as soon as control of the goods transfers to the franchisee.

Credit Losses—The Company's accounts receivable are recorded at net realizable value, which includes an appropriate allowance for estimated credit losses. The estimate of credit losses is based upon historical bad

debts, current accounts receivable balances, age of accounts receivable balances, the customer's financial condition and current economic trends, all of which are subject to change. Actual uncollected amounts have historically been consistent with the Company's expectations. The Company's payment terms on its receivables from franchisees are generally 30 days.

The following table provides a reconciliation of the activity related to the Company's trade receivable allowance for credit losses:

Balance at January 1, 2018	$ 165
Bad debt expense recognized during the year	99
Write-off of uncollectible amounts	(127)
Balance at December 31, 2018	$ 137

Contract Balances—

Contract Liabilities—Contract liabilities consist of deferred revenue resulting from franchise fees and development fees paid by franchisees, which are recognized over-time on a straight-line basis over the ten-year franchise agreement term. Also included in the deferred revenue balance are nonrefundable prepayments for merchandise and equipment, as well as revenues for training, service revenue and on-demand fees for which the associated products or services have not yet been provided to the customer. The Company classifies these contract liabilities as either current deferred revenue or non-current deferred revenue in the consolidated balance sheet based on the anticipated timing of delivery. The following table reflects the change in contract liabilities between January 1, 2018 and December 31, 2018:

	Franchise Development Fees	Equipment and Other	Total
Balance at January 1, 2018	$ 14,114	$ 5,390	$19,504
Revenue recognized that was included in deferred revenue at the beginning of the year	(1,008)	(5,390)	(6,398)
Increase, excluding amounts recognized as revenue during the year	22,222	12,356	34,578
Balance at December 31, 2018	$ 35,328	$ 12,356	$47,684

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The following table illustrates estimated revenue expected to be recognized in the future related to performance obligations that were unsatisfied (or partially unsatisfied) as of December 31, 2018. The expected future recognition period for deferred franchise development fees related to unopened studios is based on management's best estimate of the beginning of the franchise license term for those studios. The Company elected to not disclose sales and usage-based royalties, marketing fees and any other variable consideration recognized on an "as invoiced" basis.

Contract liabilities to be recognized in revenue in	Franchise Development Fees	Equipment and Other	Total
2019	$ 2,015	$ 12,356	$ 14,371
2020	2,757	—	2,757
2021	3,077	—	3,077
2022	3,322	—	3,322
2023	3,413	—	3,413
Thereafter	20,744	—	20,744
	$ 35,328	$ 12,356	$ 47,684

The following table reflects the components of deferred revenue at December 31, 2018:

Franchise and area development fees	$ 35,328
Equipment and other	12,356
Total deferred revenue	47,684
Non-current portion of deferred revenue	33,313
Current portion of deferred revenue	$ 14,371

Contract Costs—Contract costs consist of deferred commissions resulting from franchise and area development sales by third-party and affiliate brokers. The total commission charged by the broker is deferred at the point of a franchise sale. The commissions are evenly split among the number of studios purchased under the development agreement and begin to be amortized when a subsequent franchise agreement is executed. The commissions are recognized on a straight-line basis over the initial ten-year franchise agreement term to align with the recognition of the franchise agreement or area development fees. The Company classifies these deferred contract costs as either current deferred costs or non-current deferred costs in the consolidated balance sheet. The associated expense is classified within costs of franchise and service revenue in the consolidated statement of operations. At December 31, 2018, there was approximately $973 of current deferred costs and approximately $18,117 in non-current deferred franchise sales commissions. The Company recognized approximately $684 in franchise sales commissions expense for the year ended December 31, 2018. During the year ended December 31, 2018 the Company recorded $9,337 of deferred commission costs paid to affiliates of the Parent, which is being recognized over the initial ten-year franchise agreement term.

Shipping and Handling Fees—Shipping and handling fees billed to customers are recorded in merchandise and equipment revenues. The costs associated with shipping goods to customers are included in costs of product revenue in the accompanying consolidated statement of operations.

Costs of franchise and service revenue—Costs of franchise and service revenue consists of commissions related to the signing of franchise agreements, travel and personnel expenses related to the on-site

training provided to the franchisees, and expenses related to the purchase of the technology packages and the related monthly fees. Costs of franchise and service revenue excludes depreciation and amortization.

Costs of product revenue—Costs of product revenue consists of cost of equipment and merchandise and related freight charges. Costs of product revenue excludes depreciation and amortization.

Advertising costs—Advertising costs are expensed as incurred. Advertising expenses are included in selling, general and administrative expense. For the year ended December 31, 2018, the Company had approximately $4,825 of advertising costs.

Selling, general and administrative expenses—The Company's selling, general and administrative ("SG&A") expenses primarily consist of salaries and wages, professional and legal fees, occupancy expenses, management fees, travel expenses and conference expenses.

Marketing fund expenses—Marketing fund expenses are recognized as incurred, and any marketing fund expenditures in excess of marketing fund fees are reclassified as SG&A expenses in the accompanying consolidated statement of operations.

Acquisition and transaction expenses—Acquisition and transaction expenses include costs directly related to the acquisition of businesses, which include expenditures for advisory, legal, valuation, accounting and similar services, in addition to amounts recorded for changes in the fair value of contingent consideration (see Notes 8 and 9).

Accrued expenses—Accrued expenses consisted of the following at December 31, 2018:

Accrued compensation	$ 1,149
Contingent consideration from acquisitions, current portion (Note 9)	8,260
Sales tax accruals	3,613
Other accruals	2,923
Total accrued expenses	$ 15,945

Income taxes—As a single member LLC, the Company is considered a disregarded entity and the results of its operations are filed with the Parent's federal and state income tax returns. As such, the Company itself is typically not subject to an income tax liability as the taxable income or loss of the Company is passed through to the Parent. Therefore, no liability for federal income taxes has been included in the consolidated financial statements. The Company is required to pay an annual gross receipts fee and tax for its operations in California. The Parent may require the Company to make distributions for tax purposes, as required to pay the tax liabilities of the Parent. There were no such distributions in 2018.

The Company accounts for uncertain tax positions in accordance with Accounting Standards Codification ("ASC") 740. ASC Topic 740 prescribes a recognition threshold and measurement process for accounting for uncertain tax positions and also provides guidance on various related matters such as derecognition, interest, penalties and required disclosures. The Company does not have any uncertain tax positions. The Company is required to pay an annual gross receipts fee and tax for its operations in California.

Comprehensive income—The Company does not have any components of other comprehensive income recorded within its consolidated financial statements and, therefore does not separately present a consolidated statement of comprehensive income in its consolidated financial statements.

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Recently adopted accounting pronouncements—

Under the Jumpstart Our Business Startups Act ("JOBS Act"), the Company meets the definition of an emerging growth company ("EGC"). The Company has elected to take advantage of the extended transition period for complying with new or revised accounting standards pursuant to Section 107(b) of the JOBS Act.

Revenue recognition—In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU")No. 2014-09, "Revenue from Contracts with Customers" (ASC 606). This new standard provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes the revenue recognition requirements in ASC Topic 605, "Revenue Recognition," and most industry-specific guidance. The core principle of the new guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services, which could potentially result in changes in the amount and timing of revenue recognition for certain transactions.

The Company early adopted ASC 606 on January 1, 2018 using the full retrospective transition method. The consolidated financial statements reflect the application of ASC 606 beginning on January 1, 2018. The new pronouncement changed the way initial fees from franchisees for new franchise agreements are recognized. Under the previous revenue recognition guidance, initial franchise fees were recognized as revenue when a new studio opened. In accordance with the new guidance, the initial franchise services are not distinct from the continuing rights and services offered during the term of the franchise agreement and are therefore considered a single performance obligation together with the continuing rights and services. As such, initial fees received are recognized over the franchise term and any unamortized portion is recorded as deferred revenue in the Company's consolidated balance sheet. Similarly, the new pronouncement changed the way commissions paid for new franchise openings are recognized. Under previous guidance, commission expense was recognized when a new studio opens. In accordance with the new guidance, the commissions paid are recognized over the franchise term and any unamortized portion will be recorded as deferred commissions in the Company's consolidated balance sheet. ASC 606 did not impact the Company's revenue recognition for other types of revenue. An adjustment to accumulated deficit of $878, with corresponding adjustments to contract liabilities and deferred commissions, was recorded on January 1, 2018 as a result of the adoption.

Recently issued accounting pronouncements—

Accounting for leases—In February 2016, the FASB issued ASUNo. 2016-02, "Leases (Topic 842)." This new topic, which supersedes Topic 840, "Leases," applies to all entities that enter into a contract that is or contains a lease, with some specified scope exemptions. This new standard requires lessees to evaluate whether a lease is a finance lease using criteria similar to those a lessee uses under current accounting guidance to determine whether it has a capital lease. Leases that do not meet the criteria for classification as finance leases by a lessee are to be classified as operating leases.

Under the new standard, for each lease classified as an operating lease, lessees are required to recognize on the balance sheet: (i) aright-of-use ("ROU") asset representing the right to use the underlying asset for the lease term and (ii) a lease liability for the obligation to make lease payments over the lease term. Lessees can make an accounting policy election, by class of underlying asset, to not recognize ROU assets and lease liabilities for leases with a lease term of 12 months or less as long as the leases do not include options to purchase the underlying assets that the lessee is reasonably certain to exercise. This standard also requires an entity to

disclose key information (both qualitative and quantitative) about the entity's leasing arrangements. Upon adoption, entities are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach, which includes a number of optional practical expedients that entities may elect to apply. Management is currently evaluating the impact of this new guidance on its consolidated financial statements.

In November 2019, the FASB issued ASUNo. 2019-10, "Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842)", which defers the effective date of ASU No. 2016-02 to fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021.

Goodwill—In January 2017, the FASB issued ASUNo. 2017-04, "Intangibles—Goodwill and Other (Topic 350)." This ASU simplifies the subsequent measurement of goodwill. FASB eliminated the Step 2 analysis from the goodwill impairment test which is meant to reduce the cost and complexity of evaluating goodwill for impairment. The Company has yet to determine if this ASU will be material to its consolidated financial statements.

In November 2019, the FASB issued ASUNo. 2019-10, "Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842)", which defers the effective date of ASU No. 2017-04 to fiscal years beginning after December 15, 2022, including interim periods within those fiscal years.

Fair value measurements—ASC 820, *Fair Value Measurements and Disclosures*, applies to all financial assets and financial liabilities that are measured and reported on a fair value basis and requires disclosure that establishes a framework for measuring fair value and expands disclosure about fair value measurements. ASC 820 establishes a valuation hierarchy for disclosures of the inputs to valuations used to measure fair value.

This hierarchy prioritizes the inputs into three broad levels as follows:

Level 1—Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2—Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (i.e., interest rates and yield curves), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

Level 3—Unobservable inputs that reflect assumptions about what market participants would use in pricing the asset or liability. These inputs would be based on the best information available, including the Company's own data.

The Company's financial instruments include cash, accounts receivable, notes receivable, accounts payable, accrued expenses and notes payable. The carrying amounts of these financial instruments are categorized within Level 1 of the fair value hierarchy due to the short-term nature of these balances and approximate their fair value due to their short maturities.

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Subsequent events—Subsequent events are events or transactions that occur after the balance sheet date but before financial statements are issued. The Company recognizes in its consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the balance sheet date, including the estimates inherent in the process of preparing the consolidated financial statements.

The Company has evaluated subsequent events through February 12, 2020, which is the date its consolidated financial statements were available to be issued.

Note 3—Acquisition of Businesses

The Company completed the following acquisitions during the year ended December 31, 2018, which contain Level 3 fair value measurements related to the recognition of goodwill, intangibles and Parent stock contributed.

AKT

AKT Franchise, LLC ("AKT") executed an asset purchase agreement with AKT inMotion Inc. (the "AKT Seller") on March 22, 2018. The acquisition allowed the Company to expand its fitness franchise portfolio to include a dance-based cardio concept available for franchising, as well as support the Company's growth into new states. The consideration paid for the acquisition was $2,150 of cash payments, $850 to be paid to the AKT Seller in three annual payments of approximately $283 recorded as a note payable, and 3,789.9 of the Parent's Class A-1 shares totaling $1,012. In addition, there is an earn-out payable to the AKT Seller, which entitles the AKT Seller to 20% of future operating distributions of AKT, including the right to 20% of the fair market value received in a change of control, subject to distribution thresholds. The Company determined the fair value of the contingent consideration from acquisition was zero as of both March 22, 2018 and December 31, 2018, as the distribution threshold had not been met.

The transaction was accounted for as a business combination using the acquisition method of accounting, which requires the assets acquired and liabilities assumed to be recorded at their respective fair values as of the date of the transaction. The following table summarizes the fair values of the assets acquired and liabilities assumed:

Goodwill	$3,376
Intangible assets	510
Total purchase price	$3,886

The consideration resulted in goodwill of $3,376, which consists largely of the synergies and economies of scale expected from combining the operations of AKT with the Company's franchise servicing operations. The fair values of the recognizable intangible assets are comprised of trademarks and franchise agreements. The fair value of trademarks was estimated by the "relief from royalty" method and are considered to have a ten-year life. The fair value of the franchise agreements was based on the "excess earnings" method and are considered to have an estimated useful life of ten years. Inputs used in the methodologies primarily included sales forecasts, projected future cash flows, royalty rate and discount rate commensurate with the risk involved.

In connection with the acquisition, AKT has three annual payments of approximately $283 to be made on each anniversary of the acquisition. AKT used an implied interest rate, based on the Company's borrowing rate of 8.5% to discount this future obligation. As such, the Company has recorded approximately $241 and $482

of other current liabilities and other long-term liabilities, respectively. The Company recognized approximately $46 of interest expense related to this obligation for the year ended December 31, 2018. As of December 31, 2018, the consideration payable was approximately $287 and $482 of notes payable, current portion and notes payable, net of current portion, respectively, in the accompanying consolidated balance sheet.

The acquisition was not material to the results of operations of the Company.

Yoga Six

Yoga Six Franchise, LLC ("Yoga Six") executed an asset purchase agreement with Yoga 6 Company, LLC (the "Yoga Six Seller") on July 31, 2018. The acquisition allowed the Company to expand its fitness franchise portfolio to include a yoga concept available for franchising, as well as support the Company's growth into new states. The consideration paid for the acquisition included $3,000 of cash payments, 5,716.9 of the Parent's Class A-1 shares totaling $1,535 and a $1,000 performance bonus payable to the Yoga Six Seller, once the 50th franchise studio is operating, which terminates four years from the purchase date.

The transaction was accounted for as a business combination using the acquisition method of accounting, which requires the assets acquired and liabilities assumed to be recorded at their respective fair value as of the date of the transaction. The following table summarizes the fair values of the assets acquired and liabilities assumed:

Goodwill	$3,214
Intangible assets	2,200
Total purchase price	$5,414

The consideration resulted in goodwill of $3,214, which consists largely of the synergies and economies of scale expected from combining the operations of Yoga Six with the Company's franchise servicing operations. The fair values of the recognizable intangible assets are comprised of trademarks and franchise agreements. The fair value of trademarks was estimated by the "relief from royalty" method and are considered to have a ten-year life. The fair value of the franchise agreements was based on the "excess earnings" method and are considered to have an estimated useful life of ten years. Inputs used in the methodologies primarily included sales forecasts, projected future cash flows, royalty rate and discount rate commensurate with the risk involved.

The Company recognized contingent consideration of approximately $879 for the estimated fair value of the contingent payment upon acquisition. Payment of additional consideration is contingent on Yoga Six reaching a milestone of opening a number of franchise studios before the fourth anniversary. The contingent consideration is measured at estimated fair value using a probability weighted discounted cash flow analysis. These inputs include the discount rate used to present value the projected cash flows of 8.5%, the probability of achievement and the projected payment date. The Company recorded $30 of additional contingent consideration as interest expense for the year ended December 31, 2018. As of December 31, 2018, the contingent consideration payable was $909 and is included in contingent consideration from acquisitions in the accompanying consolidated balance sheet.

The acquisition was not material to the results of operations of the Company.

Pure Barre

The Parent executed a merger agreement to acquire Barre Holdco and its wholly owned subsidiaries ("Pure Barre") on October 25, 2018, and the business was immediately contributed to the Company. The

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Notes to the Consolidated Financial Statements

Company is considered the acquirer for purposes of purchase accounting as the Company financed the acquisition through cash and debt. The acquisition allows the Company to expand the current fitness franchise portfolio to include a dance-based concept that will be available for franchising, as well as support the Company's growth into new states. The consideration paid for the acquisition included approximately $14,370 of cash payments, 159,306.1 shares of the Parent's Class A-3 shares totaling approximately $40,463 and assumed Pure Barre's debt of approximately $52,691, which was then repaid. Tangible and intangible assets acquired were recorded based on their estimated fair values at the acquisition date. The excess of the purchase price over the fair value of net assets acquired is recorded as goodwill. The following table summarizes the fair values of the assets acquired and liabilities assumed:

Current assets	$ 7,113
Property and equipment	277
Goodwill	43,584
Intangible assets	59,500
Other assets	190
Current liabilities assumed	(3,126)
Debt assumed	(52,691)
Other liabilities assumed	(14)
Total purchase price	54,833
Less: cash acquired	(4,721)
Total purchase price, net of cash acquired	$ 50,112

The consideration resulted in goodwill of $43,584, which consists largely of the synergies and economies of scale expected from combining the operations of Pure Barre with the Company's franchise servicing operations. The fair values of the recognizable intangible assets are comprised of trademarks, franchise agreements and customer relationships. The fair value of trademarks was estimated by the "relief from royalty" method and are considered to have an indefinite life. The fair value of the franchise agreements was based on the "excess earnings" method and are considered to have an estimated useful life of 7.5 years. The fair value of customer relationships is based on the "excess earnings" method and are considered to have an estimated useful life of one year. Inputs used in the methodologies primarily included sales forecasts, projected future cash flows, royalty rate and discount rate commensurate with the risk involved.

The following table presents supplemental unaudited pro-forma revenue and net loss for the year ended December 31, 2018 for the Pure Barre acquisition as if it had occurred on January 1, 2018 and was consolidated with the Company as of January 1, 2018. These amounts were calculated after applying the Company's accounting policies, including the adoption of ASC 606, and were based upon available information at the time. For this analysis, the Company assumed that costs associated with the acquisition, including the amortization of intangible assets, were recognized as of January 1, 2018. Pre-acquisition revenue and net loss amounts for Pure Barre were derived from the books and records of Pure Barre prepared prior to the acquisition and are presented for informational purposes only and do not purport to be indicative of the results of future operations or of the results that would have occurred had the acquisition taken place as of January 1, 2018.

Revenue	$ 82,678
Net loss	$(45,975)

For the year ended December 31, 2018, the Company's consolidated revenue and consolidated net loss included $5,643 and ($570), respectively, attributable to Pure Barre. Pro forma revenue and net loss information

for acquisitions other than Pure Barre are not presented as these acquisitions are not individually, or in the aggregate, material to the results of operations of operations of the Company.

Stride

Stride Franchise, LLC ("Stride") executed an asset purchase agreement with Studio Tread, Inc., d/b/a Stride LA (the "Stride Seller") on December 31, 2018. The acquisition allowed the Company to expand its fitness franchise portfolio to include a treadmill-based high-intensity interval training and strength concept available for franchising, as well as fund the Company's growth into new states. The fair value of the acquisition consideration was $1,900 of cash payments, payable in two installments, a first installment of $1,150 and a second installment of $750. The first payment was made at the time of closing and the second payment was made on January 15, 2019. In addition, there are two additional performance bonus payments of $1,000 per additional studio (for further detail, see the discussion regarding contingent consideration below).

The transaction was accounted for as a business combination using the acquisition method of accounting, which requires the assets acquired and liabilities assumed to be recorded at their respective fair value as of the date of the transaction. The following table summarizes the fair values of the assets acquired and liabilities assumed:

Goodwill	$3,469
Intangible assets	300
Total purchase price	$3,769

The consideration resulted in goodwill of $3,469, which consists largely of the synergies and economies of scale expected from combining the operations of Stride with the Company's franchise servicing operations. The fair values of the recognizable intangible assets are comprised of trademarks and franchise agreements. The fair value of trademarks was estimated by the "relief from royalty" method and are considered to have an estimated useful life of ten years. The fair value of the franchise agreements was based on the "excess earnings" method and are considered to have an estimated useful life of ten years. Inputs used in the methodologies primarily included sales forecasts, projected future cash flows, royalty rate and discount rate commensurate with the risk involved.

The acquisition was not material to the results of operations of the Company.

The Company recognized contingent consideration of $1,869 for the estimated fair value of the contingent payments, in accrued expenses in the accompanying consolidated balance sheet. Payments of additional consideration is contingent on Stride reaching two milestones for opening franchise studios before the first anniversary of the acquisition. The contingent consideration is measured at estimated fair value using a probability weighted discounted cash flow analysis. These inputs include the discount rate used to present value the projected cash flows of 8.5%, the probability of achievement and the projected payment date.

During the year ended December 31, 2018, the Company incurred $3,195 of transaction costs directly related to the acquisitions, which include expenditures for advisory, legal, valuation, accounting and similar services. These costs have been expensed and are included in operating costs and expenses in the consolidated statement of operations.

Goodwill and intangible assets recognized from these acquisitions are expected to be tax deductible.

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Notes to the Consolidated Financial Statements

Note 4—Notes receivable

The Company has provided unsecured working capital loans to various franchisees during 2018. These loans had terms ranging from 16 to 24 months. The terms are typically LIBOR plus 700 basis points with an initial interest free period. The Company accrues the interest as an addition to the principal balance as the interest is earned. At December 31, 2018, the principal balance of these notes was $954. At December 31, 2018, the Company has reserved approximately $676 as uncollectible notes receivable. Additionally, the Company has provided loans to franchisees to purchase a franchise territory or to setup a studio. At December 31, 2018, the Company had recorded $928 of notes receivable related to these loans (see Note 8).

Note 5—Property and Equipment

Property and equipment at December 31, 2018, consisted of the following:

Furniture and equipment	$1,910
Computers	388
Vehicles	12
Leasehold improvements	4,576
Construction in progress	1,289
Less: accumulated depreciation	(639)
Total property and equipment	$7,536

Depreciation expense for the year ended December 31, 2018 was $661.

Note 6—Goodwill and Intangible Assets

Goodwill of $140,865 represents the excess of cost over the fair value of identifiable net assets acquired related to the original purchase of the various franchise businesses. Goodwill is not amortized but is tested annually for impairment or more frequently if indicators of potential impairment exist. During the year ended December 31, 2018, there was an increase of $53,642 in previously reported goodwill due to the acquisitions discussed in Note 3. No impairment has been identified for goodwill or trademarks.

A summary of intangible assets at December 31, 2018 consisted of the following:

	Amortization Period	Gross Amount	Accumulated Amortization	Net Amount
Trademarks	10 years	$ 1,310	$ (91)	$ 1,219
Franchise agreements	7.5—10 years	34,500	(3,015)	31,485
Customer relationships	1 year	400	(67)	333
Non-compete agreement	5 years	1,400	(442)	958
Web design	3—15 years	744	(238)	506
Total definite-lived intangible assets		38,354	(3,853)	34,501
Indefinite-lived intangible assets:				
Trademarks	N/A	72,607	—	72,607
Total intangible assets		$ 110,961	$ (3,853)	$ 107,108

Amortization expense for the year ended December 31, 2018 was approximately $2,852.

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The estimated future amortization expense of intangible assets is as follows:

Year ending December 31,	
2019	$ 5,189
2020	4,801
2021	4,687
2022	4,506
2023	4,388
Thereafter	10,930
Total	$ 34,501

Note 7—Debt

On September 29, 2017, the Member obtained a five-year $55,000 term loan from a lender, along with a consortium of banks and other lenders ("the Facility"). The rights and obligations were then assigned to and assumed by the Company and St. Gregory Holdco, LLC ("STG,") a subsidiary of the Member immediately following the consummation of a related party recapitalization transaction. The Facility also includes a $3,000 revolving credit line for general corporate purposes. On June 28, 2018, the Facility was amended to increase the term loan to $71,000 and the revolving credit line to $5,000. On October 25, 2018, the Facility was further amended to increase the aggregate available borrowings to $145,000, including a $10,000 revolving credit line, and to extend the maturity date to October 25, 2023.

The facility includes an option to request an increase in the term loan commitments by an aggregate of $35,000, including up to $5,000 in revolving credit borrowings, subject to approval of the lenders and meeting certain quantitative financial covenants based on the most recent quarter and meeting minimum EBITDA levels on a trailing 12-month basis. Term loan borrowings under the additional commitments must be used to fund capital expenditures, investments, permitted acquisitions or permitted dividends. The revolving credit borrowings shall be used for working capital and general corporate needs.

The total term loan outstanding under the Facility as of December 31, 2018 was $135,000 and the total revolving credit line outstanding under the Facility as of December 31, 2018 was $8,000. The debt is collateralized by substantially all of the Member's assets, including assets of the Member's subsidiaries. The Company and STG are jointly and severally liable for borrowings under the Facility. During 2018, the Company began servicing the STG portion of the debt and determined STG does not have the ability to repay its portion of the loan. Therefore, the total outstanding debt is recognized in the consolidated financial statements at December 31, 2018. In April 2019, the Company borrowed an additional $12,000 under the term loan.

Borrowings under the term loan and revolving credit line carried an interest rate of LIBOR plus 6% (8.345% as of December 31, 2018). Interest was allocated to the Company and STG based on their respective amounts due through November 2018. In November 2018, the Company began paying all interest payments due for the STG portion of the debt.

The term loan required quarterly installments of one-quarter of one percent (0.25%) of the aggregate amount of Term A Loans through June 30, 2020, and one and one-quarter percent (1.25%) of the aggregate amount of Term A Loans each quarter thereafter, plus interest through the term of the loan, maturing October 25, 2023. The revolving credit line required interest only payments through the term of the loan, maturing October 25, 2023. The total available to request for additional borrowing at December 31, 2018 was $35,000 as described above and $2,000 under the existing revolver capacity.

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The Facility contains representations, conditions, covenants and events of default customary for similar facilities, including a fixed charge coverage ratio and total debt to EBITDA (as defined) ratio. As of December 31, 2018, the Member was in compliance with these covenants or had obtained a waiver for non-compliance. In December 2019, the Company entered into an amendment and waiver to the Facility. In connection with the amendment, the Company agreed to pay monthly fees of $500 beginning on February 1, 2020, increasing by $500 on the first of each subsequent month until the amounts outstanding under the Facility are repaid in full. In addition, the interest rate margin above LIBOR will increase by 1% beginning on February 1, 2020, increasing by 1% on the first of each subsequent month until the amounts outstanding under the Facility are repaid in full. Further, installment payments on the Term A Loan are now due in an amount equal to 1% of the aggregate amount of Term A Loans beginning on February 1, 2020. In addition, penalties of up to $1,500 will be incurred if certain information is not provided on the respective due dates through February 2020. The lender is also entitled to purchase up to 1% of the Company's equity through the issuance of warrants if the Facility has not been refinanced by April 1, 2020, and that right increases by 1% in each month thereafter until refinanced.

In February 2020, the Company entered into an amendment to the Facility that required a $30 million principal payment, which was paid in February 2020 (see Note 8). The amendment also reverts to the prior quarterly installment payment schedule and amends the monthly fees beginning March 1, 2020 to $1,000, increasing to $2,000 on August 1, 2020. The required information was provided by the due date related to $1,000 of penalties imposed by the December 2019 amendment. In February 2020, the Company paid $500 in penalties.

Principal payments on outstanding balances of long-term debt and the line of credit as of December 31, 2018 are as follows:

Year ending December 31,	
2019	$ 1,513
2020	34,050
2021	6,750
2022	6,750
2023	93,762
Total	$ 142,825

The Company incurred debt issuance costs of $1,704 in the year ended December 31, 2018. Debt issuance cost amortization amounted to approximately $263 for the year ended December 31, 2018. Unamortized debt issuance costs as of December 31, 2018 are $2,378 and are presented as a reduction to long-term debt in the accompanying consolidated balance sheet.

The carrying value of the Company's long-term debt and the line of credit approximated fair value as of December 31, 2018 due to the variable interest rate, which is Level 2 input.

Note 8—Related Party Transactions

The Company has numerous transactions with the Member and the Parent and its affiliates. The significant related party transactions consist of borrowings from and payments to the Member and other related parties under common control of the Parent.

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In September 2017, the Parent entered into a management services agreement with TPG Growth III Management, LLC ("TPG"), which was an affiliate of the Parent. Under the terms of the agreement, the Company agreed to pay TPG an annual fee of $750 for management services provided to the Company. In June 2018, TPG assigned the management services agreement to H&W Investco Management LLC ("H&W Investco"), which is beneficially owned by a member of the Company's board of directors. During the year ended December 31, 2018, the Company recorded $640 and $206 of management fees included within SG&A expenses, net of expenses allocated to STG, for services received from TPG and H&W Investco, respectively, including reimbursement for reasonable out-of-pocket expenses.

During the year ended December 31, 2018, the Company recorded $9,337 of deferred commission costs paid to affiliates of the Parent, which is being recognized over the initial ten-year franchise agreement term.

During the year ended December 31, 2017, the Company advanced funds of $16,290 to the Member, which in turn utilized these funds to acquire STG, also wholly owned by the Member. As of December 31, 2018, the Company also had a receivable from the Member related to providing funds to STG for operating expenses and debt service aggregating $1,780. No interest income was received or accrued by the Company related to these receivables. The amount due from the Member also includes the STG long-term debt balance of $13,228 (Note 7). During 2018, the Company recorded a reduction to Member's equity of $31,298 as the Company determined that the Member had no plan to repay these amounts in the foreseeable future.

In February 2020, the Member contributed $49,443 to the Company in satisfaction of the $31,298 receivable with the remainder recorded as a contribution. The proceeds were used to make a $30,000 principal payment on the Company's outstanding term loan (see Note 7), with the remainder available for unrestricted use by the Company.

Related party payables at December 31, 2018 are as follows:

STG	$213
J3T Logistics, LLC	27
Montgomery Venture Investments II	15
Total related party payables	$255

The Company's Chief Executive Officer is the sole owner of Intensive Capital Inc. ("ICI"). ICI provides unsecured loans to the Company, which loans the funds to the franchisees to purchase a franchise territory or to setup a studio. The Company records notes payable to ICI and notes receivable from the franchisees resulting from these transactions. The notes from ICI to the Company accrue interest at the time the loan is made, which is recorded as interest expense. The notes receivable begin to accrue interest 45 days after the issuance to the franchisee. At December 31, 2018, the Company had recorded $928 and $1,623 of notes receivable and payable, respectively. The Company recognized $36 and $78 of interest income and interest expense, respectively, for the year ended December 31, 2018. In addition, Row House received a net additional $155 from ICI, which was not disbursed to a franchisee and remains outstanding at December 31, 2018 and are recorded as part of notes payable to related party. Additionally, ICI provided Yoga Six $50 for a loan to a franchisee. Prior to disbursement from the Company to the franchisee the loan was canceled, and the funds were returned to ICI. There was no interest recognized related to this transaction.

In 2017, the Company recorded a liability for contingent consideration from acquisitions to an affiliate of the Parent in connection with the CycleBar acquisition. See Note 9 for additional discussion.

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Notes to the Consolidated Financial Statements

Note 9—Contingencies and Litigation

Litigation—

The Company is subject to normal and routine litigation brought by former or current employees, customers, franchisees, vendors, landlords or others. The Company intends to defend itself in any such matters. The Company believes that the ultimate determination of liability in connection with legal claims pending against it, if any, will not have a material adverse effect on its business, annual results of operations, liquidity or financial position; however, it is possible that the Company's business, results of operations, liquidity, or financial condition could be materially affected in a particular future reporting period by the unfavorable resolution of one or more matters or contingencies during such period.

Contingent consideration from acquisitions—

In connection with the 2017 acquisition of CycleBar from an affiliate of the Member, the Company recorded contingent consideration of $4,390 for the estimated fair value of the contingent payment. Payment of additional consideration is contingent on the Company reaching two milestones based on a number of operating franchise studios and average monthly revenues by September 2022. The first milestone payout is $5,000 and the second milestone is $10,000. The contingent consideration is measured at estimated fair value using a probability weighted discounted cash flow analysis. These inputs include the discount rate of 8.5% used to present value the projected cash flows, the probability of achievement and the projected payment date. The Company recorded approximately $7,678 of additional contingent consideration, of which $151 and $7,527 was recorded as interest expense and change in fair value of contingent consideration, respectively, for the year ended December 31, 2018. At December 31, 2018, the contingent consideration was $4,704 and $7,364 recorded as accrued expenses and contingent consideration from acquisitions, respectively, on the accompanying consolidated balance sheet.

In connection with the 2017 acquisition of Row House, the Company agreed to pay to the seller 20% of operational or change of control distributions, subject to distribution thresholds. As of the purchase date and December 31, 2017, the Company determined the fair value was zero as the distribution threshold had not been met. As of December 31, 2018, the Company recorded in contingent consideration $2,349 which represents the fair value of the additional consideration discounted at a rate of 8.5% based on the projected payment date, and which is included as change in fair value of contingent consideration within the consolidated statement of operations.

In connection with the 2017 acquisition of Stretch Lab, the Company agreed to pay to the seller 20% of operational or change of control distributions. As of the purchase date and December 31, 2017, the Company determined the fair value of the contingent consideration was $171. As of December 31, 2018, the Company recorded contingent consideration of $1,676 which represents the fair value of the contingent consideration discounted at a rate of 8.5% based on the projected payment date. The Company recorded $1,515 of additional contingent consideration, of which $10 and $1,505 was recorded as interest expense and change in fair value of contingent consideration from acquisitions, respectively, for the year ended December 31, 2018. In September 2019, the Company entered into a settlement agreement with the Stretch Lab sellers to resolve disputes related to the acquisition and related agreements and to settle all amounts due under the contingent consideration. Under the terms of the settlement, the Company took ownership of four Stretch Lab studios owned by the sellers, with a fair value of $532, and will make payments to the sellers aggregating $6,500. In connection with the settlement, as of December 31, 2018, the Company recorded additional expense of $3,520 in change in fair value of contingent consideration representing the liability discounted at a rate of 8.5%, net of the previously recorded

contingent consideration. At December 31, 2018, the liability was $1,688 and $3,508 recorded as accrued expenses and contingent consideration from acquisitions, respectively, on the accompanying consolidated balance sheet. The Company will make an initial payment of $1,000 in September 2019, and quarterly payments of $688 beginning in December 2019 and continuing through September 2021. The Company will recognize the studio assets acquired and related liability under the settlement in 2019.

In connection with the 2018 acquisition of AKT, the Company agreed to pay the seller 20% of operational or change of control distributions, subject to distribution thresholds. As of December 31, 2018, the Company has not recorded a liability, as the fair value was deemed to be zero as the distribution threshold had not been met.

In connection with the 2018 acquisition of Yoga Six, the Company recorded contingent consideration of $879 for the estimated fair value of the contingent payment. Payment of additional consideration is contingent on the Company reaching a milestone of opening a number of franchise studios before the fourth anniversary. The contingent consideration is measured at estimated fair value using a probability weighted discounted cash flow analysis. These inputs include the discount rate used to present value the projected cash flows of 8.5%, the probability of achievement and the projected payment date. The Company recorded $30 of additional contingent consideration as interest expense for the period ended December 31, 2018. At December 31, 2018, the contingent consideration payable was $909 and is included in contingent consideration from acquisitions in the accompanying consolidated balance sheet.

In connection with the 2018 acquisition of Stride, the Company recorded contingent consideration of $1,869 for the estimated fair value of the contingent payments. Payment of additional consideration is contingent on Stride reaching two milestones for opening franchise studios before the first anniversary. The contingent consideration is measured at estimated fair value using a probability weighted discounted cash flow analysis. These inputs include the discount rate used to present value the projected cash flows of 8.5%, the probability of achievement and the projected payment date. At December 31, 2018, the contingent consideration of $1,869 was recorded as accrued expenses on the accompanying consolidated balance sheet.

Leases—

The Company has entered into various building space leases that are classified as operating leases. Total rent expense for the year ended December 31, 2018 was $1,547.

Future minimum lease payments under non-cancelable operating leases with initial or remaining terms of one year or more are as follows:

Year ending December 31,	
2019	$ 1,244
2020	1,703
2021	1,556
2022	1,462
2023	1,404
Thereafter	6,210
Total	$ 13,579

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Notes to the Consolidated Financial Statements

Note 10—Equity Compensation

Phantom Stock—

Club Pilates and CycleBar have issued 13,158 and 165 phantom stock units, respectively, to certain employees that settle, or are expected to settle, with cash payments. The phantom stock units are awarded with vesting conditions that include a service period and/or performance targets and a change of control and are subject to certain forfeiture provisions prior to vesting. There was no expense recorded for the year ended December 31, 2018 related to the phantom stock units. Upon a change in control, the Company will record the then fair market value of such awards.

Profit Interest Units—

The Parent grants time-based and performance-based profit interest units to certain key employees of the Company and its subsidiaries. The Parent has 195,988.2 units authorized for grant. The fair value of the time-based grants is recognized as compensation expense over the vesting period of four years, with an increase to Member's contribution in Member's equity. The fair value of the time-based grants was calculated using a Black-Scholes option-pricing model with the following assumptions:

Risk free interest rate	2.27%—2.85%
Weighted average volatility	42.30%
Dividend yield	— %
Expected terms (in years)(1)	2.25

(1) The Company has limited historical information regarding the expected term. Accordingly, the Company determined the expected life of the units using the simplified method.

The profits interests have various distribution thresholds, which vary based on the date of grant. At December 31, 2018, the Company had $4,880 of unrecognized compensation expense expected to be recognized over a weighted average period of approximately three years for the time-based grants. For the year ended December 31, 2018, compensation expense of $1,969 was included within employee-related expenses.

The performance-based grants are awarded with vesting conditions based on performance targets connected to the value received from change of control of the Parent and are subject to certain forfeiture provisions prior to vesting. There was no expense recorded for the year ended December 31, 2018 related to the performance-based awards as vesting is not considered to be probable. The Company will record the compensation expense when the performance targets are met. At December 31, 2018, the Company had $8,544 of unrecognized compensation expense related to the performance-based grants.

The following table summarizes the equity participation award activity:

	Performance-based Profit Interests	Time-Based Profit Interests
Outstanding at December 31, 2017	26,234.7	26,234.8
Issued	68,121.6	43,821.9
Vested	—	(14,327.2)
Forfeited, expired, or canceled	—	—
Outstanding at December 31, 2018	94,356.3	55,729.5

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Notes to the Consolidated Financial Statements

Note 11—Employee Benefit Plan

The Company maintains the Xponential Fitness LLC 401(k) Profit Sharing Plan and Trust (the "401(k) Plan"). Employees who have completed one month of service and have attained age 18 are eligible to participate in elective deferrals under the 401(k) Plan. Employees are eligible to participate for purposes of matching contributions upon completion of one year of service. On an annual basis, the Company will determine the formula for the discretionary matching contribution. In addition, the Company may make a discretionary nonelective contribution to the 401(k) Plan. During the year ended December 31, 2018, the Company recorded expense for matching contributions to the 401(k) Plan of $32.

Note 12—Member's Equity

Member's equity interest—

As of and for the year ended December 31, 2018, the Company had one class of membership interest which was held by the Member. Earnings per share data is not provided in the consolidated financial statements as the Company is a single-member LLC with only one unit.

Member's contributions

As described in Note 3 and presented in the accompanying statement of changes to Member's equity, during the year ended December 31, 2018, the Parent contributed shares to the Company which were used as part of the consideration to sellers for certain acquisitions. The consideration contributed totaled $43,010. To estimate the value for these contributions, the Company estimated the value of the Parent's shares using Level 3 input factors including the fair value of the acquired entity, negotiated values with the sellers of the acquired entities, recent equity recapitalizations of the Parent, comparable industry transactions, adjusted EBITDA multiples ranging from 14.1 to 23.6 and the estimated fair value of the Company's reporting units.

As described in Note 8, in February 2020 the Member contributed $49,443 to the Company, of which $31,298 was in satisfaction of the receivable from the Member and the remainder was a member's contribution. Of this $49,443, $30,000 was used to paydown the principal on outstanding term loans (Note 7) with the remainder available for unrestricted use by the Company.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Member of
Barre Midco, LLC:

We have audited the accompanying consolidated financial statements of Barre Midco, LLC (the "Company"), which comprise the consolidated statement of operations, changes to Member's equity, and cash flows for the period January 1, 2018 to October 24, 2018 and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the results of operations and cash flows of Barre Midco, LLC for the period January 1, 2018 to October 24, 2018 in accordance with accounting principles generally accepted in the United States of America.

/s/ Deloitte & Touche LLP

Costa Mesa, California

February 12, 2020

Barre Midco, LLC
Consolidated Statement of Operations

	January 1, 2018 to October 24, 2018
Revenue, net:	
Franchise revenue	$ 11,909,816
Merchandise revenue	7,230,414
Franchise marketing fund revenue	1,239,179
Other service revenue	4,727,910
Total revenue	25,107,319
Operating costs and expenses:	
Costs of product revenue	4,755,048
Costs of franchise and service revenue	6,780
Selling, general and administrative expenses (Note 5)	13,663,428
Depreciation and amortization	3,060,518
Marketing fund expense	1,239,179
Acquisition and transaction expenses	199,216
Total operating expenses	22,924,169
Operating income	2,183,150
Other expense:	
Interest expense	4,515,121
Net Loss	$ (2,331,971)

See accompanying notes

Barre Midco, LLC
Consolidated Statement of Changes to Member's Equity

	Member's Contribution	Accumulated Deficit	Total Member's Equity
Balance at January 1, 2018	$ 76,345,987	$ (1,806,949)	$ 74,539,038
Cash contribution from member	875,783	—	875,783
Incentive unit-based compensation	386,591	—	386,591
Distributions to member	(171,872)	—	(171,872)
Net loss	—	(2,331,971)	(2,331,971)
Balance at October 24, 2018	$ 77,436,489	$ (4,138,920)	$ 73,297,569

See accompanying notes

Barre Midco, LLC
Consolidated Statement of Cash Flows

	January 1, 2018 to October 24, 2018
Cash Flows from Operating Activities:	
Net loss	$ (2,331,971)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Depreciation and amortization	3,060,518
Incentive unit-based compensation	386,591
Loss (gain) on sale of asset	(840)
Interest expense	594,665
Changes in assets and liabilities:	
Accounts receivable	655,452
Inventories	347,963
Prepaid expenses	10,235
Accounts payable	(765,035)
Accrued expenses	1,844,994
Deferred revenue	(226,481)
Other assets	5,854
Other liabilities	1,067
Net cash provided by operating activities	3,583,012
Cash Flows from Investing Activities:	
Proceeds from disposal of property and equipment	708
Purchases of property and equipment	(25,648)
Net cash used in investing activities	(24,940)
Cash Flows from Financing Activities:	
Member capital contributions	875,783
Distributions to member	(171,872)
Payments of long-term debt	(450,000)
Net cash provided by financing activities	253,911
Increase in cash and cash equivalents	3,811,983
Cash and cash equivalents, beginning of period	909,241
Cash and cash equivalents, end of period	$ 4,721,224
Supplemental disclosure of cash flow information:	
Cash paid for interest	$ 3,524,019

See accompanying notes

Barre Midco, LLC
Notes to the Consolidated Financial Statements

Note 1—Nature of Business and Operations

Barre Midco, LLC (the "Company") and its wholly owned subsidiaries, Pure Barre Franchising, LLC and Pure Barre Product, LLC, were reorganized on May 1, 2015 as Delaware limited liability companies. The Company sells franchises under the name "Pure Barre." The Pure Barre concept is a dance based cardio facility where club members have access to classes that concentrate on a combination of personal training, and movement-based techniques. The Company holds the license agreement for studios sold under the franchise agreement. In addition to franchised studios, the Company operates 13 Company-owned studios as of October 24, 2018.

On October 25, 2018 Xponential Fitness LLC ("the Member"), a wholly owned subsidiary of H&W Franchise Holdings LLC, acquired Barre Holdco and its wholly owned subsidiaries, including Barre Midco, LLC. See Note 3 – Business Combination for further details. Accordingly, the accompanying financial statements present the period from January 1, 2018 to October 24, 2018.

Basis of presentation—The Company's consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("US GAAP").

Principles of consolidation—The consolidated financial statements include the accounts of Barre Midco, LLC and its wholly owned subsidiaries. All intercompany transactions have been eliminated in consolidation.

Use of estimates—The preparation of the consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the consolidated financial statements. Actual results could differ from these estimates under different assumptions or conditions.

Note 2 – Summary of Significant Accounting Policies

Cash and cash equivalents—The Company considers all highly liquid investments with an original maturity of ninety days or less to be cash equivalents.

Concentration of credit risk—Financial instruments which potentially subject the Company to concentrations of credit risk consist primarily of cash and accounts receivable. The Company maintains its cash with high-credit quality financial institutions. The Company has not experienced any loss as a result of these or previous similar deposits. In addition, the Company closely monitors the extension of credit to its franchisees while maintaining allowances for potential credit losses.

Property and equipment, net—Property and equipment are carried at cost less accumulated depreciation. Depreciation is recognized on a straight-line method, based on the following estimated useful lives:

Furniture and equipment	5 years
Computers	3 years
Leasehold improvements	1-3 years or remaining lease term if shorter

The cost and accumulated depreciation of assets sold or retired are removed from the accounts and any gain or loss is included in the results of operations during the period of sale or disposal. Repair and maintenance costs and depreciation expense was approximately $97,000 and $332,000, respectively, for the period from January 1, 2018 to October 24, 2018.

Barre Midco, LLC
Notes to the Consolidated Financial Statements

Goodwill and intangible assets—Intangible assets consist of goodwill, trademarks, franchise agreements, a noncompete agreement and deferred DVD costs.

The Company tests for impairment of goodwill annually or sooner whenever events or circumstances indicate that goodwill might be impaired. The goodwill impairment test is a two-step process, whereby in the first step, the Company compares the estimated fair value with the carrying amount, including goodwill. The Company generally determines the estimated fair value using a discounted cash flow approach, giving consideration to the market valuation approach. If the carrying amount exceeds the fair value, the Company performs the second step of the impairment test to determine the amount of impairment, if any.

The Company tests for impairment of trademarks annually or sooner whenever events or circumstances indicate that trademarks might be impaired. The Company determines the estimated fair value using a relief from royalty approach and compares the fair value to the carrying amount. If the carrying amount exceeds the fair value, the Company impairs the trademarks to their fair value.

Definite-lived intangible assets—Intangible assets consisting of trademarks, franchise agreements and noncompete agreement are amortized using the straight-line method over the estimated remaining economic lives. Amortization of deferred DVD costs is recognized using the individual-film-forecast computation method, which is based on the ratio that current period actual DVD and streaming content revenues bears to estimated total remaining unrecognized ultimate revenue as of the beginning of the current period. Amortization expense related to intangible assets is included in general and administrative expense. The recoverability of the carrying values of all intangible assets with finite lives is evaluated when events or changes in circumstances indicate an asset's value may be impaired. Impairment testing is based on a review of forecasted undiscounted operating cash flows. If such analysis indicates that the carrying value of these assets is not recoverable, the carrying value of such assets is reduced to fair value, which is determined based on discounted future cash flows, through a charge to the statement of operations. No definite-lived intangible asset impairment was recorded for the period from January 1, 2018 to October 24, 2018. Amortization expense was approximately $2,728,000 for the period from January 1, 2018 to October 24, 2018.

Deferred revenue and revenue recognition—Revenues are recognized when all of the following criteria are met: persuasive evidence of an arrangement exists, services have been rendered and the Company has no significant remaining obligations, prices are fixed or determinable and collectability is reasonably assured. Each of the Company's primary types of revenue and their respective revenue policies are discussed further below.

Franchise revenue includes the following:

Franchise development fee revenue – The Company's franchise agreements typically operate under five-year franchise agreements with the option to renew for up to two additional five-year successor terms. Initial franchise fees are recorded as deferred revenue when received and are recognized as revenue upon completion of the Company's teaching of the proprietary exercise technique to the franchisees utilizing the Pure Barre workout method, the point at which the Company has substantially performed its obligations. The Company may enter into area development agreements, which typically operate under five-year agreements with the option to renew for up to two additional five-year successor terms. Area development agreements are for a territory in which a developer has agreed to develop and operate a certain number of franchise clubs over a stipulated period of time. The related territory is unavailable to any other party and is no longer marketed by the Company.

Depending on the number of units purchased, under franchise agreements or area development agreements, the initial franchise fee ranges from $46,500 (single unit) to $300,000 (ten units) and is paid to the Company when a franchisee signs the franchise agreement. In return for the initial franchise development fee, the Company provides site location assistance, training and other services.

Barre Midco, LLC
Notes to the Consolidated Financial Statements

Franchise royalty fee revenue—Royalty revenue represents royalties earned from each of the franchisees in accordance with the franchise disclosure document and the franchise agreement for use of the "Pure Barre" name, processes, and procedures. The royalty rate in the franchise agreement is typically 7% of the gross sales of each location operated by each franchisee. Royalty fee revenue is recognized when earned and is payable to the Company weekly when the weekly sales are reported by the franchisees.

Training revenue —The Company offers an instructor training program. This nonrefundable program fee includes training and materials and is recognized as revenue over the period of the training program.

Franchise marketing fund revenue includes the following:

Marketing fund fees—Franchisees are required to pay marketing fees of 2% of gross sales from each franchisee location. The marketing fees are collected by the Company and are considered restricted and used for the advertising, marketing, market research, product development, public relations programs and materials deemed appropriate. Marketing fund expenses are recognized as incurred, and excess expenditures are reclassified as advertising expense.

Merchandise revenue includes the following:

Product and merchandise sales—The Company sells branded products and merchandise through its online website, as well as in its company-owned studios. Revenue from product and merchandise sales are recognized on a gross basis when risk of loss and title of the product passes to the franchisee, typically at the time of delivery.

Other service revenue includes the following:

Service revenue—In addition to selling merchandise as discussed above, the Company-owned studios also sell Pure Barre classes and class packages. Revenue from the sales of classes and class packages for a limited number of classes are recognized as the classes are provided to the customers. Revenues from sales of classes and class packages for an unlimited number of classes are recognized ratably over the duration of the period.

On-demand revenue—The Company offers web-based classes with monthly or annual subscription packages. Revenue is recognized over the subscription period.

Shipping and handling fees – Shipping and handling fees billed to customers are recorded in net revenues. The costs associated with shipping goods to customers are included in selling, general and administrative expenses.

Costs of product revenue—Costs of product revenue consists of cost of merchandise and related freight charges. Costs of product revenue excludes depreciation and amortization.

Costs of service revenue—Costs of service revenue consists of travel and personnel expenses related to the on-site training provided to the franchisees. Costs of service revenue excludes depreciation and amortization.

Advertising costs—Advertising costs are expensed as incurred. Advertising expenses are included in selling, general and administrative expenses. The Company had approximately $494,000 of advertising costs for the period from January 1, 2018 to October 24, 2018.

Selling, general and administrative expenses—Selling, general and administrative expenses primarily consist of salaries and wages, professional and legal fees, occupancy expenses, management fees, travel expenses, and conference expenses.

Barre Midco, LLC
Notes to the Consolidated Financial Statements

Marketing fund expenses—Marketing fund expenses are recognized as incurred, and any marketing fund expenditures in excess of marketing fund fees are reclassified as selling, general and administrative expenses in the accompanying consolidated statement of operations.

Acquisition and transaction expenses—Acquisition and transaction expenses include costs directly related to the acquisition of the Company by the Member, which include expenditures for advisory, legal, valuation, accounting and similar services.

Income taxes—As a single member LLC, the Company is considered a disregarded entity and the results of its operations will be filed with the Member's federal and state income tax returns. As such, the Company itself is typically not subject to an income tax liability as the taxable income or loss of the Company is passed through to the Member. Therefore, no liability for federal income taxes has been included in the consolidated financial statements. The Company accounts for uncertain tax positions in accordance with Accounting Standards Codification ("ASC") 740. ASC Topic 740 prescribes a recognition threshold and measurement process for accounting for uncertain tax positions and also provides guidance on various related matters such as derecognition, interest, penalties, and required disclosures. The Company does not have any uncertain tax positions.

Comprehensive Income—The Company does not have any components of other comprehensive income recorded within its consolidated financial statements and, therefore does not separately present a statement of comprehensive income in its consolidated financial statements.

Recently issued accounting pronouncements—

Revenue recognition—In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU")No. 2014-09, "Revenue from Contracts with Customers (Topic 606)." This new standard provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes the revenue recognition requirements in ASC Topic 605, "Revenue Recognition," and most industry-specific guidance. The core principle of the new guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services, which could potentially result in changes in the amount and timing of revenue recognition for certain transactions. The new guidance allows for either a "full retrospective" or a "modified retrospective" method of application and also requires significantly expanded disclosures regarding the nature, amount, timing and uncertainty of revenue recognition. In August 2015, the FASB issued ASU No. 2015-14, "Revenue from Contracts with Customers (Topic 606), Deferral of the Effective Date," which defers the effective date of ASU No. 2014-09 for all entities by one year. The Company will adopt the new revenue guidance under ASC 606 on January 1, 2019 using the full retrospective transition method.

In April 2016, the FASB issued ASUNo. 2016-10, "Revenue from Contracts with Customers (Topic 606), Identifying Performance Obligations and Licensing," and in May 2016, the FASB issued ASU 2016-12, "Revenue from Contracts with Customers (Topic 606), Narrow-Scope Improvements and Practical Expedients," both of which are amendments to ASU 2014-09.These amendments do not change the core principle of the guidance in Topic 606 or the revised effective date, but instead address certain issues and clarify certain aspects of the implementation guidance in Topic 606. Management determined that the adoption of ASC Topic 606 will have a material impact on the consolidated financial statements.

Accounting for leases—In February 2016, the FASB issued ASUNo. 2016-02, "Leases (Topic 842)." This new topic, which supersedes Topic 840, "Leases," applies to all entities that enter into a contract that is or

contains a lease, with some specified scope exemptions. This new standard requires lessees to evaluate whether a lease is a finance lease using criteria similar to those a lessee uses under current accounting guidance to determine whether it has a capital lease. Leases that do not meet the criteria for classification as finance leases by a lessee are to be classified as operating leases.

Under the new standard, for each lease classified as an operating lease, lessees are required to recognize on the balance sheet: (i) a right-of-use ("ROU") asset representing the right to use the underlying asset for the lease term and (ii) a lease liability for the obligation to make lease payments over the lease term. Lessees can make an accounting policy election, by class of underlying asset, to not recognize ROU assets and lease liabilities for leases with a lease term of 12 months or less as long as the leases do not include options to purchase the underlying assets that the lessee is reasonably certain to exercise. This standard also requires an entity to disclose key information (both qualitative and quantitative) about the entity's leasing arrangements. For nonpublic companies, this new standard is effective for fiscal years beginning after December 15, 2020, with early adoption permitted. Upon adoption, entities are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach, which includes a number of optional practical expedients that entities may elect to apply. Management is currently evaluating the impact of this new guidance on its consolidated financial statements.

Goodwill – In January 2017, the FASB issued ASU2017-04, Intangibles – Goodwill and Other (Topic 350). This ASU simplifies the subsequent measurement of goodwill. FASB eliminated the Step 2 analysis from the goodwill impairment test which is meant to reduce the cost and complexity of evaluating goodwill for impairment. The ASU will take effect for fiscal years beginning after December 15, 2022 for private companies. The Company has yet to determine if this ASU will be material to the financial statements.

Fair value measurements – ASC 820, *Fair Value Measurements and Disclosures,* applies to all financial assets and financial liabilities that are measured and reported on a fair value basis and requires disclosure that establishes a framework for measuring fair value and expands disclosure about fair value measurements. ASC 820 establishes a valuation hierarchy for disclosures of the inputs to valuations used to measure fair value.

This hierarchy prioritizes the inputs into three broad levels as follows:

Level 1 – Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 – Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (i.e., interest rates and yield curves), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

Level 3 – Unobservable inputs that reflect assumptions about what market participants would use in pricing the asset or liability. These inputs would be based on the best information available, including the Company's own data.

Subsequent events – Subsequent events are events or transactions that occur after the balance sheet date but before consolidated financial statements are issued. The Company recognizes in the consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the balance sheet date, including the estimates inherent in the process of preparing the financial statements.

Barre Midco, LLC
Notes to the Consolidated Financial Statements

The Company's consolidated financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the balance sheet but arose after the consolidated balance sheet date and before the consolidated financial statements are issued.

The Company has evaluated subsequent events through February 12, 2020, which is the date the consolidated financial statements were available to be issued.

Note 3 – Contingencies and Litigation

Certain facilities are leased under operating leases expiring at various dates. Total expense for all operating leases was approximately $1,259,000 for the period from January 1, 2018 to October 24, 2018. Future minimum lease payments for the years ending December 31 were as follows:

2019	$ 889,172
2020	787,404
2021	623,784
2022	502,022
2023	415,242
Thereafter	22,845
Total obligations	$ 3,240,469

The Company is subject to normal and routine litigation brought by former or current employees, customers, franchisees, vendors, landlords or others. The Company intends to defend itself in any such matters. The Company believes that the ultimate determination of liability in connection with legal claims pending against it, if any, will not have a material adverse effect on its business, annual results of operations, liquidity or financial position; however, it is possible that the Company's business, results of operations, liquidity, or financial condition could be materially affected in a particular future reporting period by the unfavorable resolution of one or more matters or contingencies during such period.

Note 4 – Debt

On June 11, 2015, the Company entered into a credit agreement with various financial institutions, under which the Company can borrow an aggregate principal amount of $65,000,000 in the form of: (i) a term loan not to exceed $60,000,000 and (ii) revolving loans not to exceed $5,000,000. On March 30, 2018, the credit agreement was amended to reduce revolving loans to an aggregate principal not to exceed $1,000,000. Borrowings under the term loan and revolving loans carry an interest rate of LIBOR plus 7%. During the period from January 1, 2018 through October 24, 2018, the Company recorded interest expense of approximately $4,515,000, including amortization of debt issuance costs of approximately $595,000. The outstanding balance under the credit agreement of approximately $52,691,000, including accrued interest, was repaid in connection with the acquisition (Note 1).

Note 5 – Related Party Transactions

On May 1, 2015, the Company, through its wholly owned subsidiary, entered into a management services agreement with an affiliate of Barre Holdco. For the period from January 1, 2018 through October 24, 2018, the affiliate waived the management services fee and charged the Company approximately $30,000 for reimbursement of travel expenses, which were included in selling, general and administrative expenses in the consolidated statement of operations.

Shares

Xponential Fitness, Inc.

Class A Common Stock

PROSPECTUS

BofA Securities

Goldman Sachs & Co. LLC

Jefferies

, 2020

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

	Amount to Be Paid
Securities and Exchange Commission registration fee	$ *
Financial Industry Regulatory Authority, Inc. filing fee	*
Exchange listing fee	*
Transfer agent's fees	*
Printing and engraving expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Blue Sky fees and expenses	*
Miscellaneous	*
Total	$

* To be completed by amendment.

Each of the amounts set forth above, other than the Securities and Exchange Commission registration fee and the Financial Industry Regulatory Authority, Inc. filing fee, is an estimate.

Item 14. Indemnification of Directors and Officers

Section 145 of the Delaware General Corporation Law, or DGCL, provides that a corporation may indemnify directors and officers as well as other employees and individuals against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any threatened, pending or completed actions, suits or proceedings in which such person is made a party by reason of such person being or having been a director, officer, employee or agent to the Registrant. The DGCL provides that Section 145 is not exclusive of other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise. The Registrant's bylaws provide for indemnification by the Registrant of its directors, officers and employees to the fullest extent permitted by the DGCL. The Registrant has entered into indemnification agreements with each of its current directors and executive officers to provide these directors and executive officers additional contractual assurances regarding the scope of the indemnification set forth in the Registrant's certificate of incorporation and bylaws and to provide additional procedural protections. There is no pending litigation or proceeding involving a director or executive officer of the Registrant for which indemnification is sought.

Section 102(b)(7) of the DGCL permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) for unlawful payments of dividends or unlawful stock purchases, redemptions or other distributions or (iv) for any transaction from which the director derived an improper personal benefit. The Registrant's certificate of incorporation provides for such limitation of liability.

The Registrant maintains standard policies of insurance under which coverage is provided (a) to its directors and officers against loss rising from claims made by reason of breach of duty or other wrongful act and (b) to the Registrant with respect to payments which may be made by the Registrant to such officers and directors pursuant to the above indemnification provision or otherwise as a matter of law.

The proposed form of underwriting agreement filed as Exhibit 1.1 to this registration statement provides for indemnification of directors and officers of the Registrant by the underwriters against certain liabilities.

Item 15. Recent Sales of Unregistered Securities

On January 23, 2020, the Registrant issued 1,000 shares of its Class A common stock to H&W Franchise Holdings LLC for $1.00. The issuance of such shares of Class A common stock was not registered under the Securities Act of 1933, as amended, or the Securities Act, because the shares were offered and sold in a transaction exempt from registration under Section 4(a)(2) of the Securities Act.

The following sets forth information regarding securities sold or issued by the predecessors to the Registrant in the three years preceding the date of this registration statement. No underwriters were involved in these sales. There was no general solicitation of investors or advertising, and we did not pay or give, directly or indirectly, any commission or other remuneration, in connection with the offering of these shares. In each of the transactions described below, the recipients of the securities represented their intention to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were affixed to the securities issued in these transactions.

LLC Unit Issuances

(1) In August 2017, H&W Franchise Holdings LLC was created and issued one unit to its sole member.

(2) On September 26, 2017, H&W Franchise Holdings issued 989,977.6 Class A-1, Class A-2 and Class B units to its Class A-1, Class A-2 and Class B members in exchange for their interests in Club Pilates Franchise, LLC. These units were issued to a limited number of investors, all of which had sufficient knowledge and experience in financial and business matters to make them capable of evaluating the merits and risks of the investment.

(3) On September 26, 2017, H&W Franchise Holdings LLC issued 110,375.9 Class A-1 units to one entity as consideration for its interests in St. Gregory Holdco, LLC.

(4) On December 8, 2017, H&W Franchise Holdings LLC issued 2,266.7 Class A-1 units to one entity as consideration for its interest in certain assets relating to the operation of fitness studios operating under the “Row House” trade name.

(5) On March 22, 2018, H&W Franchise Holdings LLC issued 3,798.9 Class A-1 units to one entity as consideration for its interests in certain assets utilized by certain fitness studios using the “AKT in Motion” and “AKT On Demand” trade names.

(6) On July 31, 2018, H&W Franchise Holdings LLC issued 5,716.9 Class A-1 units to one entity as consideration for its interests in certain assets relating to the operation of fitness studios operating under the “Yoga Six” trade name.

(7) On October 25, 2018, H&W Franchise Holdings LLC issued 159,306.1 Class A-3 units to one entity as consideration for its interests in Barre Holdco, LLC.

(8) On February 12, 2020, H&W Franchise Holdings LLC issued 5,000,000 of its Class A-4 Units to one entity at a purchase price of $10 per unit for an aggregate purchase price of $50 million.

The offers, sales and issuances of the securities described in (1) through (8) above were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act or Rule 506 thereunder as transactions by an issuer not involving any public offering. The recipients in each of these transactions acquired the securities for investment only and not with a view to or for sale in connection with any distribution thereof.

Profits Interest Plan Grants

(9) On September 26, 2017, H&W Franchise Holdings LLC granted an aggregate of 52,469.5 Class B units to three employees pursuant to its Profits Interest Plan.

(10) On February 27, 2018, H&W Franchise Holdings LLC granted an aggregate of 1,215.0 Class B units to one employee pursuant to its Profits Interest Plan.

(11) On October 24, 2018, H&W Franchise Holdings LLC granted an aggregate of 85,173.3 Class B units to nine employees pursuant to its Profits Interest Plan.

(12) On October 25, 2018, H&W Franchise Holdings LLC granted an aggregate of 25,515.0 Class B units to two employees pursuant to its Profits Interest Plan.

(13) On May 30, 2019, H&W Franchise Holdings LLC granted 1,215.0 Class B units to one board member pursuant to its Profits Interest Plan.

(14) On October 1, 2019, H&W Franchise Holdings LLC granted 25,500 Class B units to three employees pursuant to its Profits Interest Plan.

(15) On May 14, 2019, H&W Franchise Holdings LLC granted 1215.1 Class B units to one employee pursuant to its Profits Interest Plan.

The offers, sales and issuances of the securities described in (9) through (15) above were deemed to be exempt from registration either under Rule 701 promulgated under the Securities Act as transactions under compensatory benefit plans and contracts relating to compensation, or under Section 4(a)(2) transactions between an issuer and members of its senior executive management that did not involve any public offering within the meaning of Section 4(a)(2) of the Securities Act. The recipients of such securities were our employees, directors, or consultants and received the securities under the Registrant's Profits Interest Plan. Appropriate legends were affixed to the securities issued in these transactions.

Item 16. Exhibits and Financial Statement Schedules

(a) The following exhibits are filed as part of this registration statement:

Exhibit Number	Description
1*	Form of Underwriting Agreement
3.1	Certificate of Incorporation of Xponential Fitness, Inc., as currently in effect
3.2*	Form of Amended and Restated Certificate of Incorporation of Xponential Fitness, Inc., to be in effect upon the pricing of this offering
3.3	Bylaws of Xponential Fitness, Inc., as currently in effect
3.4*	Form of Amended and Restated Bylaws of Xponential Fitness, Inc., to be in effect upon the pricing of this offering
4.1*	Form of Class A Common Stock Certificate
5.1*	Opinion of Davis Polk & Wardwell LLP
10.1	Lease for facilities at 17877 Von Karman, Irvine, California dated as of November 16, 2017
10.2	Second Amended Monroe Credit Agreement dated as of October 25, 2018 among Xponential Fitness LLC and St. Gregory Holdco, as Borrowers, the other loan parties thereto and the lenders party thereto

Exhibit Number	Description
10.3	Second Amendment and Waiver to Second Amended and Restated Credit Agreement
10.4	Third Amendment to Second Amended and Restated Credit Agreement
10.5+	Management Services Agreement dated as of September 29, 2017 by and between H&W Franchise Holdings and TPG Growth III Management, LLC
10.6+	Assignment, Assumption, Waiver and Release Agreement dated as of June 28, 2018 by and among TPG Growth III Management, LLC, H&W Franchise Holdings LLC and H&W Investco, L.P.
10.7+	Consulting Agreement dated as of June 30, 2018 by and between H&W Investco Management, LLC and Anthony Geisler
10.8*	Form of Amended and Restated Xponential Fitness LLC Operating Agreement
10.9*	Form of Tax Receivable Agreement with the Continuing Pre-IPO LLC Members and the Reorganization Parties
10.10*	Form of Registration Rights Agreement
10.11+	Employment Agreement with Anthony Geisler dated as of September 26, 2017
10.12+	Employment Agreement with John Meloun dated as of June 18, 2018
10.13+	Employment Agreement with Megan Moen dated as of September 26, 2017
10.14+	First Amended and Restated Profits Interest Plan of H&W Franchise Holdings, LLC dated as of June 27, 2018
10.15+	Club Pilates Franchise, LLC First Amended and Restated Phantom Equity Plan
10.16+	CycleBar Holdco, LLC First Amended and Restated Phantom Equity Plan
21.1	Subsidiaries of the Registrant
23.1*	Consent of Deloitte & Touche LLP, Independent Registered Public Accounting Firm
23.2*	Consent of Davis Polk & Wardwell LLP (included in Exhibit 5)
24.1*	Power of Attorney (included on signature page)

* To be filed by amendment.
\+ Indicates management contract or compensatory plan.

(b) The following financial statement schedule is filed as part of this registration statement:

Item 17. Undertakings

The undersigned registrant hereby undertakes:

(a) The undersigned registrant hereby undertakes to provide to the underwriter at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser.

(b) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions referenced in Item 14 of this registration statement, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer, or controlling person of the registrant in the

successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered hereunder, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(c) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Irvine, State of CA, on the day of , 2020.

Xponential Fitness, Inc.

By: _____
Name: Anthony Geisler
Title: Chief Executive Officer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Anthony Geisler, John Meloun and each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement and any and all additional registration statements pursuant to Rule 462(b) of the Securities Act of 1933, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto each said attorney-in-fact and agents full power and authority to do and perform each and every act in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or either of them or their or his or her substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
_____ Anthony Geisler	Chief Executive Officer (principal executive officer)	, 2020
_____ John Meloun	Chief Financial Officer (principal financial officer and principal accounting officer)	, 2020
_____ Mark Grabowski	Director	, 2020
_____ Marc Magliacano	Director	, 2020
_____ Brenda Morris	Director	, 2020

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "XPONENTIAL FITNESS, INC.", FILED IN THIS OFFICE ON THE FOURTEENTH DAY OF JANUARY, A.D. 2020, AT 7:56 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE KENT COUNTY RECORDER OF DEEDS.

Jeffrey W. Bullock, Secretary of State

7800154 8100
SR# 20200283347

Authentication: 202203815
Date: 01-16-20

You may verify this certificate online at corp.delaware.gov/authver.shtml

State of Delaware
Secretary of State
Division of Corporations
Delivered 07:56 PM 01/14/2020
FILED 07:56 PM 01/14/2020
SR 20200283347 - File Number 7800154

CERTIFICATE OF INCORPORATION

OF

XPONENTIAL FITNESS, INC.

FIRST: The name of this corporation is Xponential Fitness, Inc.

SECOND: Its Registered Office in the State of Delaware is to be located at 9 E. Loockermann Street, Suite 311, in the City of Dover, County of Kent 19901. The Registered Agent in charge thereof is Registered Agent Solutions, Inc.

THIRD: The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of Delaware.

FOURTH: The amount of the total authorized capital stock of this corporation is One Thousand (1000) shares with a par value of $0.0001 per share.

FIFTH: The name and mailing address of the incorporator is as follows:

Nancy Nguyen
c/o Buchalter
1000 Wilshire Boulevard, Suite 1500
Los Angeles, California 90017

SIXTH: This corporation is to have perpetual existence.

SEVENTH: In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to adopt, amend or repeal the bylaws of this corporation.

EIGHTH: Election of directors need not be by written ballot unless the bylaws of this corporation shall so provide.

NINTH: No director shall be personally liable to the corporation or its stockholders for monetary damages for any breach of fiduciary duty by such director as a director. Notwithstanding the foregoing sentence, a director shall be liable to the extent provided by applicable law (i) for breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the Delaware General Corporation Law or (iv) for any transaction from which the director derived an improper personal benefit. No amendment to or repeal of this Article NINTH shall apply to or have any effect on the liability or alleged liability of any director of the corporation for or with respect to any acts or omissions of such director occurring prior to such amendment.

TENTH: The corporation shall, to the fullest extent permitted by Section 145 of the General Corporation Law of the State of Delaware, as the same may be amended and

supplemented, indemnify any and all persons whom it shall have power to indemnify under said Section from and against any and all of the expenses, liabilities or other matters referred to or covered by said Section, and the indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

The undersigned, for purpose of forming a corporation pursuant to the General Corporation Law of the State of Delaware, hereby affirms and acknowledges under penalty of perjury that this Certificate of Incorporation is his act and deed and that the facts herein stated are true.

Dated: January 14, 2020

/s/ Nancy Nguyen
Nancy Nguyen
Incorporator

XPONENTIAL FITNESS, LLC
17877 VON KARMAN AVE, SUITE 100
IRVINE, CA 92614

January 14, 2020

Delaware Division of Corporation
401 Federal Street — Suite 4
Dover, DE 19901

Re: Xponential Fitness, Inc.

To Whom it May Concern:

The undersigned, Xponential Fitness, LLC, a Delaware Limited Liability Company, hereby grants permission and consent to the use of the name XPONENTIAL FITNESS, INC. upon the filing of the Certificate of Incorporation in the State of Delaware.

Very truly yours,

XPONENTIAL FITNESS, LLC

By: /s/ Megan Moen
Name: Megan Moen
Title: Executive Vice President of Finance

BYLAWS

OF

XPONENTIAL FITNESS, INC.

A Delaware Corporation

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BYLAWS OF

XPONENTIAL FITNESS, INC.
(A Delaware Corporation)

ARTICLE I

OFFICES

Section 1. *Registered Office.*

The registered office of the corporation shall be established and maintained by the Board of Directors within the State of Delaware. The Board of Directors is hereby granted full power and authority to change said registered office from one location to another. Said registered office may, but need not be, the same as its principal place of business.

Section 2. *Other Offices.*

Other business offices may at any time be established at any place or places within or without the State of Delaware as specified by the Board of Directors.

ARTICLE II

MEETINGS OF STOCKHOLDERS

Section 1. *Place of Meetings.* All meetings of the stockholders shall be held at the principal registered office of the corporation or at any other place within or without the State of Delaware specified by the Board of Directors and stated in the notice of meeting or in a duly executed waiver thereof.

Section 2. *Annual Meeting.* The annual meeting of the stockholders shall be held at the time and date in each year fixed by the Board of Directors. At the annual meeting directors shall be elected, reports of the affairs of the corporation shall be considered, and any other business may be transacted that is within the power of the stockholders.

Section 3. *Special Meetings.* Subject to the rights of the holders of any class or series of Preferred Stock, special meetings of stockholders, unless otherwise prescribed by statute, may only be called, at any time, by the Board of Directors or the Chairman of the Board, if one shall have been elected.

Section 4. *Notice of Meetings.* Except as otherwise expressly required by statute, written notice of each annual and special meeting of stockholders stating the date, place and hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each stockholder of record entitled to vote thereat not less than ten nor more than sixty days before the

date of the meeting. Notice shall be given personally or by mail and, if by mail, shall be sent in a postage prepaid envelope, addressed to the stockholder at his address as it appears on the records of the Corporation. Notice by mail shall be deemed given at the time when the same shall be deposited in the United States mail, postage prepaid. Notice may also be given by the corporation in the form of electronic transmission if consented to by the stockholder to whom the notice is given. Notice of any meeting shall not be required to be given to any person who attends such meeting, except when such person attends the meeting in person or by proxy for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, or who, either before or after the meeting, shall submit a signed written waiver of notice, in person or by proxy. Neither the business to be transacted at, nor the purpose of, an annual or special meeting of stockholders need be specified in any written waiver of notice.

Section 5. *List of Stockholders.* The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten days before each meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, showing the address of and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city, town or village where the meeting is to be held, which place shall be specified in the notice of meeting, or, if not specified, at the place where the meeting is to be held, or on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting . The list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

Section 6. *Quorum, Adjournments.* The holders of a majority of the voting power of the issued and outstanding stock of the Corporation entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of stockholders, except as otherwise provided by statute or by the Certificate of Incorporation. If, however, such quorum shall not be present or represented by proxy at any meeting of stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented by proxy. At such adjourned meeting at which a quorum shall be present or represented by proxy, any business may be transacted which might have been transacted at the meeting as originally called. If the adjournment is for more than thirty days, or, if after adjournment a new record date is set, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 7. *Organization.* At each meeting of stockholders, the Chairman of the Board, if one has been elected or, in his absence or if one has not been elected, the President shall act as chairman of the meetings. The Secretary or, in his absence or inability to act, the person whom the chairman of the meeting shall appoint secretary of the meeting shall act as secretary of the meeting and keep the minutes thereof.

Section 8. *Order of Business.* The order of business at all meetings of the stockholders shall be as determined by the chairman of the meeting.

Section 9. *Voting.* Except as otherwise provided by statute or the Certificate of Incorporation, each stockholder of the Corporation shall be entitled at each meeting of stockholders to one vote for each share of capital stock of the Corporation standing in his name on the record of stockholders of the Corporation:

(a) on the date fixed pursuant to the provisions of Section 7 of Article V of these bylaws as the record date for the determination of the stockholders who shall be entitled to notice of and to vote at such meeting; or

(b) if no such record date shall have been so fixed, then at the close of business on the day next preceding the day on which notice thereof shall be given, or, if notice is waived, at the close of business on the date next preceding the day on which the meeting is held.

Each stockholder entitled to vote at any meeting of stockholders may authorize another person or persons to act for him by a proxy signed by such stockholder or his attorney-in-fact, but no proxy shall be voted after three years from its date, unless the proxy provides for a longer period. Any such proxy shall be delivered to the secretary of the meeting at or prior to the time designated in order of business for so delivering such proxies. When a quorum is present at any meeting, the vote of the holders of a majority of the voting power of the issued and outstanding stock of the Corporation entitled to vote thereon, present in person or represented by proxy, shall decide any question brought before such meeting, unless the question is one upon which by express provision of statute or of the Certificate of Incorporation or of these bylaws, a different vote is required, in which case such express provision shall govern and control the decision of such question. Unless required by statute, or determined by the chairman of the meeting to be advisable, the vote on any question need not be by ballot. On a vote by ballot, each ballot shall be signed by the stockholder voting, or by his proxy, if there by such proxy, and shall state the number of shares voted.

Section 10. *Inspectors.* The Board of Directors may, in advance of any meeting of stockholders, appoint one or more inspectors to act at such meeting or any adjournment thereof. If any of the inspectors so appointed shall fail to appear or act, the chairman of the meeting shall, or if inspectors shall not have been appointed, the chairman of the meeting may, appoint one or more inspectors. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his ability. The inspectors shall determine the number of shares of capital stock of the Corporation outstanding and the voting power of each, the number of shares represented at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the results, and do such acts as are proper to conduct the election or vote with fairness to all stockholders. On request of the chairman of the meeting, the inspectors shall make a report in writing of any challenge, request or matter determined by them and shall execute a certificate of any fact found by them. No director or candidate for the office of director shall act as an inspector of an election of directors. Inspectors need not be stockholders.

Section 11. *Action Without a Meeting.* Unless otherwise provided in the Certificate of Incorporation, any action required to be taken at any annual or special meeting of stockholders of the corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing. Every written consent shall bear the date of signature of each stockholder who signs the consent, and no written consent shall be effective to take the corporate action referred to therein unless, within 30 days of the earliest dated consent delivered to the Corporation, written consents signed by a sufficient number of holders to take such action are delivered to the Corporation.

ARTICLE III

BOARD OF DIRECTORS

Section 1. *General Powers.* The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The Board of Directors may exercise all such authority and powers of the Corporation and do all such lawful acts and things as are not by statute or the Certificate of Incorporation directed or required to be exercised or done by the stockholders.

Section 2. *Number, Election and Term of Office.* Subject to restrictions set forth in the Corporation's Certificate of Incorporation, as it may be amended or restated, and in accordance with the provisions of any written, agreement of the stockholders, the Board of Directors shall consist of between two (2) and nine (9) members. The number of directors constituting the initial Board of Directors shall be two (2). Thereafter, the number of directors may be fixed, from time to time, by the affirmative vote of a majority of the entire Board of Directors. Any decrease in the number of directors shall be effective at the time of the next succeeding annual meeting of stockholders unless there shall be vacancies in the Board of Directors, in which case such decrease may become effective at any time prior to the next succeeding annual meeting to the extent of the number of such vacancies. Directors need not be stockholders. Directors shall be elected annually by the stockholders. Directors shall be elected by a plurality of the votes of the shares present and entitled to vote on the election of directors at a meeting of the stockholders or in accordance with Article 2 Section 11 of these bylaws. Each director shall hold office until his successor shall have been elected and qualified, or until his death, or until he shall have resigned, or have been removed.

Section 3. *Place of Meetings.* Meetings of the Board of Directors shall be held at such place or places, within or without the State of Delaware, as the Board of Directors may from time to time determine or as shall be specified in the notice of any such meeting.

Section 4. *Annual Meeting.* The Board of Directors shall meet for the purpose of organization, the election of officers and the transaction of other business, as soon as practicable after each annual meeting of stockholders, on the same day and at the same place where such

annual meeting shall be held. Notice of such meeting need not be given. In the event such annual meeting is not so held, the annual meeting of the Board of Directors may be held at such other time or place (within or without the State of Delaware) as shall be specified in a notice thereof given as hereinafter provided in Section 7 of this Article III.

Section 5. *Regular Meetings.* Regular meetings of the Board of Directors shall be held at such time and place as the Board of Directors may fix. If any day fixed for the regular meeting shall be a legal holiday at the place where the meeting is to be held, then the meeting which would otherwise be held on that day shall be held at the same hour on the next succeeding business day. Notice of regular meetings of the Board of Directors need not be given except as otherwise required by statute or these bylaws.

Section 6. *Special Meetings.* Special meetings of the Board of Directors may be called by the Chairman of the Board, if one shall have been elected, or by two or more directors of the Corporation or by the President.

Section 7. *Notice of Meetings.* Notice of each special meeting of the Board of Directors (and of each regular meeting for which notice shall be required) shall be given by the Secretary as hereinafter provided in this Section 7, in which notice shall be stated the time and place of the meeting. Except as otherwise required by these bylaws, such notice need not state the purposes of such meeting. Notice of each such meeting shall be mailed, postage prepaid, to each director, addressed to him at his residence or usual place of business, by first class mail, at least two days before the day on which such meeting is to be held, or shall be sent addressed to him at such place by telegraph, facsimile, electronic mail, or other similar means, or be delivered to him personally or be given to him by telephone or other similar means, at least twenty-four hours before the time at which such meeting is to be held. Notice of any such meeting need not be given to any director who shall, either before or after the meeting, submit a signed waiver of notice or who shall attend such meeting, except when he shall attend for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

Section 8. *Quorum and Manner of Acting.* A majority of the entire Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, and, except as otherwise expressly required by statute or the Certificate of Incorporation or these bylaws, the act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum at any meeting of the Board of Directors, a majority of the directors present thereat may adjourn such meeting to another time and place. Notice of the time and place of any such adjourned meeting shall be given to all of the directors unless such time and place were announced at the meeting at which the adjournment was taken, in which case such notice shall only be given to the directors who were not present thereat. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 9. *Organization.* At each meeting of the Board of Directors, the Chairman of the Board, if one shall have been elected, or, in the absence of the Chairman of the Board or if one shall not have been elected, the President (or, in his absence, another director chosen by a

majority of the directors present) shall act as chairman of the meeting and preside thereat. The Secretary or, in his absence, any person appointed by the chairman shall act as secretary of the meeting and keep the minutes thereof.

Section 10. *Resignations.* Any director of the Corporation may resign at any time by giving written notice of his resignation to the Corporation. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon its receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 11. *Vacancies.* Subject to the rights, if any, of the holders of any series of Preferred Stock then outstanding, any vacancy in the Board of Directors, whether arising from death, resignation, removal, an increase in the number of directors or any other cause, may be filled by the vote of a majority of the directors then in office, though less than a quorum, or by the sole remaining director. Each director so chosen shall hold office for a term expiring at the next annual meeting of stockholders and until such director's successor shall have been elected and qualified.

Section 12. *Compensation.* The Board of Directors shall have authority to fix the compensation, including fees and reimbursement of expenses, of directors for services to the Corporation in any capacity.

Section 13. *Committees.* The Board of Directors may, by resolution passed by a majority of the entire Board of Directors, designate one or more committees, including an executive committee, each committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In addition, in the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Except to the extent restricted by statute or the Certificate of Incorporation, each such committee, to the extent provided in the resolution creating it, shall have and may exercise all the powers and authority of the Board of Directors and may authorize the seal of the Corporation to be affixed to all papers which require it. Each such committee shall serve at the pleasure of the Board of Directors and have such name as may be determined from time to time by resolution adopted by the Board of Directors. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors.

Section 14. *Action by Consent.* Unless restricted by the Certificate of Incorporation, any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the Board of Directors or such committee, as the case may be. Any person (whether or not then a director) may provide, whether through instruction to an agent or otherwise, that a consent to action will be effective at a future time (including a time determined upon the happening of an event), no later than 60 days after such instruction is given or such

provision is made and such consent shall be deemed to have been given for purposes of this subsection at such effective time so long as such person is then a director and did not revoke the consent prior to such time

Section 15. *Telephonic Meeting.* Unless restricted by the Certificate of Incorporation, any one or more members of the Board of Directors or any committee thereof may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation by such means shall constitute presence in person at a meeting.

ARTICLE IV

OFFICERS

Section 1. *Number and Qualifications.* The officers of the Corporation shall be elected by the Board of Directors and shall include the President, the Secretary and the Treasurer. If the Board of Directors wishes, it may also elect as an officer of the Corporation a Chairman of the Board and may elect other officers (including one or more Vice Presidents, one or more Assistant Treasurers and one or more Assistant Secretaries) as may be necessary or desirable for the business of the Corporation. Any two or more offices may be held by the same person and no officer except the Chairman of the Board need be a director. Each officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall have resigned or have been removed, as hereinafter provided in these bylaws.

Section 2. *Resignations.* Any officer of the Corporation may resign at any time by giving written notice of his resignation to the Corporation. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon receipt. Unless otherwise specified herein, the acceptance of any such resignation shall not be necessary to make it effective.

Section 3. *Removal.* Any officer of the Corporation may be removed, either with or without cause, at any time, by the Board of Directors at any meeting thereof.

Section 4. *Chairman of the Board.* The Chairman of the Board, if one has been elected, shall be a member of the Board, an officer of the Corporation and, if present, shall preside at each meeting of the Board of Directors or the stockholders. He shall advise and counsel with the President, and in his absence with other executives of the Corporation, and shall perform such other duties as may from time to time be assigned to him by the Board of Directors.

Section 5. *The President.* The President shall be the chief executive officer of the Corporation. He or she shall, in the absence of the Chairman of the Board or if a Chairman of the Board shall not have been elected, preside at each meeting of the Board of Directors or the stockholders. He or she shall perform all duties incident to the office of President and chief

executive officer and such other duties as may from time to time be assigned to him or her by the Board of Directors.

Section 6. *Vice President.* Each Vice President shall perform all such duties as from time to time may be assigned to him by the Board of Directors or the President. At the request of the President or in his absence or in the event of his inability or refusal to act, the Vice President, or if there shall be more than one, the Vice Presidents in the order determined by the Board of Directors (or if there be no such determination, then the Vice Presidents in the order of their election), shall perform the duties of the President, and, when so acting, shall have the powers of and be subject to the restrictions placed upon the President with respect to the performance of such duties.

Section 7. *Treasurer.* The Treasurer shall

(a) have charge and custody of, and be responsible for, all the funds and securities of the Corporation;

(b) keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation;

(c) deposit all moneys and other valuables to the credit of the Corporation in such depositaries as may be designated by the Board of Directors or pursuant to its direction;

(d) receive, and give receipts for, moneys due and payable to the Corporation from any source whatsoever;

(e) disburse the funds of the Corporation and supervise the investments of its funds, taking proper vouchers therefor;

(f) render to the Board of Directors, whenever the Board of Directors may require, an account of the financial condition of the Corporation; and

(g) in general, perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to her by the Board of Directors.

Section 8. *Secretary.* The Secretary shall

(a) keep or cause to be kept in one or more books provided for the purpose, the minutes of all meetings of the Board of Directors, the committees of the Board of Directors and the stockholders;

(b) see that all notices are duly given in accordance with the provisions of these bylaws and as required by law;

(c) be custodian of the records and the seal of the Corporation and affix and attest the seal to all certificates for shares of the Corporation (unless the seal of the Corporation on such certificates shall be a facsimile, as hereinafter provided) and affix and attest the seal to all other documents to be executed on behalf of the Corporation under its seal;

(d) see that the books, reports, statements, certificates and other documents and records required by law to be kept and filed are properly kept and filed; and

(e) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to her by the Board of Directors.

Section 9. *The Assistant Treasurer.* The Assistant Treasurer, if any, or if there shall be more than one, the Assistant Treasurers in the order determined by the Board of Directors (or if there be no such determination, then in the order of their election), shall, in the absence of the Treasurer or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties as from time to time may be assigned by the Board of Directors.

Section 10. *The Assistant Secretary.* The Assistant Secretary, if any, or if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors (or if there be no such determination, then in the order of the election), shall, in the absence of the Secretary or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties as from time to time may be assigned by the Board of Directors.

Section 11. *Officers' Bonds or Other Security.* If required by the Board of Directors, any officer of the Corporation shall give a bond or other security for the faithful performance of his duties, in such amount and with such surety as the Board of Directors may require.

Section 12. *Compensation.* The compensation of the officers of the Corporation for their services as such officers shall be fixed from time to time by the Board of Directors. An officer of the Corporation shall not be prevented from receiving compensation by reason of the fact that he is also a director of the Corporation.

ARTICLE V

STOCK CERTIFICATES AND THEIR TRANSFER

Section 1. *Stock Certificates.* Every holder of stock in the Corporation shall be entitled to have a certificate, signed by, or in the name of the Corporation by, the Chairman of the Board or the President or a Vice President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Corporation, certifying the number of shares owned by him in the Corporation. If the Corporation shall be authorized to issue more than one class of stock or more than one series of any class, the designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restriction of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate which the Corporation shall issue to represent such class or series of stock, provided that, except as otherwise provided in Section 202 of the General Corporation Law of the State of Delaware, in lieu of the foregoing requirements, there may be set forth on the face or back of the certificate which the Corporation shall issue to represent such class or series of stock, a statement that the Corporation will furnish without charge to each stockholder who so requests the designations, preferences and relative,

participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

Section 2. *Facsimile Signatures*. Any or all of the signatures on a certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

Section 3. *Lost Certificates.* The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, stolen, or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen, or destroyed certificate or certificates, or his legal representative, to give the Corporation a bond in such sum as it may direct sufficient to indemnify it against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

Section 4. *Transfers of Stock.* Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its records; *provided, however,* that the Corporation shall be entitled to recognize and enforce any lawful restriction on transfer. Whenever any transfer of stock shall be made for collateral security, and not absolutely, it shall be so expressed in the entry of transfer if, when the certificates are presented to the Corporation for transfer, both the transferor and the transferee request the corporation to do so.

Section 5. *Transfer Agents and Registrars.* The Board of Directors may appoint, or authorize any officer or officers to appoint, one or more transfer agents and one or more registrars.

Section 6. *Regulations.* The Board of Directors may make such additional rules and regulations, not inconsistent with these bylaws, as it may deem expedient concerning the issue, transfer and registration of certificates for shares of stock of the Corporation.

Section 7. *Fixing the Record Date.* In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any right in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty nor less than ten days before the date of such meeting, nor more than sixty days prior to any other action. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided, however*, that the Board of Directors may fix a new record date for the adjourned meeting.

Section 8. *Registered Stockholders.* The Corporation shall be entitled to recognize the exclusive right of a person registered on its records as the owner of shares of stock to receive dividends and to vote as such owner, shall be entitled to hold liable for calls and assessments a person registered on its records as the owner of shares of stock, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares of stock on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VI

INDEMNIFICATION

Section 1. *General*. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 2. *Derivative Actions.* The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, provided that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery of the State of Delaware or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Section 3. *Indemnification in Certain Cases*. To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense

of any action, suit or proceeding referred to in Sections 1 and 2 of this Article VI, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

Section 4. *Procedure.* Any indemnification under Sections 1 and 2 of this Article VI (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in such Sections 1 and 2. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (c) by the stockholders.

Section 5. *Advances for Expenses.* Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount if it shall be ultimately determined that he is not entitled to be indemnified by the Corporation as authorized in this Article VI.

Section 6. *Right Not Exclusive.* The indemnification and advancement of expenses provided by, or granted pursuant to, the other subsections of this Article VI shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any law, bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office.

Section 7. *Insurance.* The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article VI.

Section 8. *Definition of Corporation.* For the purposes of this Article VI, references to "the Corporation" include all constituent corporations absorbed in a consolidation or merger as well as the resulting or surviving corporation so that any person who is or was a director, officer, employee or agent of such a constituent corporation or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this Article VI with respect to the resulting or surviving corporation as he would if he had served the resulting or surviving corporation in the same capacity.

Section 9. *Survival of Rights.* The indemnification and advancement of expenses provided by, or granted pursuant to this Article VI shall continue as to a person who has ceased

to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

ARTICLE VII

GENERAL PROVISIONS

Section 1. *Dividends.* Subject to the provisions of statute and the Certificate of Incorporation, dividends upon the shares of capital stock of the Corporation may be declared by the Board of Directors at any regular or special meeting. Dividends may be paid in cash, in property or in shares of stock of the Corporation, unless otherwise provided by statute or the Certificate of Incorporation.

Section 2. *Reserves.* Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors may, from time to time, in its absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors may think conducive to the interest of the Corporation. The Board of Directors may modify or abolish any such reserves in the manner in which they were created.

Section 3. *Seal.* The seal of the Corporation shall be in such form as shall be approved by the Board of Directors.

Section 4. *Fiscal Year.* The fiscal year of the Corporation shall be fixed, and once fixed, may thereafter be changed, by resolution of the Board of Directors.

Section 5. *Check, Notes, Drafts, Etc.* All checks, notes, drafts or other orders for the payment of money of the Corporation shall be signed, endorsed or accepted in the name of the Corporation by such officer, officers, person or persons as from time to time may be designated by the Board of Directors or by an officer or officers authorized by the Board of Directors to make such designation.

Section 6. *Execution of Contracts, Deeds, Etc.* The Board of Directors may authorize any officer or officers, agent or agents, in the name and on behalf of the Corporation to enter into or execute and deliver any and all deeds, bonds, mortgages, contracts and other obligations or instruments, and such authority may be general or confined to specific instances.

Section 7. *Voting of Stock in Other Corporations.* Unless otherwise provided by resolution of the Board of Directors, the Chairman of the Board or the President, from time to time, may (or may appoint one or more attorneys or agents to) cast the votes which the Corporation may be entitled to cast as a stockholder or otherwise in any other corporation, any of whose shares or securities may be held by the Corporation, at meetings of the holders of the shares or other securities of such other corporation. In the event one or more attorneys or agents are appointed, the Chairman of the Board or the President may instruct the person or persons so appointed as to the manner of casting such votes or giving such consent. The Chairman of the Board or the President may, or may instruct the attorneys or agents appointed to, execute or cause to be executed in the name and on behalf of the Corporation and under its seal or

otherwise, such written proxies, consents, waivers or other instruments as may be necessary or proper in the circumstances.

ARTICLE VIII

AMENDMENTS

These bylaws may be amended or repealed or new bylaws adopted (a) by the stockholders, or (b) if authorized by law, by action of the Board of Directors at a regular or special meeting thereof. Any bylaw made by the Board of Directors may be amended or repealed by action of the stockholders.

Secretary's Certificate

The undersigned certifies that he is the duly elected, qualified and acting Secretary of Xponential Fitness, Inc., a Delaware corporation (the "Corporation"), and that attached hereto is a complete and correct copy of the Bylaws of the Corporation as duly adopted on January 14, 2020, by the written consent of the board of directors of the Corporation.

IN WITNESS WHEREOF, I have signed my name effective as of this 14th day of January 2020.

/s/ Anthony Geisler
Anthony Geisler, Secretary

OFFICE LEASE

This Office Lease (the **"Lease"),** dated as of the date set forth in Section 1 of the Summary of Basic Lease Information (the **"Summary"),** below, is made by and between QUINTANA OFFICE PROPERTY LLC, a Delaware limited liability company **("Landlord"),** and XPONENTIAL FITNESS LLC, a Delaware limited liability company **("Tenant").**

SUMMARY OF BASIC LEASE INFORMATION

	TERMS OF LEASE	DESCRIPTION
1.	Date:	November 16, 2017 (the "**Effective Date**")
2.	Premises	
	2.1 Building:	That certain five (5) story office building containing approximately 162,541 rentable square feet of space commonly known as 17877 Von Karman, Irvine, California **("Building B"),** as depicted on **Exhibit A-1** to this Lease.
	2.2 Premises:	Approximately 26,273 rentable (22,309 usable) square feet, consisting of Suites 100 and 150 in Building B, as depicted on **Exhibit** A to this Lease.
3.	Lease Term (Article 2).	
	3.1 Length of Term:	Approximately one hundred thirty-five (135) months.
	3.2 Lease Commencement Date:	As defined in the Tenant Work Letter attached hereto as **Exhibit B** ("**Tenant Work Letter**"), estimated to occur on May 22, 2018 (the **"Estimated Lease Commencement Date").**
	3.3 Lease Expiration Date:	The last day of the one hundred thirty-fifth (135th) full calendar month following the Lease Commencement Date.
4.	Base Rent (Article 3):	

4.1 Amount Due:

Months of Lease Term	Approximate Monthly Base Rent Rate per Rentable Square Foot	**Monthly Installment of Base Rent
*1 – 24	$2.82	$74,089.86
25 – 36	$2.90	$76,312.56
37 – 48	$2.99	$78,601.93
49 – 60	$3.08	$80,959.99
61 – 72	$3.17	$83,388.79
73 – 84	$3.27	$85,890.45
85 – 96	$3.37	$88,467.17
97 – 108	$3.47	$91,121.18
109 – 120	$3.57	$93,854.82
121 – 132	$3.68	$96,670.46
133 – 135	$3.79	$99,570.58

* Including any partial month at the beginning of the initial Lease Term.

Tenant's obligation to pay Base Rent shall be conditionally abated for the second (2nd) through the sixteenth (16th) full calendar months of the initial Lease Term, inclusive (the **"Base Rent Abatement Period"), as set forth in Article 3 below.

	4.2 Rent Payment Address:	If by wire (preferred): Wells Fargo Bank, N.A. San Francisco, CA ABA #: 121 000 248 Account #: 4646715474 Account Name: QUINTANA OFFICE PROPERTY LLC (DACA) FBO NEW YORK LIFE INSURANCE COMPANY If by check: Quintana Office Property LLC c/o Hines, P.O. Box 845394 Los Angeles, CA 90084-5394 Payments shall be made by wire or ACH to the extent practical.
5.	Tenant's Share (Article 4):	16.164% (based on 26,273 rentable square feet in the Premises and 162,541 rentable square feet in the Building).
6.	Permitted Use (Article 5):	General office use only consistent with a first-class office building in the John Wayne/Orange County airport submarket, and to the extent permitted by Laws and the Development CC&R's and not prohibited by any other lease existing as of the date of this Lease for any portion of the Project.
7.	Security Deposit (Article 21):	$109,527.64.
8.	Parking Pass Ratio (Article 28):	Up to four (4) unreserved parking passes for every 1,000 rentable square feet of the Premises ("**Tenant's Parking Allocation**") (i.e., up to 105 unreserved parking passes based upon 26,273 rentable square feet in the Premises), subject to the terms of Article 28 of this Lease and Tenant's payment of parking charges therefor. Subject to the terms of Article 28, Tenant shall also have the right to purchase additional unreserved parking passes on a month-to month basis, based on availability; provided, however, Landlord shall have the right, upon thirty (30) days' prior written notice to Tenant, to recapture any or all of such additional parking passes to the extent required by Landlord to satisfy parking requirements. Provided Tenant is not in Default (as defined below), and subject to Tenant's payment for the parking charges therefor, Tenant shall have the right to convert two (2) of its unreserved parking passes into reserved parking passes for stalls located in the surface parking area immediately adjacent to the Premises and one (1) of its unreserved parking passes into one (1) reserved parking pass for a parking stall located in the subterranean parking area serving the Project (the **"Subterranean Parking Area"**). In addition to Tenant's Parking Allocation, Landlord shall provide Tenant with eight (8) additional reserved parking passes for stalls located in the Subterranean Parking Area (the **"Additional Parking"**) (provided that if at any time Tenant is leasing less than the entire Premises, Tenant shall lose the right to one (1) such Additional Parking pass for each 3,250 rentable square feet of reduction in the size of the Premises being leased by Tenant pursuant to this Lease), and fifty (50) hours of visitor validations for each full calendar month on a non-cumulative basis for the use of Tenant's visitors and clients only ("**Parking**

Validations") (the Parking Validations for any partial month shall be prorated). The initial location of Tenant's Additional Parking in the Subterranean Parking Area shall be designated by Tenant, in its sole discretion, within ten (10) days after full execution of this Lease; provided, if Tenant fails to designate the location of the Additional Parking within such 10-day period, then the initial location thereof shall be mutually agreed upon by Landlord and Tenant prior to the Lease Commencement Date, and further provided that Landlord shall have the right, at Landlord's sole cost and expense, upon thirty (30) days' prior written notice to Tenant, to relocate any or all of such Additional Parking to a mutually acceptable location in the Subterranean Parking Area. Tenant shall have the right but not the obligation to enclose such Additional Parking; provided, such enclosure shall be constructed at Tenant's sole cost and expense pursuant to plans and specifications approved by Landlord, using materials and specifications selected by Tenant and reasonably approved by Landlord, and otherwise in compliance with the terms of Article 8 governing alterations.

Any Parking Validations which remain unused as of the end of each calendar month shall be deemed waived by, and no longer available to, Tenant. Tenant may purchase additional parking validations at Landlord's standard rates therefor.

Notwithstanding the terms of Article 28 to the contrary, provided Tenant is not in Default under this Lease, (i) Landlord shall abate Tenant's obligation to pay parking charges for unreserved and reserved parking passes during the first twelve (12) full calendar months of the initial Lease Term, and (ii) Landlord shall abate Tenant's obligation to pay parking charges for the Additional Parking and the Parking Validations during the entire Lease Term (collectively, the "**Abated Parking Charges**").

9. Address of Tenant (Section 29.18):

***ANY NOTICES OF DEFAULT SHALL COMPLY WITH THE TERMS OF SECTION 29.18 BELOW.**

Xponential Fitness LLC
3185 Pullman Street
Costa Mesa, CA 92626
Attention: Shaun Grove

(Prior to Lease Commencement Date)

and

Xponential Fitness LLC
17877 Von Karman, Suite 100
Irvine, CA 92614
Attention: Shaun Grove

(After Lease Commencement Date)

With a copy, prior to and after the Lease Commencement Date, to:

Paris Ackerman LLP
103 Eisenhower Parkway
Roseland, NJ 07068
Attn: Karen E. Abrams, Esq.

10.	Address of Landlord (Section 29.18):	QUINTANA OFFICE PROPERTY LLC c/o Hines 4000 MacArthur Avenue, Suite 110 Newport Beach, CA 92660 Attention: Property Manager
	and	Allen Matkins Leck Gamble Mallory & Natsis LLP 1900 Main Street, 5th Floor Irvine, California 92614 Attention: Brad H. Nielsen, Esq.
11.	Broker(s) (Section 29.24):	Jones Lang LaSalle (for Landlord and Tenant)
12.	Allowances for Tenant Improvements (Section 5 of **Exhibit B**):	Landlord shall pay: (a) up to $85.00 per rentable square foot (i.e., up to $2,233,205.00, based upon the Premises containing 26,273 rentable square feet) (the "**Allowance**"); (b) up to $0.12 per rentable square foot to be used towards payment of the cost of preparing a test-fit for the Premises (i.e., up to $3,152.76, based upon the Premises containing 26,273 rentable square feet); and (c) up to $0.12 per rentable square foot to be used towards payment of the cost of preparing a pricing plan for the Premises (i.e., up to $3,152.76, based upon the Premises containing 26,273 rentable square feet).

ARTICLE 1

PREMISES, BUILDING, PROJECT, AND COMMON AREAS

1.1 **Premises, Building, Project and Common Areas**

1.1.1 **The Premises**. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the premises set forth in Section 2.2 of the Summary (the "**Premises**"). The parties hereto agree that the lease of the Premises is upon and subject to the terms, covenants and conditions herein set forth, and each party covenants as a material part of the consideration for this Lease to keep and perform each and all of such terms, covenants and conditions by it to be kept and performed and that this Lease is made upon the condition of such performance. The parties hereto hereby acknowledge that the purpose of **Exhibit A** is to show the approximate location of the Premises in the "Building," as that term is defined in Section 1.1.2, below, only, and such Exhibit is not meant to constitute an agreement, representation or warranty as to the construction of the Premises, the precise area thereof or the specific location of the "Common Areas," as that term is defined in Section 1.1.3, below, or the elements thereof or of the accessways to the Premises or the "Project", as that term is defined in Section 1.1.2, below.

1.1.2 **The Building and The Project**. The Premises will be a part of the building set forth in Section 2.1 of the Summary (the **"Building"**). The term **"Project,"** as used in this Lease, shall mean (i) the Building, the buildings located at 17875 Von Karman Avenue, 17872 Gillette Avenue and 17838 Gillette Avenue, Irvine, California, and the Common Areas (including, without limitation, the parking structure located at 17892 Gillette), (ii) the land (which is improved with landscaping, parking facilities and other improvements) upon which the Building, the other buildings described above, and the Common Areas are located, and (iii) at Landlord's discretion, subject to the conditions set forth in Section 1.1.3, below, any additional real property, areas, land, buildings or other improvements added to the Project. The Project is part of a mixed-use development known as "Intersect," and is subject to the "Development CC&R's," as that term is defined in Section 29.33 below.

1.1.3 **Common Areas**. Tenant shall have the non-exclusive right to use in common with other tenants in the Project, and subject to the rules and regulations referred to in Article 5 of this Lease and the Development CC&R's, those portions of the Project which are provided, from time to time, for use in common by Landlord, Tenant and any other tenants of the Project, including (i) the areas on the ground floor and all other floors of the Project devoted to non-exclusive uses such as corridors, stairways, loading and unloading areas, walkways, driveways, fire vestibules, elevators and elevator foyers, lobbies, electric and telephone closets, restrooms, mechanical areas, janitorial closets and other similar facilities for the general use of and/or benefit of all tenants and invitees of the Project, (ii) those areas of the Project devoted to mechanical and service rooms servicing more than one (1) floor or the Project as a whole and which service the Project tenants as a whole, and (iii) Project atriums and plazas, if any (such areas, together with such other portions of the Project designated by Landlord, in its reasonable discretion, including certain areas designated for the exclusive use of certain tenants, or to be shared by Landlord and certain tenants, including, without limitation, certain project amenities, are collectively referred to herein as the "**Common Areas**"). The manner in which the Building, Project and Common Areas are maintained and operated shall be at the reasonable discretion of Landlord, provided that, subject to Tenant's obligations under this Lease, Landlord shall maintain and operate the same in a manner consistent with that of other comparable first-class office buildings located in the Orange County Airport/Irvine area ("**Comparable Buildings**"), and the use thereof shall be subject to such reasonable rules, regulations and restrictions as Landlord may make from time to time (including, without limitation, any rules regulations or restrictions contained in or promulgated under the Development CC&R's). Landlord reserves the right to close temporarily, make alterations or additions to, or change the location of elements of the Project and the Common Areas; and further provided that, Landlord shall use good faith, commercially reasonable efforts to perform such closures, alterations, additions or changes in a manner which does not adversely affect Tenant's use of the Premises for the Permitted Use, the visibility of Tenant's signage, or Tenant's access to the Premises and/or the parking areas serving the Project or otherwise materially increase Tenant's costs of operations from the Premises.

1.2 **Verification of Rentable and Usable Square Feet**. The parties stipulate to the rentable and usable square footages of the Premises and the Project set forth in Section 2 of this Summary.

1.3 **Condition of the Premises**. Except as specifically set forth in this Lease and in the Tenant Work Letter, Tenant shall accept the Premises and the Building, including the base, shell, and core of (i) the Premises and (ii) the floor of the Building on which the Premises is located (collectively, the **"Base, Shell, and Core"**) in their "AS-IS" condition as of the Lease Commencement Date and Landlord shall not be obligated to provide or pay for any improvement work or services related to the improvement of the Premises. Tenant also acknowledges that Landlord has made no representation or warranty regarding the condition of the Premises, the Building or the Project or with respect to the suitability of any of the foregoing for the conduct of Tenant's business, except as specifically set forth in this Lease and the Tenant Work Letter. The taking of possession of the Premises by Tenant shall conclusively establish that the Premises and the Building were at such time in good and sanitary order, condition and repair, except for any punchlist items that Tenant may timely identify to Landlord pursuant to the terms of the Tenant Work Letter.

1.4 **Right Of First Refusal**. During the initial Lease Term only, Landlord hereby grants to the originally named Tenant herein (**"Original Tenant"**) or any "Non-Transferee Assignee," as that term is defined in Section 14.7, below, a one (1) time right of first refusal with respect to any available space located on the second (2nd) floor of the Building (the **"ROFR Space"**); provided, if Landlord intends to lease other space in addition to the ROFR Space as part of a single transaction, then all such space shall be deemed "ROFR Space" for purposes of this Section 1.4.

1.4.1 **Procedure for Exercise**. If Landlord has exchanged proposals for lease of the ROFR Space with a bona fide, third party prospective tenant other than the existing tenant in the ROFR Space (the

"Prospect"), Landlord shall provide Tenant with written notice (the **"ROFR Notice"**) of the economic terms of such proposal under which Landlord is prepared to lease the ROFR Space to such Prospect and Tenant may lease the ROFR Space, upon such terms, by providing Landlord with written notice of exercise (the **"Notice of Exercise"**) within ten (10) business days after Tenant's receipt of the ROFR Notice, except that Tenant shall have no such right of first refusal and Landlord need not provide Tenant with a ROFR Notice if any of the Option Conditions (as defined in Section 2.2.1 below) are not satisfied; provided, however, clause (iii) of Section 2.2.1 shall not apply as to the right of first refusal described in this Section 1.4. If Tenant does not so notify Landlord within the aforementioned ten (10) business-day period, then Tenant's right of first refusal as set forth in this Section 1.4 shall terminate as to all of the space described in such ROFR Notice and Landlord shall be free to lease the space described in such ROFR Notice to anyone to whom Landlord desires on any terms Landlord desires. Tenant must elect to exercise its right of first refusal, if at all, with respect to all of the space offered by Landlord to Tenant at any particular time, and Tenant may not elect to lease only a portion thereof.

1.4.2 **ROFR Terms**. The lease term for the ROFR Space shall commence upon the commencement date stated in the ROFR Notice or such other date as may be mutually acceptable to Landlord and Tenant and thereupon such ROFR Space shall be considered a part of the Premises, provided that all of the terms stated in the ROFR Notice (except for the termination date, since the lease term for the ROFR Space shall terminate on the last day of the Lease Term) shall govern Tenant's leasing of the ROFR Space and only to the extent that they do not conflict with the ROFR Notice, the terms and conditions of this Lease shall apply to the ROFR Space. Tenant shall pay Base Rent for the ROFR Space (the **"ROFR Rent"**) and Additional Rent in accordance with the terms and conditions of the ROFR Notice. If the ROFR Notice provides that the Base Rent for the ROFR Space shall be equal to the Fair Rental Value, then such Base Rent shall be determined pursuant to Section 2.2.3 below.

1.4.3 **Construction In ROFR Space**. The ROFR Space (including improvements and personalty, if any) shall be accepted by Tenant in its condition and as-built configuration existing on the earlier of the date Tenant takes possession of the ROFR Space or the date the term for such ROFR Space commences, unless the ROFR Notice specifies work to be performed by Landlord in the ROFR Space, in which case Landlord shall perform such work in the ROFR Space. If Landlord is delayed delivering possession of the ROFR Space due to the holdover or unlawful possession of such space by any party, the commencement of the Lease Term for the ROFR Space shall be postponed until the date Landlord delivers possession of the ROFR Space to Tenant free from occupancy by any party.

1.4.4 **Termination of Right of First Refusal**. The rights of Tenant hereunder with respect to the ROFR Space shall terminate on the earlier to occur of: (i) Tenant's failure to exercise its right of first refusal within the 10 business-day period provided in Section 1.4.1 above; and (ii) the date Landlord would have provided Tenant a ROFR Notice if Tenant had satisfied all of the Option Conditions.

1.4.5 **Amendment to Lease**. If Tenant timely exercises Tenant's right to lease ROFR Space as set forth herein, then, within fifteen (15) days thereafter, Landlord and Tenant shall execute a lease amendment (the **"ROFR Space Amendment"**) for such ROFR Space upon the terms and conditions as set forth in the ROFR Notice therefor and this Section 1.4, but an otherwise valid exercise of the right of first refusal shall be fully effective whether or not the ROFR Space Amendment is executed.

1.4.6 **Rights Subordinate**. Notwithstanding the foregoing, such first refusal right of Tenant shall be subordinate to all rights of tenants under leases of the ROFR Space existing as of the date hereof or subsequently entered into by Landlord in accordance with the terms of this Section 1.4, and all rights of other tenants of the Project, which rights relate to the ROFR Space and which rights are set forth in leases of space in the Project existing as of the date hereof, each including any renewal, extension, expansion, first offer, first negotiation and other similar rights, regardless of whether such rights are executed strictly in accordance with their respective terms or pursuant to lease amendments or new leases (all such tenants under existing leases of the ROFR Space and other tenants of the Project, collectively, the **"Superior Right Holders"**).

1.5 **Expansion Space**. Landlord hereby grants to Tenant the right to lease available space on the second (2nd) floor of the Building (the **"Expansion Space"**), the precise amount and location of which Expansion Space shall be designated by Landlord (provided such Expansion Space shall under all circumstances equal at least 5,000 rentable square feet of space), upon the terms and conditions set forth in this Section 1.5 and this Lease. Notwithstanding the foregoing, Tenant's expansion right shall be subordinate to the rights of all Superior Right Holders.

1.5.1 **Method of Exercise**. The expansion option contained in this Section 1.5 shall be exercised only by Original Tenant and any Non-Transferee Assignee by delivering written notice to Landlord (the **"Expansion Notice"**).

1.5.2 **Delivery of the Expansion Space** Landlord shall deliver the Expansion Space to Tenant upon substantial completion of the Tenant Improvements thereto, subject to mutual execution of the Expansion Amendment (defined below), Tenant's payment of the first (1st) month's Base Rent therefor and any additional Security Deposit (proportionate with the initial Security Deposit provided for the Premises), and delivery of evidence of insurance required to be obtained by Tenant with respect to the Expansion Space.

1.5.3 **Expansion Rent**. The annual "Rent," as that term is defined in Section 4.1 of this Lease, payable by Tenant for Expansion Space leased by Tenant (the **"Expansion Rent"**) shall be equal to the same rate (on a per square foot basis) then applicable to the Premises including annual adjustments thereto.

1.5.4 **Construction of Expansion Space**. Provided Tenant is not in Default, Landlord shall provide Tenant with an allowance to improve the Expansion Space and Base Rent abatement on a pro-rated basis

based upon the square footage of the Expansion Space and the Lease Term then remaining (as more particularly described in Section 1.5.5 below). Landlord shall improve the Premises consistent with the terms of the Tenant Work Letter, provided any reference to the term "Premises" shall mean and refer to the Expansion Space, and any reference to the Lease Commencement Date shall mean the commencement of Tenant's leasing of the Expansion Space **("Expansion Space Commencement Date")**. Except as otherwise expressly provided herein, Tenant shall take the Expansion Space in its "as is" condition.

1.5.5 **Amendment to Lease**. If Tenant timely exercises Tenant's right to lease Expansion Space as set forth herein, then, within thirty (30) days thereafter, Landlord and Tenant shall execute an amendment (the "**Expansion Amendment"**) adding such Expansion Space to this Lease upon the same terms and conditions as the initial Premises as to Base Rent, Allowance and Base Rent abatement, prorated based upon the square footage of the Expansion Space and the Lease Term then remaining. For purposes of calculating Tenant's obligations under Article 4 of this Lease, Tenant's Share of Direct Expenses shall be increased by an amount equal to the rentable square footage of such Expansion Space leased by Tenant pursuant to this Section 1.5 divided by the total rentable square footage of the Building. Except to the extent inconsistent with the determination of Expansion Rent, all provisions of the Lease which vary based upon the rentable square footage of the Premises shall be adjusted to reflect the addition of such Expansion Space to the Premises. Tenant shall commence payment of Rent with respect to the Expansion Space commencing upon the Expansion Space Commencement Date. The term for Tenant's leasing of the Expansion Space shall be coterminous with the existing Premises (including all annual Base Rent adjustments) and shall expire on the Lease Expiration Date.

1.5.6 **No Defaults**. Tenant shall not have the right to lease Expansion Space as provided in this Section 1.5, if, as of the date of the attempted exercise of the expansion option by Tenant, or as of the scheduled date of delivery of such Expansion Space to Tenant, Tenant is in Default.

ARTICLE 2

LEASE TERM

2.1 **Lease Term**. The terms and provisions of this Lease shall be effective as of the date of this Lease except for the provisions of this Lease relating to the payment of Rent. The term of this Lease (the **"Lease Term"**) shall be as determined in accordance with Section 3.1 of the Summary, shall commence on the date determined in accordance with Section 3.2 of the Summary (the **"Lease Commencement Date")**, and shall terminate on the date determined in accordance with Section 3.3 of the Summary (the **"Lease Expiration Date")** unless this Lease is sooner terminated as hereinafter provided. This Lease shall not be void, voidable or subject to termination, nor shall Landlord be liable to Tenant for any loss or damage, resulting from Landlord's inability to deliver the Premises to Tenant by any particular date. At any time during the Lease Term, Landlord may deliver to Tenant a notice in the form as set forth in **Exhibit C**, attached hereto, as a confirmation only of the information set forth therein, which Tenant shall execute and return to Landlord within ten (10) business days of receipt thereof.

2.2 **Option Term**.

2.2.1 **Option Right**. Landlord hereby grants to Tenant two (2) options to extend the Lease Term for a period of five (5) years each (each, an "**Option Term**"), which option shall be exercisable only by written notice delivered by Tenant to Landlord as provided below, provided that the following conditions (the "**Option Conditions**") are satisfied: (i) as of the date of delivery of the "Option Rent Notice," as that term is defined in Section 2.2.4, below, or ROFR Notice, this Lease remains in full force and effect, Tenant is not in Default under this Lease and has not previously been in Default under this Lease more than twice in any 12-month period; (ii) as of the date of delivery of the "Option Exercise Notice," as that term is defined in Section 2.2.4, below, or ROFR Notice, this Lease remains in full force and effect, Tenant is not in Default under this Lease and has not previously been in Default under this Lease more than twice in any 12-month period; and (iii) as of the end of the initial Lease Term, this Lease remains in full force and effect, Tenant is not in Default under this Lease and has not previously been in Default under this Lease more than twice in any 12-month period. Landlord may, at Landlord's option, exercised in Landlord's sole and absolute discretion, waive any of the Option Conditions in which case the option, if otherwise properly exercised by Tenant, shall remain in full force and effect. Upon the proper exercise of such option to extend, and provided that Tenant satisfies all of the Option Conditions (except those, if any, which are waived by Landlord), the Lease Term, as it applies to the Premises, shall be extended for a period of five (5) years.

2.2.2 **Option Rent**. The annual Base Rent payable by Tenant during the Option Term (the "**Option Rent**") shall be equal to the Fair Rental Value for the Premises for the Option Term. Notwithstanding the foregoing, the Base Rent component of the Option Rent shall be adjusted accordingly such that Tenant shall continue to pay Tenant's Share of Direct Expenses during the Option Term in accordance with Article 4, below.

2.2.3 **Fair Rental Value**. As used in this Lease, "**Fair Rental Value**" shall be equal to the base rent on an annual per rentable square foot basis, including all escalations, at which, as of the commencement of the term of the subject space (i.e., the lease term of the Option Term or the ROFR Space, as the case may be), tenants are leasing non-sublease, non-encumbered, non-equity space which is comparable in size, location and quality to the Premises or the ROFR Space, as the case may be, for a comparable lease term, in an arm's length transaction consummated during the twelve (12) month period prior to the date on which Landlord delivers the "Option Rent Notice," as that term is defined in Section 2.2.4, below, or the ROFR Notice, as the case may be, which comparable space is located in the Project, or if there are not a sufficient number of comparable transactions in the Project, then in Comparable Buildings, taking into consideration the following concessions (collectively, the "**Concessions**") granted to renewing tenants for comparable leases: (a) rental abatement concessions, if any, being granted such tenants in connection with such comparable space; (b) tenant improvements or allowances provided or to be provided for such

comparable space, and taking into account the value of the existing improvements in the subject space, such value to be based upon the age, condition, design, quality of finishes and layout of the improvements and the extent to which the same could be utilized by a general office user (but taking into consideration, as applicable, the fact that the precise tenant improvements existing in the Premises are specifically suitable to Tenant); and (c) other reasonable monetary concessions being granted such tenants in connection with such comparable space; provided, however, that in calculating the Fair Rental Value, no consideration shall be given to (i) the fact that Landlord is or is not required to pay a real estate brokerage commission in connection with Tenant's exercise of its right to lease the subject space during the term thereof, or the fact that landlords are or are not paying real estate brokerage commissions in connection with such comparable space, and (ii) any period of rental abatement, if any, granted to tenants in comparable transactions in connection with the design, permitting and construction of tenant improvements in such comparable spaces, provided that in calculating the Fair Rental Value of the ROFR Space, consideration shall be given to such period of rental abatement, if any. The Fair Rental Value shall additionally include a determination as to whether, and if so to what extent, Tenant must provide Landlord with financial security, such as a letter of credit or guaranty, for Tenant's Rent obligations during the Option Term. Such Concessions, at Landlord's election, either (A) shall be reflected in the effective rental rate payable by Tenant (which effective rental rate shall take into consideration the total dollar value of such Concessions as amortized on a straight-line basis over the applicable term of the comparable transaction), in which case such Concessions evidenced in the effective rental rate shall not be granted to Tenant, or (B) shall be granted to Tenant in kind.

2.2.4 **Exercise of Option**. The option contained in this Section 2.2 shall be exercised by Tenant, if at all, only in the following manner: (i) Tenant shall deliver written notice (the "**Option Exercise Notice**") to Landlord not more than twelve (12) months nor less than ten (10) months prior to the expiration of the initial Lease Term, irrevocably exercising its option for the entire Premises then being leased by Tenant; and (ii) Landlord, after receipt of Tenant's notice, shall deliver notice (the "**Option Rent Notice**") to Tenant on or before the date that is seven (7) months prior to the expiration of the initial Lease Term setting forth the Option Rent, provided that, within ten (10) days after receipt of the Option Rent Notice, Tenant may, at its option, object to the Option Rent contained in the Option Rent Notice, in which case the parties shall follow the procedure, and the Option Rent shall be determined, as set forth in Section 2.2.5, below.

Notwithstanding anything to the contrary contained herein, if Tenant fails to give its Option Exercise Notice, then Tenant's right to exercise its then applicable Option Term shall nevertheless continue until the earlier of (i) the expiration of the Initial Term or the then-current Option Term, as applicable, or (ii) the date that is thirty (30) days following the date on which Tenant receives a notice (the "**Reminder Notice**") from Landlord advising Tenant of Tenant's failure to deliver such Option Exercise Notice (the "**Reminder Period**"). If Tenant notifies Landlord prior to the earlier date to occur of the following: (i) the expiration of the Initial Term or then-current Option Term, as applicable; or (ii) the expiration of the Reminder Period, that Tenant is exercising the Option Term in question, then Tenant shall be deemed to have timely given its Option Exercise Notice, and all of the provisions relating thereto shall be deemed to be in effect from and after the day that the applicable extended portion of the Initial Term or Option Term, as applicable, would have begun as if Tenant had timely exercised the applicable extension option. Landlord may deliver the Reminder Notice to Tenant any time on or after the first day on which Tenant fails to deliver its Option Exercise Notice. Notwithstanding the foregoing, Landlord shall have no obligation to provide Tenant with a Reminder Notice if Tenant is in default beyond any applicable cure period at any time prior to or on the date that Tenant is required to provide its Option Exercise Notice.

2.2.5 **Determination of Option Rent or ROFR Rent**. In the event Tenant timely and appropriately objects to the Option Rent or ROFR Rent, as the case may be, Landlord and Tenant shall attempt to agree upon the Option Rent using reasonable, good-faith efforts. If Landlord and Tenant fail to reach agreement within thirty (30) days following Tenant's timely and appropriate objection to the Option Rent or ROFR Rent, as the case may be (the **"Outside Agreement Date"**), then each party shall make a separate determination of the Option Rent or ROFR Rent, as the case may be within ten (10) business days after the Outside Agreement Date, and such determinations shall be submitted to arbitration in accordance with Sections 2.2.5.1 through 2.2.5.7, below.

2.2.5.1 Landlord and Tenant shall each appoint one arbitrator who shall by profession be a real estate appraiser who shall have been active over the five (5) year period ending on the date of such appointment in the appraisal of commercial office properties in the Orange County Airport/Irvine area. If the Option Rent or ROFR Rent, as the case may be, determined by Landlord's arbitrator differs by less than ten percent (10%) from the Option Rent or ROFR Rent, as the case may be, determined by Tenant's arbitrator, then the Option Rent or ROFR Rent, as the case may be, shall be deemed to be the average of the Option Rent or ROFR Rent, as the case may be, determined by Landlord's arbitrator and Tenant's arbitrator. Each such arbitrator shall be appointed within fifteen (15) business days after the Outside Agreement Date.

2.2.5.2 In the event the two (2) determinations shall differ by ten percent (10%) or more, then the two (2) arbitrators so appointed shall within ten (10) business days of the appointment of the last appointed arbitrator agree upon and appoint a third (3rd) arbitrator who shall be qualified under the same criteria set forth hereinabove for qualification of the initial two (2) arbitrators.

2.2.5.3 The three (3) arbitrators shall within thirty (30) days of the appointment of the third (3rd) arbitrator reach a decision as to whether the parties shall use Landlord's or Tenant's submitted Option Rent or ROFR Rent, as the case may be, and shall notify Landlord and Tenant thereof.

2.2.5.4 The decision of the majority of the three (3) arbitrators shall be binding upon Landlord and Tenant.

2.2.5.5 If either Landlord or Tenant fails to appoint an arbitrator within fifteen (15) business days after the Outside Agreement Date, then the arbitrator appointed by one of them shall reach a decision, notify Landlord and Tenant thereof, and such arbitrator's decision shall be binding upon Landlord and Tenant.

2.2.5.6 If the two (2) arbitrators fail to agree upon and appoint a third (3rd) arbitrator, or both parties fail to appoint an arbitrator, then the appointment of the third (3rd) or any arbitrator shall be dismissed and the matter to be decided shall be forthwith submitted to arbitration under the provisions of the American Arbitration Association, but subject to the instructions set forth in this Section 2.2.5.

2.2.5.7 The cost of arbitration shall be split evenly between the parties.

2 . 3 **Early Access.** So long as Landlord has received from Tenant the first month's Base Rent due pursuant to Article 3 below, the Security Deposit, certificates satisfactory to Landlord evidencing the insurance required to be carried by Tenant under this Lease, and so long as the Tenant and its contractors and employees do not interfere with the completion of the Tenant Improvements required to be performed by Landlord, subject to governmental approvals, Landlord shall give Tenant and Tenant's designated agents and contractors reasonable access to the Premises approximately five (5) weeks prior to the Estimated Lease Commencement Date (the "**Early Access Period**") only for purposes of installing Tenant's computer network, telephone equipment, and built-in furniture, fixtures and equipment ("**Tenant's Work**"). So long as occupancy permits have been issued as to the Premises and Tenant has obtained business permits and any other permits required to occupy and conduct business at the Premises, Tenant shall be permitted to conduct business operations from the Premises during the Early Access Period. Landlord will, consistent with its obligation to other tenants in the Building, if appropriate and necessary, make the loading docks and freight/construction elevator reasonably available to Tenant in connection with initial decorating, furnishing and moving into the Premises. Tenant agrees to pay for any staffing of the loading docks freight/construction elevator, if needed, outside the hours of 8:00 a.m. to 6:00 p.m., Monday through Friday and 9:00 a.m. to 1:00 p.m. on Saturday. Tenant's Work shall be performed by Tenant at Tenant's sole cost and expense. Tenant's access to the Premises during the Early Access Period shall be subject to all terms and conditions of this Lease; provided, however, Tenant shall not be obligated to pay Base Rent or any Additional Rent for the Premises during the Early Access Period until the Lease Commencement Date. Tenant agrees to provide Landlord with prior notice of any such intended early access and to cooperate with Landlord during the Early Access Period so as not to interfere with Landlord in the completion of the Tenant Improvements. Should Landlord determine such early access interferes with the Tenant Improvements, such delay shall be deemed a "Tenant Delay" as provided in the Tenant Work Letter, and Landlord may revoke Tenant's access to the Premises until the Tenant Improvements are substantially completed.

ARTICLE 3

BASE RENT

Commencing on the Lease Commencement Date, Tenant shall pay, without prior notice or demand, to Landlord or Landlord's agent at the address set forth in Section 4.2 of the Summary, or, at Landlord's option, at such other place as Landlord may from time to time designate by delivering written notice to Tenant at Tenant's notice address as set forth herein, by a check or wire transfer for currency which, at the time of payment, is legal tender for private or public debts in the United States of America, base rent ("**Base Rent**") as set forth in Section 4 of the Summary, payable in equal monthly installments as set forth in Section 4 of the Summary in advance on or before the first day of each and every calendar month during the Lease Term, without any setoff or deduction whatsoever. The Base Rent for the first full month of the Lease Term shall be paid at the time of Tenant's execution of this Lease. If any Rent payment date (including the Lease Commencement Date) falls on a day of the month other than the first day of such month or if any payment of Rent is for a period which is shorter than one month, the Rent for any fractional month shall accrue on a daily basis for the period from the date such payment is due to the end of such calendar month or to the end of the Lease Term at a rate per day which is equal to 1/365 of the applicable annual Rent. It is intended that this Lease be a "triple net lease," and that the Rent to be paid hereunder by Tenant will be received by Landlord without any deduction or offset whatsoever by Tenant, foreseeable or unforeseeable, except as otherwise expressly provided in this Lease. Except as expressly provided to the contrary in this Lease, Landlord shall not be required to make any expenditure, incur any obligation, or incur any liability of any kind whatsoever in connection with this Lease or the ownership, construction, maintenance, operation or repair of the Premises or the Project. All other payments or adjustments required to be made under the terms of this Lease that require proration on a time basis shall be prorated on the same basis.

Notwithstanding the foregoing, provided Tenant is not in Default under this Lease, Landlord hereby agrees to abate Tenant's obligation to pay Base Rent during the Base Rent Abatement Period (such total amount of abated Base Rent in the total amount of $1,111,347.90 (i.e., $74,089.86 per month for 15 months) being hereinafter referred to as the "**Abated Base Rent**") (the Abated Base Rent, Abated Parking Charges [as defined in Section 8 of the Summary], Abated Fitness Center Charges [as defined in Section 29.39 below], Abated Conference Room Charges [as defined in Section 29.40 below], and Applied Allowance [as defined in the Tenant Work Letter] are collectively referred to herein as the " **Abated Amount**"). During the Base Rent Abatement Period, Tenant will still be responsible for the payment of all other monetary obligations under this Lease. Tenant acknowledges that any Default under this Lease will cause Landlord to incur costs not contemplated hereunder, the exact amount of such costs being extremely difficult and impracticable to ascertain, therefore, should Tenant at any time during the Lease Term be in Default under this Lease, then the total unamortized sum of such Abated Amount (amortized on a straight line basis over of the last 120 months of the initial Lease Term) so conditionally excused shall become immediately due and payable by Tenant to Landlord and any remaining Abated Amount shall no longer be available to Tenant as a rent credit from the date of such Default. Tenant acknowledges and agrees that nothing in this Article 3 is intended to limit any other remedies available to Landlord at law or in equity under applicable Laws (including, without limitation, the remedies

Under California Civil Code Section 1951.2 and/or 1951.4 and any successor statutes or similar laws) in the event of a Default under this Lease.

Notwithstanding the foregoing, Landlord shall have the option to make a cash payment (the "**Buyout Payment**") to Tenant in the amount of the then remaining Abated Base Rent due under the immediately preceding paragraph, and/or any unused Allowance which may be applied pursuant to Section 5(f) of the Tenant Work Letter (i.e., the Applied Allowance, subject to the Outside Allowance Date). Upon Landlord's tender of such Buyout Payment, Tenant shall no longer be entitled to the Abated Base Rent and/or any available Applied Allowance. Landlord shall exercise its option to buy out the Abated Base Rent and/or Applied Allowance by delivering at least ten (10) days' prior written notice thereof to Tenant, and shall make the Buyout Payment to Tenant on or about the date set forth in such notice.

ARTICLE 4

ADDITIONAL RENT

4.1 **General Terms**. In addition to paying the Base Rent specified in Article 3 of this Lease, Tenant shall pay "Tenant's Share" of the annual "Direct Expenses," as those terms are defined in Section 5 of the Summary and Section 4.2.1 of this Lease, respectively. Such payments by Tenant, together with any and all other amounts payable by Tenant to Landlord or Landlord's property manager pursuant to the terms of this Lease, are hereinafter collectively referred to as the "**Additional Rent**", and the Base Rent and the Additional Rent are herein collectively referred to as "**Rent**." All amounts due under this Article 4 as Additional Rent shall be payable for the same periods and in the same manner as the Base Rent. Without limitation on other obligations of Tenant which survive the expiration of the Lease Term, the obligations of Tenant to pay the Additional Rent provided for in this Article 4 shall survive the expiration of the Lease Term.

4.2 **Definitions of Key Terms Relating to Additional Rent**. As used in this Article 4, the following terms shall have the meanings hereinafter set forth:

4.2.1 **"Direct Expenses"** shall mean, collectively, the "Operating Expenses", "Tax Expenses" and "Utility Expenses". Landlord estimates in good faith that Tenant's Share of Operating Expenses and Tax Expense shall not exceed $1.08 per square foot in the aggregate for Expense Year 2018; provided, however, Tenant acknowledges that such amount is an estimate only and may be subject to change.

4.2.2 **"Expense Year"** shall mean each calendar year in which any portion of the Lease Term falls, through and including the calendar year in which the Lease Term expires.

4.2.3 **"Operating Expenses"** shall mean all expenses, costs and amounts of every kind and nature which Landlord pays or accrues during any Expense Year because of or in connection with the ownership, management, maintenance, security, repair, replacement, restoration or operation of the Project, or any portion thereof (provided, however, Operating Expenses shall not include Tax Expenses and Utility Expenses (as those terms are defined below). Without limiting the generality of the foregoing, Operating Expenses shall specifically include actual, out of pocket costs incurred by Landlord in connection with any and all of the following: (i) the cost of operating, repairing, maintaining, and renovating the utility, telephone, mechanical, sanitary, storm drainage, and elevator systems, and the cost of maintenance and service contracts in connection therewith; (ii) the cost of licenses, certificates, permits and inspections and the cost of contesting any governmental enactments which may affect Operating Expenses, and the costs incurred in connection with a transportation system management program or similar program; (iii) the cost of all insurance carried by Landlord or the property manager of Landlord in connection with the Project in such amounts as Landlord may reasonably determine or as may be required by the Development CC&R's, any mortgagees or the lessor of any underlying or ground lease affecting the Project and/or the Building (provided that Landlord represents that, as of the Effective Date, no such underlying or ground lease(s) exist); (iv) the cost of landscaping, relamping, all supplies, tools, equipment and materials used in the operation, repair and maintenance of the Project, or any portion thereof; (v) costs incurred in connection with the parking areas servicing the Project; (vi) fees and other costs, including management fees, consulting fees, legal fees and accounting fees related to the general operation of Landlord's business (but excluding, by way of example only and not of limitation, any legal fees incurred by Landlord in pursuing a default against another tenant or occupant of the Project), of all contractors and consultants in connection with the management, operation, maintenance or security of the Project, and employer's Social Security taxes, unemployment taxes or insurance, and any other taxes which may be levied on such wages, salaries, compensation and benefits; provided, that if any employees of Landlord or its property manager provide services for more than one project, then a prorated portion of such employees' wages, benefits and taxes shall be included in Operating Expenses based on the portion of their working time devoted to the Project; (vii) payments under any equipment rental agreements and the fair rental value of any management office space and the cost of furnishings in such management office space; (viii) wages, salaries and other compensation and benefits, including taxes levied thereon, of all persons engaged in the operation, maintenance and security of the Project; (ix) costs under any instrument pertaining to the sharing of costs by the Project; (x) operation, repair, maintenance and replacement of all systems and equipment and components thereof of the Building and/or the Project; (xi) the cost of janitorial, alarm, security and other services, replacement of wall and floor coverings, ceiling tiles and fixtures in common areas, maintenance and replacement of curbs and walkways, repair to roofs and re-roofing; (xii) amortization (including interest on the unamortized cost) of the cost of acquiring or the rental expense of personal property used in the maintenance, operation and repair of the Project, or any portion thereof; (xiii) the cost of capital improvements or other costs incurred in connection with the Project (A) which are intended to improve economies in the operation or maintenance of the Project, or any portion thereof, or (B) that are required under any governmental law or regulation; provided, however, that any capital expenditure shall be amortized with interest over its useful life (as determined by Landlord using sound real estate management principles as similarly applied by other similar landlords of Comparable

Buildings); (xiv) costs, fees, charges or assessments imposed by, or resulting from any mandate imposed on Landlord by, any federal, state or local government for fire and police protection, trash removal, community services, or other services which do not constitute "Tax Expenses" as that term is defined in Section 4.2.5, below; and (xv) payments under any easement, license, operating agreement, declaration, restrictive covenant, or instrument pertaining to the sharing of costs by the Building (collectively, **"CC&R Payments"**), including, without limitation, all assessments levied against Landlord or the Project pursuant to the Development CC&R's (whether or not the same would otherwise be includable in Operating Expenses pursuant to this Section 4.2).

Notwithstanding anything to the contrary contained herein, during the entire Lease Term, Tenant's Share of "controllable expenses" shall not increase by more than five percent (5%) of such controllable expenses per calendar year on a cumulative, compounded basis. As used herein, the term "controllable expenses" means all Operating Expenses other than (i) insurance costs; (ii) union wages; (iii) intentionally deleted; (iv) costs levied, assessed or imposed by, or at the direction of, or resulting from statutes or regulations or interpretations thereof promulgated by, any federal, state, regional, municipal or local governmental authority in connection with the use or occupancy of the Building or the Project or the parking facility serving the Building or the Project; (v) any CC&R Payments; and (vi) all fees fixed under contracts in existence on the date hereof. The parties acknowledge that Utility Expenses and Tax Expenses are not part of Operating Expenses and, as such, are not part of controllable expenses.

If Landlord is not furnishing any particular work or service (the cost of which is variable, and if performed by Landlord, would be included in Operating Expenses) to a tenant who has undertaken to perform such work or service in lieu of the performance thereof by Landlord, Operating Expenses shall be deemed to be increased by an amount equal to the additional Operating Expenses which would reasonably have been incurred during such period by Landlord if it had at its own expense furnished such work or service to such tenant. If the Project is not at least one hundred percent (100%) occupied during all or a portion of any Expense Year, Landlord may elect to make an appropriate adjustment to those portions, if any, of the Operating Expenses which vary based upon the occupancy level of the Project, for such year to determine the amount of Operating Expenses that would have been incurred had the Project been one hundred percent (100%) occupied; and the amount so determined shall be deemed to have been the amount of Operating Expenses for such year.

Landlord shall use commercially reasonable efforts to minimize Operating Expenses in a manner consistent with good business practices and all Operating Expenses shall be based upon competitive charges for similar services and/or materials that are available in the general vicinity of the Project. In the event of any dispute as to whether an item represents an expense or a capital item, sound economic management principles shall be determinative and binding on the parties. Notwithstanding anything in this Lease to the contrary, there will be no duplication in charges to Tenant by reason of the provisions in this Lease setting forth Tenant's obligation to reimburse Landlord for Operating Expenses or by reason of any other provision of this Lease.

Notwithstanding anything to the contrary contained herein, Operating Expenses shall not include (i) the cost of initially constructing and installing, or reconstructing and reinstalling, all or any portion of the Project, the Common Areas, or any expansion or replacement thereof (unless such replacement is a capital expense in which event same shall be amortized in accordance with the terms of this Lease); (ii) except as expressly set forth above, the cost of capital improvements or replacements or any other expenditure that, pursuant to sound economic management principles, is deemed to be a capital expense, or payments on account of future capital expenses or accounts or funds maintained entirely or in part for the purpose of funding future capital improvements; (iii) any cost to repair a Common Area element incurred during the one (1) year construction warranty period following initial construction of such element; (iv) depreciation on any buildings or improvements related to the Project; (v) interest, late charges, and penalties on any Operating Expenses, unless the same is incurred solely as a result of Tenant's failure to timely pay the same; (vi) in-house attorneys' fees and costs; (vii) the cost of any tenant improvements or other improvements, or other services or other Common Area costs, which are performed by or incurred by Landlord for the benefit of some, but not all, tenants of the Project; (viii) expenses for maintenance, repair and insurance of any outlot area that is separately maintained, insured, or paid for by the users of such outlot area; (ix) Common Area costs that are self-insured (excluding commercially reasonable retentions or deductibles) or are reimbursed by insurance proceeds (or would have been so reimbursed had Landlord maintained full replacement cost insurance) and/or condemnation awards; (x) any and all expenses incurred in procuring, retaining, negotiating, amending, extending, administering, or terminating leases with any existing or prospective tenants, including advertising, brokerage, architectural, engineering, and legal fees related thereto; (xi) any amounts payable under mortgages, deeds of trust, or ground leases encumbering all or any part of the Project; (xii) any costs or expenses incurred by Landlord in securing any governmental approvals to construct or operate the Project, whether pursuant to a development agreement or otherwise, including any impact fees, development fees, dedications, or other fees or charges paid to any governmental authority in connection with any such construction or operation; (xiii) any costs and expenses of investigating, removing, maintaining or monitoring any hazardous material existing within the Project as of the Effective Date or caused by any party other than Landlord or any of the tenants of the Project, or any costs and expenses of complying with Laws (to the extent the Project is not in compliance with Laws as of the Effective Date); (xiv) costs attributable to enforcing leases against tenants in the Project, such as attorney's fees, court costs, adverse judgments, and similar expenses; (xv) costs that are reimbursable to Landlord by tenants as a result of provisions contained in their specific lease, such as excessive use of utilities; (xvi) costs incurred due to violations of any of the terms and conditions of any leases in the Project; (xvii) management fees, administrative costs, on-site personnel, overhead and/or profit (combined) in excess of three percent (3%) of total Rent paid by tenants of the Project during the subject calendar year; (xviii) any compensation paid to clerks, attendants or other persons in commercial concessions operated by Landlord; (xix) rentals and other related expenses incurred in leasing air conditioning systems, elevators, or other equipment ordinarily considered to be of a capital nature, but only if the rental cost is more than the amortized replacement cost Landlord would have incurred and been able to pass through; (xx) advertising and promotional expenditures, including wages and salaries of persons managing or administering such expenditures; (xxi) intentionally deleted; (xxii) wages, salaries or other compensation paid to any employee above the grade of portfolio

manager; (xxiii) the cost of correcting any violations of Laws existing within the Project as of the Effective Date; (xxiv) costs attributable to repairing or replacing items that are covered by warranties; (xxv) any costs attributable to holiday decorations; (xxvi) the cost or rental value of vacant space in the Project, or space provided for maintenance, management, administrative, or security functions; (xxvii) any charges that duplicate other charges payable or monies due from Tenant hereunder; (xxviii) intentionally deleted; (xxix) intentionally deleted; (xxx) any expense(s) related to the defense of Landlord's title to the Property; (xxxi) any costs to correct original or latent defects in the design, construction or equipment of the Project in the first year of the Lease Term; and (xxxii) any charitable, lobbying, special interest or political contributions.

4.2.4 **"Utility Expenses"** shall mean all actual charges for utilities for the Property including the Common Areas, calculated assuming the Property is one hundred percent (100%) occupied, including but not limited to water, sewer and electricity, and the costs of heating, ventilating and air conditioning and other utilities (but excluding those charges for which tenants are individually responsible) as well as related fees, assessments and surcharges.

4.2.5 **Taxes**.

4.2.5.1 **"Tax Expenses"** shall mean all federal, state, county, or local governmental or municipal taxes, fees, charges or other impositions of every kind and nature, whether general, special, ordinary or extraordinary, (including, without limitation, real estate taxes, general and special assessments, transit taxes, leasehold taxes or taxes based upon the receipt of rent, including gross receipts or sales taxes applicable to the receipt of rent, unless required to be paid by Tenant, personal property taxes imposed upon the fixtures, machinery, equipment, apparatus, systems and equipment, appurtenances, furniture and other personal property used in connection with the Project, or any portion thereof), which shall be paid or accrued during any Expense Year (without regard to any different fiscal year used by such governmental or municipal authority) because of or in connection with the ownership, leasing and operation of the Project, or any portion thereof.

4.2.5.2 Tax Expenses shall include, without limitation, any assessment, tax, fee, levy or charge in addition to, or in substitution, partially or totally, of any assessment, tax, fee, levy or charge previously included within the definition of real property tax, it being acknowledged by Tenant and Landlord that Proposition 13 was adopted by the voters of the State of California in the June 1978 election ("**Proposition 13**") and that assessments, taxes, fees, levies and charges may be imposed by governmental agencies for such services as fire protection, street, sidewalk and road maintenance, refuse removal and for other governmental services formerly provided without charge to property owners or occupants, and, in further recognition of the decrease in the level and quality of governmental services and amenities as a result of Proposition 13, Tax Expenses shall also include any governmental or private assessments or the Project's contribution towards a governmental or private cost-sharing agreement for the purpose of augmenting or improving the quality of services and amenities normally provided by governmental agencies.

4.2.5.3 Any reasonable and actual out of pocket costs and expenses (including, without limitation, reasonable attorneys' fees) incurred in attempting to protest, reduce or minimize Tax Expenses shall be included in Tax Expenses in the Expense Year such expenses are paid. Refunds of Tax Expenses shall be credited against Tax Expenses and refunded to Tenant regardless of when received, based on the Expense Year to which the refund is applicable, provided that in no event shall the amount to be refunded to Tenant for any such Expense Year exceed the total amount paid by Tenant as Additional Rent under this Article 4 for such Expense Year. If Tax Expenses for any period during the Lease Term or any extension thereof are increased after payment thereof for any reason, including, without limitation, error or reassessment by applicable governmental or municipal authorities, Tenant shall pay Landlord upon demand Tenant's Share of any such increased Tax Expenses included by Landlord as Tax Expenses pursuant to the terms of this Lease. Notwithstanding anything to the contrary contained in this Section 4.2.4 (except as set forth in Section 4.2.4.1, above), there shall be excluded from Tax Expenses (i) all excess profits taxes, franchise taxes, gift taxes, capital stock taxes, inheritance and succession taxes, estate taxes, federal and state income taxes, and other taxes to the extent applicable to Landlord's general or net income (as opposed to rents, receipts or income attributable to operations at the Project), (ii) any items included as Operating Expenses, (iii) any items paid by Tenant under Section 4.5 of this Lease, and (iv) any late payment penalties, fees or interest as a result of Landlord's failure to make payments when due.

4.3 **Cost Pools**. Landlord shall have the right, from time to time, to equitably allocate some or all of the Direct Expenses for the Building and Project among different portions or occupants of the Building and Project, including retail and office areas (the "**Cost Pools**"), in Landlord's reasonable discretion. The Direct Expenses within each such Cost Pool shall be allocated and charged to the tenants within such Cost Pool in an equitable manner, provided that at no time shall the Cost Pool allocated to Tenant exceed Tenant's percentage share of the applicable Cost Pool. Additionally, Landlord shall have the right, from time to time, to equitably allocate some or all of the Direct Expenses for the Building and Project among different buildings within the Project, in Landlord's reasonable discretion, in which event Tenant's Share shall be based on the Building's share of such Direct Expenses, as so allocated.

4.4 **Calculation and Payment of Additional Rent**.

4.4.1 **Statement of Actual Direct Expenses and Payment by Tenant**. Landlord shall endeavor to give to Tenant within one hundred twenty (120) days following the end of each Expense Year, a statement (the **"Statement"**) which shall state the Direct Expenses incurred or accrued for such preceding Expense Year. If for any Expense Year ending or commencing within the Lease Term, Tenant's Share of Direct Expenses for such Expense Year exceeds the Estimated Direct Expenses actually paid by Tenant and received by Landlord, then Tenant shall pay to Landlord, in the manner set forth hereinbelow, and as Additional Rent, an amount equal to the excess (the "**Excess**"). Notwithstanding the foregoing, Landlord and Tenant hereby acknowledge and agree that, except as expressly set forth

in the last sentence of this Section 4.4.1, the failure of Landlord to timely furnish the Statement for any Expense Year shall not prejudice Landlord or Tenant from enforcing its rights under this Article 4. Upon receipt of the Statement for each Expense Year commencing or ending during the Lease Term, if an Excess is present, Tenant shall pay, upon the later of its next installment of Base Rent due or twenty (20) days after its receipt of the Statement, the full amount of the Excess for such Expense Year. Even though the Lease Term has expired and Tenant has vacated the Premises, when the final determination is made of Tenant's Share of Direct Expenses for the Expense Year in which this Lease terminates, if an Excess if present, Tenant shall immediately pay to Landlord such amount following receipt by Tenant of the Statement setting forth the Excess. In the event that a Statement shall indicate that Tenant has paid more as Estimated Direct Expenses than Tenant's Share of Direct Expenses in connection with any Expense Year (an "**Overage**"), Tenant shall receive, at Tenant's option, a refund of the Overage or a credit against the Rent next due under this Lease in the amount of such Overage (or, in the event that this Lease shall have terminated, Tenant shall receive a refund from Landlord in the amount of such Overage). The provisions of this Section 4.4.1 shall survive the expiration or earlier termination of the Lease Term. Notwithstanding the immediately preceding sentence, Tenant shall not be responsible for Tenant's Share of any Direct Expenses attributable to any Expense Year which are first billed to Tenant more than twelve (12) months after the end of the Expense Year to which such Direct Expenses relate, except where the failure to provide such billing as to any particular item is beyond Landlord's reasonable control (e.g., tax assessments that are late in arriving from the tax assessor), in which case such 12-month limit shall not be applicable.

4.4.2 **Statement of Estimated Direct Expenses**. In addition, Landlord shall give Tenant a yearly expense estimate statement (the "**Estimate Statement**") which shall set forth Landlord's good faith estimate (the "**Estimate**") of what the total amount of Direct Expenses for the then-current Expense Year shall be (the "**Estimated Direct Expenses**"). The failure of Landlord to timely furnish the Estimate Statement for any Expense Year shall not preclude Landlord from enforcing its rights to collect any Estimated Direct Expenses under this Article 4, nor shall Landlord be prohibited from revising any Estimate Statement or Estimated Direct Expenses theretofore delivered to the extent necessary. Thereafter, Tenant shall pay, with its next installment of Base Rent due, a fraction of the Estimated Direct Expenses for the then-current Expense Year (reduced by any amounts already paid pursuant to the last sentence of this Section 4.4.2). Such fraction shall have as its numerator the number of months which have elapsed in such current Expense Year, including the month of such payment, and twelve (12) as its denominator. Until a new Estimate Statement is furnished (which Landlord shall have the right to deliver to Tenant at any time), Tenant shall pay monthly, with the monthly Base Rent installments, an amount equal to one-twelfth (1/12) of the total Estimated Direct Expenses set forth in the previous Estimate Statement delivered by Landlord to Tenant.

4.5 **Taxes and Other Charges for Which Tenant Is Directly Responsible**

4.5.1 Tenant shall be liable for and shall pay at least ten (10) days before delinquency, taxes levied against Tenant's equipment, furniture, trade fixtures and any other personal property located in or about the Premises. If any such taxes on Tenant's equipment, furniture, fixtures and any other personal property are levied against Landlord or Landlord's property or if the assessed value of Landlord's property is increased by the inclusion therein of a value placed upon such equipment, furniture, fixtures or any other personal property and if Landlord pays the taxes based upon such increased assessment, which Landlord shall have the right to do regardless of the validity thereof but only under proper protest if requested by Tenant, Tenant shall upon demand repay to Landlord the taxes so levied against Landlord or the proportion of such taxes resulting from such increase in the assessment, as the case may be.

4.5.2 If the tenant improvements in the Premises, whether installed and/or paid for by Landlord or Tenant and whether or not affixed to the real property so as to become a part thereof, are assessed for real property tax purposes at a valuation higher than the valuation at which tenant improvements conforming to Landlord's "building standard" in other space in the Building are assessed, then the Tax Expenses levied against Landlord or the property by reason of such excess assessed valuation shall be deemed to be taxes levied against personal property of Tenant and shall be governed by the provisions of Section 4.5.1, above.

4.5.3 Notwithstanding any contrary provision herein, Tenant shall pay prior to delinquency any (i) rent tax or sales tax, service tax, transfer tax or value added tax, or any other applicable tax on the rent or services herein or otherwise respecting this Lease, (ii) taxes assessed upon or with respect to the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises or any portion of the Project, including the Project parking facility; or (iii) taxes assessed upon this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Premises.

4.6 **Landlord's Books and Records**. Within ninety (90) days after receipt of a Statement by Tenant, if Tenant disputes the amount of Direct Expenses set forth in the Statement, an independent certified public accountant (which accountant is a member of a nationally or regionally recognized accounting firm and which accountant shall not be compensated on a contingency fee or similar basis related to the result of such audit), designated by Tenant, may, after reasonable notice to Landlord and at reasonable times subject to Landlord's reasonable scheduling requirements, inspect Landlord's records at Landlord's offices; provided that Tenant is not then in Default under this Lease; and further provided that such inspection must be completed within ten (10) business days after Landlord's records are made available to Tenant. Tenant agrees that any records of Landlord reviewed under this Section 4.6 shall constitute confidential information of Landlord, which Tenant shall not disclose, nor permit to be disclosed by Tenant or Tenant's accountant, except to Tenant's principals, attorneys or as may be directed by court order. If, within thirty (30) days after such inspection, Tenant notifies Landlord in writing that Tenant still disputes such Direct Expenses included in the Statement, then a certification as to the proper amount shall be made, at Tenant's expense, by an independent certified public accountant selected by Tenant and reasonably approved by Landlord, which certification shall be final and conclusive; provided, however, if the actual amount of Direct Expenses due for that

Expense Year, as determined by such certification, is determined to have been overstated by more than three percent (3%), then Landlord shall pay the reasonable out-of-pocket costs associated with such certification, not to exceed $1,500.00. Tenant's failure (i) to take exception to any Statement within ninety (90) days after Tenant's receipt of such Statement or (ii) to timely complete its inspection of Landlord's records or (iii) to timely notify Landlord of any remaining dispute after such inspection shall be deemed to be Tenant's approval of such Statement and Tenant, thereafter, waives the right or ability to dispute the amounts set forth in such Statement, which Statement shall be considered final and binding. If the results of Tenant's audit shows an overcharge to Tenant, then within thirty (30) days after completion of such audit, Landlord shall credit Tenant (or if the Term of this Lease has expired, refund to Tenant), any overcharge discovered by the audit, and if such audit discloses an undercharge to Tenant, Tenant shall pay Landlord the amount of such undercharge within thirty (30) days after completion of such audit. Notwithstanding anything in this Section 4.6 to the contrary, Tenant may not inspect Landlord's records pursuant to this Section 4.6 more than once during each 12-month period.

ARTICLE 5

USE OF PREMISES

5.1 **Permitted Use**. Tenant shall use the Premises solely for general office purposes consistent with the character of the Building as a first-class office building and Tenant shall not use or permit the Premises or the Project to be used for any other purpose or purposes whatsoever without the prior written consent of Landlord, which may be withheld in Landlord's sole discretion.

5.2 **Prohibited Uses**. The uses prohibited under this Lease shall include, without limitation, use of the Premises or a portion thereof for (i) offices of any agency or bureau of the United States or any state or political subdivision thereof; (ii) offices or agencies of any foreign governmental or political subdivision thereof; (iii) offices of any health care professionals or service organization; (iv) schools or other training facilities which are not ancillary to corporate, executive or professional office use; (v) retail or restaurant uses; (vi) communications firms such as radio and/or television stations, or (vii) an executive suites subleasing business or operation. Tenant shall not allow occupancy density of use of the Premises which is greater than the density limitation provided by applicable Law or any covenants, conditions, and restrictions now or hereafter affecting the Building. Tenant further covenants and agrees that Tenant shall not use, or suffer or permit any person or persons to use, the Premises or any part thereof for any use or purpose contrary to the provisions of the Rules and Regulations set forth in **Exhibit D**, attached hereto, as the same may be amended by Landlord from time to time, or in violation of the laws of the United States of America, the State of California, or the ordinances, regulations or requirements of the local municipal or county governing body or other lawful authorities having jurisdiction over the Project) including, without limitation, any such laws, ordinances, regulations or requirements relating to hazardous materials or substances, as those terms are defined by applicable laws now or hereafter in effect. Tenant shall not do or permit anything to be done in or about the Premises which will in any way damage the reputation of the Project or obstruct or interfere with the rights of other tenants or occupants of the Building, or injure or annoy them or use or allow the Premises to be used for any improper or unlawful purpose, nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises. Tenant shall comply with all recorded covenants, conditions, and restrictions now or hereafter affecting the Project, copies of which have been provided to Tenant or, with regard to future covenants, conditions and restrictions, as to which Landlord has provided Tenant with a written copy. To Landlord's actual knowledge, without any duty of investigation or inquiry, the recorded covenants, conditions, and restrictions affecting the Project as of the Effective Date are referenced on **Exhibit G** attached hereto.

5.3 **Hazardous Materials; Tenant**. Except for ordinary and general office supplies typically used in the ordinary course of business within office buildings, such as copier toner, liquid paper, glue, ink and common household cleaning materials (some or all of which may constitute "Hazardous Materials" as defined in this Lease), Tenant agrees not to cause or knowingly permit any Hazardous Materials to be brought upon, stored, used, handled, generated, released or disposed of on, in, under or about the Premises, the Building, the Common Areas or any other portion of the Project by Tenant, its agents, employees, subtenants, assignees, licensees, contractors or invitees (collectively, "**Tenant's Parties**"), without the prior written consent of Landlord, which consent Landlord may withhold in its sole and absolute discretion. Upon the expiration or earlier termination of this Lease, Tenant agrees to promptly remove from the Premises, the Building and the Project, at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials which are installed, brought upon, stored, used, generated or released upon, in, under or about the Premises, the Building and/or the Project or any portion thereof by Tenant or any of Tenant's Parties. To the fullest extent permitted by law, Tenant agrees to promptly indemnify, protect, defend and hold harmless Landlord and Landlord's partners, officers, directors, employees, agents, successors and assigns (collectively, "**Landlord Indemnified Parties**") from and against any and all claims, damages, judgments, suits, causes of action, losses, liabilities, penalties, fines, expenses and costs (including, without limitation, clean-up, removal, remediation and restoration costs, sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees and court costs) which arise or result from the presence of Hazardous Materials on, in, under or about the Premises, the Building or any other portion of the Project and which are caused or permitted by Tenant or any of Tenant's Parties. Tenant agrees to promptly notify Landlord of any release of Hazardous Materials at the Premises, the Building or any other portion of the Project which Tenant becomes aware of during the Lease Term, whether caused by Tenant or any other persons or entities. In the event of any release of Hazardous Materials caused by Tenant or any of Tenant's Parties, Landlord shall have the right, but not the obligation, to cause Tenant to immediately take all steps Landlord deems necessary or appropriate to remediate such release and prevent any similar future release to the satisfaction of Landlord and Landlord's mortgagee(s). As used in this Lease, the term "**Hazardous Materials**" shall mean and include any hazardous or toxic materials, substances or wastes as now or hereafter designated under any law, statute, ordinance, rule, regulation, order or ruling of any agency of the state in which the Building is located, the United States Government or any local governmental authority, including, without limitation, asbestos, petroleum, petroleum hydrocarbons and petroleum based products, urea formaldehyde foam insulation,

polychlorinated biphenyls ("**PCBs**"), and freon and other chlorofluorocarbons. The provisions of this Section 5.3 will survive the expiration or earlier termination of this Lease.

5.4 **Hazardous Materials; Landlord**. Landlord represents and warrants to Tenant that, without independent investigation or inquiry whatsoever, it has no current, actual knowledge of the presence of Hazardous Materials in, on or at the Premises, Building or Project in excess of legally permissible levels as of the date of execution of this Lease. Landlord shall clean up and remove from the Premises and Building all Hazardous Materials located therein or thereon as and when required by applicable governmental regulations, at no cost to Tenant, except if and to the extent such cleanup and removal is required by virtue of the acts of Tenant or any of Tenant's Parties. Subject to the limitations set forth in Section 29.13 of this Lease, Landlord agrees to indemnify and hold Tenant harmless from and against any and all liability, claims, damages, losses or causes of action whatsoever (except consequential damages, including, without limitation, lost profits) incurred by Tenant by reason of any unlawful Hazardous Materials on or in the Premises, the Building or the Project prior to Tenant's first entry into the Premises, or thereafter introduced in, on or at the Premises, the Building or the Project by Landlord or any Landlord Indemnified Parties.

ARTICLE 6

SERVICES AND UTILITIES

6.1 **Standard Tenant Services**. Landlord (or Landlord's property manager) shall provide the following services on all days (unless otherwise stated below) during the Lease Term as part of Direct Expenses.

6.1.1 Subject to limitations imposed by all governmental rules, regulations and guidelines applicable thereto, Landlord shall provide heating and air conditioning ("**HVAC**") when necessary for normal (i.e., as regulated by OSHA) comfort for customary office use in the Premises from 8:00 A.M. to 6:00 P.M. Monday through Friday, and on Saturdays from 9:00 A.M. to 1:00 P.M. (collectively, the " **Building Hours**"), except for the date of observation of New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day and, at Landlord's discretion, other nationally recognized holidays (collectively, the "**Holidays**"). Notwithstanding the foregoing, (a) Landlord shall not be required to furnish the Building with HVAC during Saturdays, unless requested by Tenant not less than sixty (60) minutes in advance through Landlord's "app" which is used in connection with its ownership and operation of the Premises, which "app" is called Genea, and (b) subject to the terms hereof, Tenant's use of HVAC during the period from 9:00 a.m. to 1:00 p.m. on Saturdays shall be free of charge if timely requested.

6.1.2 Landlord shall provide adequate electrical wiring and facilities for normal general office use and electricity at levels consistent with normal general office use, as reasonably determined by Landlord. Tenant shall bear the cost of replacement of lamps, starters and ballasts for non-Building standard lighting fixtures within the Premises.

6.1.3 Landlord shall provide city water from the regular Building outlets for drinking, lavatory and toilet purposes and for any business office type kitchens in the Premises and the Common Areas.

6.1.4 Landlord shall provide janitorial services five (5) days a week (i.e., Sunday through Thursday) to the Premises and the Common Areas, except on the date of observation of the Holidays, and window washing services in a manner consistent with other comparable buildings in the vicinity of the Building.

6.1.5 Landlord shall provide nonexclusive, non-attended automatic passenger elevator service during the Building Hours, except on Holidays, and shall have one elevator available at all other times, except on the Holidays.

6.1.6 Landlord shall provide nonexclusive freight elevator service subject to scheduling by Landlord.

Tenant shall cooperate fully with Landlord at all times and abide by all regulations and requirements that Landlord may reasonably prescribe for the proper functioning and protection of the HVAC, electrical, mechanical and plumbing systems.

6.2 **Overstandard Tenant Use**. Tenant shall not, without Landlord's prior written consent (which shall not be unreasonably withheld, conditioned or delayed), use heat-generating machines (such, as for example only, server blades, IT equipment, UPS back-up power, supplemental HVAC units and commercial cooking equipment), machines other than normal fractional horsepower office machines, or equipment or lighting other than Building standard lights in the Premises, which may affect the temperature otherwise maintained by the air conditioning system or increase the water normally furnished for the Premises by Landlord (or Landlord's property manager) pursuant to the terms of Section 6.1 of this Lease. If such consent is given, Landlord (or Landlord's property manager) shall have the right to install supplementary air conditioning units or other facilities in the Premises, including supplementary or additional metering devices, and the cost thereof, including the cost of installation, operation and maintenance, increased wear and tear on existing equipment and other similar charges, shall be paid by Tenant to Landlord (or Landlord's property manager) upon billing by Landlord (or Landlord's property manager). If Tenant uses water, electricity, heat or air conditioning in excess of that supplied by Landlord (or Landlord's property manager) pursuant to Section 6.1 of this Lease, or if Tenant shall install and/or operate in the Premises any equipment which shall have an electrical consumption greater than that of normal general office equipment, or which, consistent with the practices of the landlords of comparable first class office buildings located in the general vicinity of the Building, are considered to be high electricity consumption equipment, Tenant shall pay to Landlord (or Landlord's property manager), upon billing, the cost of such excess consumption and the cost of the installation, operation, and maintenance of equipment

which is installed in order to supply such excess consumption, and the cost of the increased wear and tear on existing equipment caused by such excess consumption; and Landlord (or Landlord's property manager) may install devices to separately meter any increased use and in such event Tenant shall pay the increased cost directly to Landlord (or Landlord's property manager), upon billing, at the rates charged by the public utility company furnishing the same, including the cost of such additional metering devices. Tenant's use of electricity shall never exceed the capacity of the feeders to the Project or the risers or wiring installation, and subject to the terms of Section 29.32, below, Tenant shall not install or use or permit the installation or use of any data storage and/or processing equipment in the Premises, without the prior written consent of Landlord. If Tenant desires to use heat, ventilation or air conditioning during hours other than those for which Landlord (or Landlord's property manager) is obligated to supply such utilities pursuant to the terms of Section 6.1 of this Lease ("**After Hours HVAC**"), Tenant shall give Landlord at least 15-minutes prior notice of Tenant's desired use in order to supply such After Hours HVAC, and Landlord (or Landlord's property manager) shall supply such After Hours HVAC to Tenant on an hourly basis and (subject to a two (2) hour minimum for usage not immediately preceding or following Building Hours) at an hourly cost to Tenant (which shall be treated as Additional Rent) equal to Landlord's actual cost of providing the same (i.e., currently $80.00 per hour, with 2 hours minimum [or one (1) hour minimum for usage immediately preceding or immediately following Building Hours]) (the "**After Hours HVAC Rate**").

6.3 **Interruption of Use**. Tenant agrees that Landlord (or Landlord's property manager) shall not be liable for damages, by abatement of Rent (except as specifically set forth in Section 19.6.2 of this Lease) or otherwise, for failure to furnish or delay in furnishing any service (including telephone and telecommunication services), or for any diminution in the quality or quantity thereof, when such failure or delay or diminution is occasioned, in whole or in part, by breakage, repairs, replacements, or improvements, by any strike, lockout or other labor trouble, by inability to secure electricity, gas, water, or other fuel at the Building or Project after reasonable effort to do so, by any riot or other dangerous condition, emergency, accident or casualty whatsoever, by act or default of Tenant or other parties, or by any other cause (provided that the foregoing shall not limit Landlord's liability, if any, pursuant to applicable law for personal injury and property damage to the extent caused by the gross negligence or willful misconduct of Landlord, its agents, employees or contractors, subject to the terms of Article 10, below); and such failures or delays or diminution shall never be deemed to constitute an eviction or disturbance of Tenant's use and possession of the Premises or relieve Tenant from paying Rent (except as specifically set forth in Section 19.6.2 of this Lease) or performing any of its obligations under this Lease. Furthermore, Landlord (or Landlord's property manager) shall not be liable under any circumstances for a loss of, or injury to, property or for injury to, or interference with, Tenant's business, including, without limitation, loss of profits, however occurring, through or in connection with or incidental to a failure to furnish any of the services or utilities as set forth in this Article 6. Landlord (or Landlord's property manager) may comply with voluntary controls or guidelines promulgated by any governmental entity relating to the use or conservation of energy, water, gas, light or electricity or the reduction of automobile or other emissions without creating any liability of Landlord (or Landlord's property manager) to Tenant under this Lease, provided that the Premises are not thereby rendered untenantable.

ARTICLE 7

REPAIRS

7.1 **Repair and Maintenance.** Tenant shall, at Tenant's own expense, pursuant to the terms of this Lease, including without limitation Article 8 hereof, keep the Premises, including all improvements, fixtures and furnishings therein, in good order, repair and condition at all times during the Lease Term. In addition, Tenant shall, at Tenant's own expense and within any reasonable period of time specified by Landlord, pursuant to the terms of this Lease, including without limitation Article 8 hereof, promptly and adequately repair all damage to the Premises and replace or repair all damaged, broken, or worn fixtures and appurtenances, except for damage caused by ordinary wear and tear or beyond the reasonable control of Tenant; provided however, that, at Landlord's option, or if Tenant fails to make such repairs and such failure continues for more than ten (10) days after Tenant's receipt of written notice from Landlord or such longer period of time as may be reasonable under the circumstances (except in the event of an emergency in which event no prior notice shall be required), Landlord (or Landlord's property manager) may, but need not, make such repairs and replacements, and Tenant shall pay Landlord (or Landlord's property manager) the cost thereof, including a percentage of the cost thereof (to be uniformly established for the Building and/or the Project) sufficient to reimburse Landlord (or Landlord's property manager's) for all overhead, general conditions, fees and other costs or expenses arising from Landlord's (or Landlord's property manager) involvement with such repairs and replacements forthwith upon being billed for same. Landlord may, but shall not be required to, enter the Premises at all reasonable times to make such repairs, alterations, improvements or additions to the Premises or to the Project or to any equipment located in the Project as Landlord shall desire or deem necessary or as Landlord may be required to do by governmental or quasi-governmental authority or court order or decree. Notwithstanding the foregoing, or anything to the contrary set forth herein, Landlord shall not enter the Premises without first giving Tenant not less than 48 hours' prior written notice (except in the event of an emergency in which event no prior notice shall be required). Tenant hereby waives any and all rights under and benefits of subsection 1 of Section 1932 and Sections 1941 and 1942 of the California Civil Code or under any similar law, statute, or ordinance now or hereafter in effect.

Landlord shall at all times during the Lease Term maintain in good condition and operating order the structural portions of the Building, including, without limitation, the foundation, floor slabs, ceilings, roof, curtain wall, exterior glass and mullions, columns, beams, shafts (including elevator shafts), elevator cabs, stairs (except internal stairways installed in the Premises), escalators, public men's and women's restrooms, Building mechanical, electrical, telephone and janitorial closets, and all Common Areas (collectively, the "**Building Structure**"), and the base Building mechanical, electrical, life safety, plumbing, sprinkler and HVAC systems which were not installed by the Tenant Parties, are not located in the Premises and do not exclusively service the Premises (collectively, the "Building Systems"). Except as specifically set forth in this Lease to the contrary, Tenant shall not be required to

repair the Building Structure and/or the Building Systems except to the extent required because of Tenant's use of the Premises for other than normal and customary business office operations.

7.2 **Tenant's Right to Make Certain Repairs.** Notwithstanding the provisions of Section 7.1, above, if Tenant provides written notice to Landlord of an event or circumstance which requires the action of Landlord and such repair and/or maintenance relates to improvements which are contained wholly within the Premises (not including any of the Building Structure or Building Systems), and if Landlord fails to commence corrective action within a reasonable period of time, given the circumstances, after the receipt of such written notice, but in any event not later than thirty (30) days after receipt of such written notice, then Tenant may proceed to take the required action upon delivery of an additional five (5) days' prior written notice to Landlord specifying that Tenant is taking such required action, and if such action was required under the terms of this Lease to be taken by Landlord and was not commenced by Landlord within such five (5) day period and thereafter diligently pursued to completion, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in taking such action. In the event Tenant takes such action, Tenant shall use only those contractors used by Landlord in the Building for similar work unless such contractors are unwilling or unable to perform such work, in which event Tenant may utilize the services of any other qualified contractor which normally and regularly performs similar work in Comparable Buildings. Promptly following completion of any work taken by Tenant pursuant to the terms of this Section 7.2, Tenant shall deliver a detailed invoice of the work completed, the materials used and the costs relating thereto. If Landlord does not deliver a detailed written objection to Tenant within thirty (30) days after receipt of an invoice from Tenant, then Tenant shall have the right to deduct the amount set forth in such invoice from Rent payable by Tenant under this Lease, which right shall be Tenant's sole remedy in such instance. If, however, Landlord delivers to Tenant, within thirty (30) days after receipt of Tenant's invoice, a written objection to the payment of such invoice, setting forth with reasonable particularity Landlord's reasons for its claim that such action did not have to be taken by Landlord pursuant to the terms of this Lease or that the charges are excessive (in which case Landlord shall pay the amount it contends would not have been excessive), then Tenant shall not then be entitled to such deduction from Rent, but rather, as Tenant's sole remedy, Tenant may proceed to claim a default by Landlord under this Lease; provided, however, under no circumstances shall Tenant be allowed to terminate this Lease based upon such default by Landlord.

ARTICLE 8

ADDITIONS AND ALTERATIONS

8.1 **Landlord's Consent to Alterations.** Tenant may not make any improvements, alterations, additions or changes to the Premises or any mechanical, plumbing or HVAC facilities or systems pertaining to the Premises (collectively, the **"Alterations"**) without first procuring the prior written consent of Landlord to such Alterations, which consent shall be requested by Tenant not less than thirty (30) days prior to the commencement thereof, and which consent shall not be unreasonably withheld, conditioned or delayed by Landlord, provided it shall be deemed reasonable for Landlord to withhold its consent to any Alteration which adversely affects the structural portions or the systems or equipment of the Building or is visible from the exterior of the Building. The construction of the initial improvements to the Premises shall be governed by the terms of the Tenant Work Letter and not the terms of this Article 8. Notwithstanding the foregoing, Tenant shall have the right, without Landlord's prior consent, but upon not less than twenty (20) days prior written notice to Landlord ("**Pre-Approved Alteration Notice**"), to make strictly cosmetic,non-structural Alterations to the Premises that (i) do not affect any of the Building Systems, (ii) do not affect the Building Structure, (iii) are not visible from the exterior of the Premises or the Building (with the exception of Building standard painting or flooring), and (iv) do not involve the expenditure of more than Fifty Thousand and No/100ths Dollars ($50,000.00) in each instance or One Hundred Fifty Thousand and No/100ths Dollars ($150.000.00) in the aggregate in any 12-month period. The construction of the initial improvements to the Premises shall be governed by the terms of the Tenant Work Letter and not the terms of this Article 8.

8.2 **Manner of Construction.** Where Landlord's consent is required, Landlord may impose, as a condition of its consent to any and all Alterations or repairs of the Premises or about the Premises, such requirements as Landlord in its reasonable discretion may deem desirable, including, but not limited to, the requirement that upon Landlord's request, Tenant shall, at Tenant's expense, remove such Alterations upon the expiration or any early termination of the Lease Term (provided that Tenant shall not be required to remove any permanent Alterations such as flooring or partitions, if approved by Landlord in writing as of the date on which Landlord provides its initial consent), and the requirement that all Alterations conform in terms of quality and style to the building's standards established by Landlord. If such Alterations will involve the use of or disturb hazardous materials or substances existing in the Premises, Tenant shall comply with Landlord's rules and regulations concerning such hazardous materials or substances. Landlord's approval of the plans, specifications and working drawings for Tenant's Alterations shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with all Laws. Tenant shall construct such Alterations and perform such repairs in a good and workmanlike manner, in conformance with any and all applicable federal, state, county or municipal laws, rules and regulations and pursuant to a valid building permit, issued by the City of Irvine, all in conformance with Landlord's construction rules and regulations and the plans and specifications previously approved by Landlord. In the event Tenant performs any Alterations in the Premises which require or give rise to governmentally required changes to the "Base Building," as that term is defined below, then Landlord (or Landlord's property manager) shall, at Tenant's expense, make such changes to the Base Building. The "**Base Building**" shall mean the Building Structure and the Building Systems. In performing the work of any such Alterations, Tenant shall have the work performed in such manner so as not to obstruct access to the Project or any portion thereof, by any other tenant of the Project, and so as not to obstruct the business of Landlord or other tenants in the Project. Tenant shall not use (and upon notice from Landlord shall cease using) contractors, services, workmen, labor, materials or equipment that, in Landlord's reasonable judgment, would disturb labor harmony with the workforce or trades engaged in performing other work, labor or services in or about the Building or the Common Areas and in that respect, Landlord shall have the right, in connection with the construction of any Alterations and/or any tenant improvements constructed in the Premises

pursuant to the terms of the Tenant Work Letter, to require that all carpentry subcontractors, laborers, materialmen, and suppliers retained directly by Tenant and/or Landlord (unless Landlord elects otherwise) be union labor in compliance with the then existing master labor agreements. (As of the date of this Lease, only carpentry work requires union labor.) In addition to Tenant's obligations under Article 9 of this Lease, upon completion of any Alterations, Tenant agrees to cause a Notice of Completion to be recorded in the office of the Recorder of the County of Orange in accordance with Section 3093 of the California Civil Code or any successor statute and furnish a copy thereof to Landlord upon recordation, and timely give all notices required pursuant to Section 3259.5 of the California Civil Code or any successor statute (failing which, Landlord may itself execute and file such Notice of Completion and give such notices on behalf of Tenant as Tenant's agent for such purpose), and for any structural Alterations (to the extent permitted by Landlord), Tenant shall deliver to the Project management office a reproducible copy of the "as built" drawings of the Alterations as well as all permits, approvals and other documents issued by any governmental agency in connection with the Alterations. Except as may be expressly set forth herein, Tenant shall not be responsible for any Landlord supervisory fees or similar such fees or charges related to any of Tenant's improvements, alterations, repairs and/or maintenance to the Premises.

8.3 **Payment for Improvements**. If payment is made directly to contractors, Tenant shall comply with Landlord's requirements for final lien releases and waivers in connection with Tenant's payment for work to contractors.

8.4 **Construction Insurance.** In addition to the requirements of Article 10 of this Lease, in the event that Tenant makes any Alterations, prior to the commencement of such Alterations, Tenant shall provide Landlord with evidence that Tenant or its contractor carries " **Builder's All Risk**" insurance (or its then industry equivalent) in an amount approved by Landlord covering the construction of such Alterations, and such other insurance as Landlord may reasonably require. In addition, for structural Alterations only, Landlord may, in its discretion, require Tenant to obtain a lien and completion bond or some alternate form of security satisfactory to Landlord in an amount sufficient to ensure the lien-free completion of such Alterations and naming Landlord as a co-obligee.

8.5 **Landlord's Property.** All Alterations, improvements, fixtures, equipment and/or appurtenances which may be installed or placed in or about the Premises, from time to time, shall be at the sole cost of Tenant and shall be and become the property of Landlord. Landlord may, however, by written notice to Tenant prior to the end of the Lease Term. Provided Tenant is not in Default, Tenant shall not be required to remove any Building Standard Tenant Improvements constructed by Landlord pursuant to the Tenant Work Letter. As used herein, the term " **Building Standard Tenant Improvements**" are those Tenant Improvements which constitute general office improvements which comply with the Standards (as that term is defined in the Tenant Work Letter) for the Building. If Tenant fails to complete such removal and/or to repair any damage caused by the removal of any Alterations or improvements in the Premises which Tenant is required to remove pursuant to the terms hereof, and return the affected portion of the Premises to a building standard tenant improved condition as determined by Landlord, then at Landlord's option, either (A) Tenant shall be deemed to be holding over in the Premises and Rent shall continue to accrue in accordance with the terms of Article 16, below, until such work shall be completed, or (B) Landlord may do so and may charge the cost thereof to Tenant. Tenant hereby protects, defends, indemnifies and holds Landlord harmless from any liability, cost, obligation, expense or claim of lien in any manner relating to the installation, placement, removal or financing of any such Alterations, improvements, fixtures and/or equipment in, on or about the Premises, which obligations of Tenant shall survive the expiration or earlier termination of this Lease.

ARTICLE 9

COVENANT AGAINST LIENS

Tenant shall keep the Project and Premises free from any liens or encumbrances arising out of the work performed, materials furnished or obligations incurred by or on behalf of Tenant, and shall protect, defend, indemnify and hold Landlord harmless from and against any claims, liabilities, judgments or costs (including, without limitation, reasonable and actual out-of-pocket attorneys' fees and costs) arising out of same or in connection therewith. Tenant shall give Landlord notice at least twenty (20) days prior to the commencement of any such work on the Premises (or such additional time as may be necessary under applicable laws) to afford Landlord the opportunity of posting and recording appropriate notices of non-responsibility. Tenant shall remove any such lien or encumbrance by bond or otherwise within five (5) business days after written notice by Landlord, and if Tenant shall fail to do so, Landlord may pay the amount necessary to remove such lien or encumbrance, without being responsible for investigating the validity thereof. The amount so paid shall be deemed Additional Rent under this Lease payable upon demand, without limitation as to other remedies available to Landlord under this Lease. Nothing contained in this Lease shall authorize Tenant to do any act which shall subject Landlord's title to the Building or Premises to any liens or encumbrances whether claimed by operation of law or express or implied contract. Any claim to a lien or encumbrance upon the Building or Premises arising in connection with any such work or respecting the Premises not performed by or at the request of Landlord shall be null and void, or at Landlord's option shall attach only against Tenant's interest in the Premises and shall in all respects be subordinate to Landlord's title to the Project, Building and Premises.

ARTICLE 10

INSURANCE

10.1 **Indemnification and Waiver**. Tenant hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises from any cause whatsoever and agrees that Landlord, its partners, subpartners and their respective officers, agents, servants, and employees (collectively, "**Landlord Parties**") shall not be liable for, and are hereby released from any responsibility for, any damage either to person or property or resulting from the loss of use thereof, which damage is sustained by Tenant or by other persons claiming through Tenant, except to the

extent caused by the gross negligence or willful misconduct of the Landlord Parties (subject to the provisions of Section 10.5, below). Tenant shall indemnify, defend, protect, and hold harmless the Landlord Parties from any and all loss, cost, damage, expense and liability (including without limitation court costs and reasonable attorneys' fees) incurred in connection with or arising from any cause in, on or about the Premises, any violation of any of the requirements, ordinances, statutes, regulations or other laws, including, without limitation, any environmental laws, any acts, omissions or negligence of Tenant or of Tenant's Parties, in, on or about the Project or any breach of the terms of this Lease by Tenant, either prior to, during, or after the expiration of the Lease Term, provided that the terms of the foregoing indemnity shall not apply to the gross negligence or willful misconduct of the Landlord Parties. Should Landlord be named as a defendant in any suit brought against Tenant in connection with or arising out of Tenant's occupancy of the Premises, Tenant shall pay to Landlord its costs and expenses incurred in such suit, including without limitation, its actual professional fees such as appraisers', accountants' and attorneys' fees. Landlord shall indemnify, defend, protect, and hold harmless Tenant and the Tenant Parties from any and all claims, loss, cost, damage, expense and liability (including without limitation court costs and reasonable attorneys' fees) arising from the negligence or willful misconduct of any of the Landlord Parties in, on or about the Project, provided that the foregoing defense and indemnity provision shall not apply to the negligence or willful misconduct of the Tenant Parties. Notwithstanding anything to the contrary set forth in this Lease, either party's agreement to indemnify the other party as set forth in this Section 10.1 shall be ineffective to the extent the matters for which such party agreed to indemnify the other party are covered by insurance required to be carried by the non-indemnifying party pursuant to this Lease. Further, Tenant's agreement to indemnify Landlord and Landlord's agreement to indemnify Tenant pursuant to this Section 10.1 are not intended to and shall not relieve any insurance carrier of its obligations under policies required to be carried by Tenant or Landlord pursuant to the provisions of this Lease, to the extent such policies cover the matters subject to the parties' respective indemnification obligations; nor shall they supersede any inconsistent agreement of the parties set forth in any other provision of this Lease. The provisions of this Section 10.1 shall survive the expiration or sooner termination of this Lease with respect to any claims or liability arising in connection with any event occurring prior to such expiration or termination.

10.2 **Landlord's Insurance**. Landlord shall insure the Building during the Lease Term against loss or damage due to fire and other casualties covered within the classification of fire and extended coverage, vandalism coverage and malicious mischief, sprinkler leakage, water damage and special extended coverage. Such coverage shall be full replacement cost (excluding commercially reasonable deductibles), from such companies, and on such other terms and conditions, as Landlord may from time to time reasonably determine. Landlord shall also carry rent continuation insurance. Additionally, at the option of Landlord, such insurance coverage may include the risks of earthquakes and/or flood damage and additional hazards, a rental loss endorsement and one or more loss payee endorsements in favor of the holders of any mortgages or deeds of trust encumbering the interest of Landlord in the Building or the ground or underlying lessors of the Building, or any portion thereof. Notwithstanding the foregoing provisions of this Section 10.2, the coverage and amounts of insurance carried by Landlord in connection with the Building shall, at a minimum, be comparable to the coverage and amounts of insurance which are carried by reasonably prudent landlords of the Comparable Buildings (provided that in no event shall Landlord be required to carry earthquake insurance). In accordance with the foregoing, Landlord agrees to initially carry, at a minimum, the following types of insurance in amounts which are carried by the reasonably prudent landlords of the Comparable Buildings: commercial general liability, umbrella liability, professional liability, earthquake, employment practices and risk management services; provided, however, although Landlord agrees to initially carry the foregoing coverage, under no circumstances shall Landlord be obligated to carry such coverage (or any other coverage) during the Lease Term and/or any extension thereto; provided further, however, the foregoing is not intended to release Landlord of its express obligation to carry certain coverage and amounts of coverage pursuant to the terms of this Section 10.2 above. Tenant shall, at Tenant's expense, comply with all customary insurance company requirements pertaining to the use of the Premises. If Tenant's conduct or use of the Premises causes any increase in the premium for such insurance policies then Tenant shall reimburse Landlord for any such increase. Tenant, at Tenant's expense, shall comply with all rules, orders, regulations or requirements of the American Insurance Association (formerly the National Board of Fire Underwriters) and with any similar body.

10.3 **Tenant's Insurance**. Tenant shall maintain the following coverages in the following amounts.

10.3.1 Commercial General Liability Insurance covering the insured against claims of bodily injury, personal injury and property damage (including loss of use thereof) arising out of Tenant's operations, and contractual liabilities (covering the performance by Tenant of its indemnity agreements) including a Broad Form endorsement covering the insuring provisions of this Lease and the performance by Tenant of the indemnity agreements set forth in Section 10.1 of this Lease, for limits of liability not less than:

Bodily Injury and Property Damage Liability	$3,000,000 each occurrence $3,000,000 annual aggregate
Personal Injury Liability	$3,000,000 each occurrence $3,000,000 annual aggregate 0% Insured's participation

10.3.2 Special Form (Causes of Loss) Property Insurance covering (i) all office furniture, business and trade fixtures, office equipment, free-standing cabinet work, movable partitions, merchandise and all other items of Tenant's property on the Premises installed by, for, or at the expense of Tenant, (ii) the "Tenant Improvements," as that term is defined in the Tenant Work Letter, and any other improvements which exist in the Premises as of the Lease Commencement Date (excluding the Base Building) (the "**Original Improvements**"), and (iii) all Alterations which are above Building Standard Tenant Improvements. Such insurance shall be for the full replacement cost (subject to reasonable deductible amounts) new without deduction for depreciation of the covered items and in amounts that meet any co-insurance clauses of the policies of insurance and shall include coverage for

damage or other loss caused by fire or other peril including, but not limited to, vandalism and malicious mischief, theft, water damage of any type, including sprinkler leakage, bursting or stoppage of pipes, and explosion, and providing business interruption coverage for a period of one year.

10.3.3 Worker's Compensation and Employer's Liability or other similar insurance pursuant to all applicable state and local statutes and regulations.

10.4 **Form of Policies**. The minimum limits of policies of insurance required of Tenant under this Lease shall in no event limit the liability of Tenant under this Lease. Such insurance shall (i) name Landlord, Landlord's lender, and any other party the Landlord so specifies, as an additional insured, including Landlord's managing agent, if any; (ii) specifically cover the liability assumed by Tenant under this Lease, including, but not limited to, Tenant's obligations under Section 10.1 of this Lease; (iii) be issued by an insurance company having a rating of not less than A-:VIII in Best's Insurance Guide or which is otherwise acceptable to Landlord and licensed to do business in the State of California; (iv) be primary insurance as to all claims thereunder and provide that any insurance carried by Landlord is excess and is non-contributing with any insurance requirement of Tenant; (v) be in form and content reasonably acceptable to Landlord; and (vi) contain a cross-liability endorsement or severability of interest clause acceptable to Landlord; and (vii) provide that said insurance shall not be canceled or coverage changed unless thirty (30) days' prior written notice shall have been given to Landlord and any mortgagee of Landlord. Tenant shall deliver said policy or policies or certificates thereof to Landlord on or before the Lease Commencement Date and at least thirty (30) days before the expiration dates thereof. In the event Tenant shall fail to procure such insurance, or to deliver such policies or certificate, Landlord may, at its option, procure such policies for the account of Tenant, and the cost thereof shall be paid to Landlord within five (5) days after delivery to Tenant of bills therefor.

10.5 **Subrogation**. Landlord and Tenant intend that their respective property loss risks shall be borne by reasonable insurance carriers to the extent above provided, and Landlord and Tenant hereby agree to look solely to, and seek recovery only from, their respective insurance carriers in the event of a property loss to the extent that such loss is the result of a risk insurable under policies of property damage insurance. Notwithstanding anything to the contrary in this Lease, the parties each hereby waive all rights and claims against each other for such losses, and waive all rights of subrogation of their respective insurers, provided such waiver of subrogation shall not affect the right to the insured to recover thereunder. The parties agree that their respective insurance policies are now, or shall be, endorsed such that the waiver of subrogation shall not affect the right of the insured to recover thereunder, so long as no material additional premium is charged therefor.

10.6 **Additional Insurance Obligations**. Tenant shall carry and maintain during the entire Lease Term, at Tenant's sole cost and expense, increased amounts of the insurance required to be carried by Tenant pursuant to this Article 10 and such other reasonable types of insurance coverage and in such reasonable amounts covering the Premises and Tenant's operations therein, as may be reasonably requested by Landlord.

ARTICLE 11

DAMAGE AND DESTRUCTION

11.1 **Repair of Damage to Premises by Landlord**. Tenant shall promptly notify Landlord of any damage to the Premises resulting from fire or any other casualty. If the Premises or any Common Areas serving or providing access to the Premises shall be damaged by fire or other casualty, Landlord shall promptly and diligently, subject to reasonable delays for insurance adjustment or other matters beyond Landlord's reasonable control, and subject to all other terms of this Article 11, restore the Base Building (or such other higher restoration as may be covered by Landlord's insurance) and such Common Areas. Such restoration shall be to substantially the same condition of the Base Building and the Common Areas prior to the casualty, except for modifications required by zoning and building codes and other laws or by the holder of a mortgage on the Building or Project or any other modifications to the Common Areas deemed desirable by Landlord, provided that access to the Premises and any common restrooms serving the Premises shall not be materially impaired. Upon the occurrence of any damage to the Premises, Tenant shall assign to Landlord (or to any party designated by Landlord) all insurance proceeds payable to Tenant under Tenant's insurance required under Section 10.3 of this Lease, and Landlord shall repair any injury or damage to the Tenant Improvements and the Original Improvements installed in the Premises and shall return such Tenant Improvements and Original Improvements to their original condition; provided that if the cost of such repair by Landlord exceeds the amount of insurance proceeds received by Landlord from Tenant's insurance carrier, as assigned by Tenant, the cost of such repairs shall be paid by Tenant to Landlord prior to Landlord's commencement of repair of the damage. Prior to the commencement of construction, Tenant shall submit to Landlord, for Landlord's review and approval, all plans, specifications and working drawings relating thereto, and Landlord shall select the contractors to perform such improvement work. Landlord shall not be liable for any inconvenience or annoyance to Tenant or its visitors, or injury to Tenant's business resulting in any way from such damage or the repair thereof; provided however, that if such fire or other casualty shall have damaged the Premises or Common Areas necessary to Tenant's occupancy, Landlord shall allow Tenant a proportionate abatement of Rent during the time and to the extent the Premises are unfit for occupancy for the Permitted Use, and not occupied by Tenant as a result thereof; provided, further, however, that if the damage or destruction is due to the gross negligence or willful misconduct of Tenant or any of its agents, employees or contractors, Tenant shall be responsible for any reasonable, applicable insurance deductible (which shall be payable to Landlord upon demand) and there shall be no rent abatement. In the event that Landlord shall not deliver the Landlord Repair Notice, Tenant's right to rent abatement pursuant to the preceding sentence shall terminate as of the date which is reasonably determined by Landlord to be the date Tenant should have completed repairs to the Premises assuming Tenant used reasonable due diligence in connection therewith. Notwithstanding anything to the contrary set forth herein, if the need for any repair to the Project repair is occasioned by the casualty resulting from gross negligence or willful act of Tenant, or any of its agents, employees, or contractors, such repairs shall be made by Landlord, but the cost of such repairs shall be charged to and be promptly paid for by

Tenant subject to Tenant being given credit for any money Landlord actually receives in respect to such damage from its insurance.

11.2 **Landlord's Option to Repair**. Notwithstanding the terms of Section 11.1 of this Lease, Landlord may elect not to rebuild and/or restore the Premises, Building and/or Project, and instead terminate this Lease, by notifying Tenant in writing of such termination within sixty (60) days after the date of discovery of the damage, such notice to include a termination date giving Tenant sixty (60) days to vacate the Premises, but Landlord may so elect only if the Building or Project shall be damaged by fire or other casualty or cause, whether or not the Premises are affected, and one or more of the following conditions is present: (i) in Landlord's reasonable judgment, repairs cannot reasonably be completed within two hundred seventy (270) days after the date of discovery of the damage (when such repairs are made without the payment of overtime or other premiums); (ii) the holder of any mortgage on the Building or Project or ground lessor with respect to the Building or Project shall require that the insurance proceeds or any portion thereof be used to retire the mortgage debt, or shall terminate the ground lease, as the case may be; (iii) the damage is not fully covered by Landlord's insurance policies which are actually carried or otherwise required to be carried pursuant to this Lease; or (iv) Landlord decides to rebuild the Building or Common Areas so that they will be substantially different structurally or architecturally; or (v) the damage occurs during the last twelve (12) months of the Lease Term; provided, however, that if such fire or other casualty shall have damaged the Premises or a portion thereof or Common Areas necessary to Tenant's occupancy and as a result of such damage the Premises are unfit for occupancy, and provided that Landlord does not elect to terminate this Lease pursuant to Landlord's termination right as provided above, and either (a) the repairs cannot, in the reasonable opinion of Landlord's contractor, be completed within one hundred eighty (180) days after being commenced, or (b) the damage occurs during the last twelve months of the Lease Term and will reasonably require in excess of sixty (60) days to repair, Tenant may elect, no earlier than ten (10) days after the date of the damage and not later than ninety (90) days after the date of such damage, to terminate this Lease by written notice to Landlord effective as of the date specified in the notice, which date shall not be less than thirty (30) days nor more than sixty (60) days after the date such notice is given by Tenant. In addition, if neither Landlord nor Tenant elects to terminate the Lease as set forth herein, and the repairs to be made by Landlord have not been substantially completed within two hundred seventy (270) days after the date of discovery of the damage or such longer period as Landlord's contractor had estimated would be required to complete such repairs (subject to extension for delays caused by Force Majeure and delays caused by Tenant), then Tenant shall have the right, within five (5) business days after the end of such period, and thereafter during the first five (5) business days of each calendar month following the end of such period until such time as such repairs are substantially completed, to terminate this Lease by notice to Landlord (the "**Damage Termination Notice**"), effective as of a date set forth in the Damage Termination Notice (the "**Damage Termination Date**"), which Damage Termination Date shall not be less than five (5) business days following the end of such period or each such month, as the case may be. Notwithstanding the foregoing, if Tenant delivers a Damage Termination Notice to Landlord, then Landlord shall have the right to suspend the occurrence of the Damage Termination Date for a period ending thirty (30) days after the delivery by Tenant of the Damage Termination Notice by delivering to Tenant, within five (5) business days of Landlord's receipt of the Damage Termination Notice, a certificate of Landlord's contractor responsible for the repair of the damage certifying that it is such contractor's good faith judgment that the repairs to be made by Landlord shall be substantially completed within thirty (30) days after delivery by Tenant of the Damage Termination Notice. If such repairs shall be substantially completed prior to the expiration of such thirty (30) day period, then the Damage Termination Notice shall be of no force or effect, but if such repairs are not substantially completed within such thirty (30) day period, then this Lease shall terminate upon the expiration of such thirty (30) day period. With regard to any right by Landlord to terminate this Lease in connection with a casualty or condemnation, Landlord agrees not to exercise this termination right in a fashion which is discriminatory against Tenant when compared to the treatment afforded similarly situated tenants.

11.3 **Waiver of Statutory Provisions**. The provisions of this Lease, including this Article 11, constitute an express agreement between Landlord and Tenant with respect to any and all damage to, or destruction of, all or any part of the Premises, the Building or the Project, and any statute or regulation of the State of California, including, without limitation, Sections 1932(2) and 1933(4) of the California Civil Code, with respect to any rights or obligations concerning damage or destruction in the absence of an express agreement between the parties, and any other statute or regulation, now or hereafter in effect, shall have no application to this Lease or any damage or destruction to all or any part of the Premises, the Building or the Project.

ARTICLE 12

NONWAIVER

No provision of this Lease shall be deemed waived by either party hereto unless expressly waived in a writing signed thereby. The waiver by either party hereto of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent breach of same or any other term, covenant or condition herein contained. The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular Rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No acceptance of a lesser amount than the Rent herein stipulated shall be deemed a waiver of Landlord's right to receive the full amount due, nor shall any endorsement or statement on any check or payment or any letter accompanying such check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the full amount due. No receipt of monies by Landlord from Tenant after the termination of this Lease shall in any way alter the length of the Lease Term or of Tenant's right of possession hereunder, or after the giving of any notice shall reinstate, continue or extend the Lease Term or affect any notice given Tenant prior to the receipt of such monies, it being agreed that after the service of notice or the commencement of a suit, or after final judgment for possession of the Premises, Landlord may receive and collect any Rent due, and the payment of said Rent shall not waive or affect said notice, suit or judgment.

ARTICLE 13

CONDEMNATION

If the whole or any part of the Premises, Building or Project shall be taken by power of eminent domain or condemned by any competent authority for any public or quasi-public use or purpose, or if any adjacent property or street shall be so taken or condemned, or reconfigured or vacated by such authority in such manner as to require the use, reconstruction or remodeling of any part of the Premises, Building or Project, or if Landlord shall grant a deed or other instrument in lieu of such taking by eminent domain or condemnation, Landlord shall have the option to terminate this Lease effective as of the date possession is required to be surrendered to the authority. If more than twenty-five percent (25%) of the rentable square feet of the Premises is taken, or if less than twenty-five percent (25%) of the rentable square feet of the Premises is taken but the remainder of the Premises is not reasonably functional for the conduct of Tenant's normal business operations as determined by Tenant in Tenant's reasonable discretion, or if access to the Premises is substantially impaired, in each case for a period in excess of one hundred eighty (180) days, Tenant shall have the option to terminate this Lease effective as of the date possession is required to be surrendered to the authority. Tenant shall not because of such taking assert any claim against Landlord or the authority for any compensation because of such taking and Landlord shall be entitled to the entire award or payment in connection therewith, except that Tenant shall have the right to file any separate claim available to Tenant for any taking of Tenant's personal property and fixtures belonging to Tenant and removable by Tenant upon expiration of the Lease Term pursuant to the terms of this Lease, and for moving expenses, so long as such claims do not diminish the award available to Landlord, its ground lessor with respect to the Building or Project or its mortgagee, and such claim is payable separately to Tenant. All Rent shall be apportioned as of the date of such termination. If any part of the Premises shall be taken, and this Lease shall not be so terminated, the Rent shall be proportionately abated. Tenant hereby waives any and all rights it might otherwise have pursuant to Section 1265.130 of The California Code of Civil Procedure. Notwithstanding anything to the contrary contained in this Article 13, in the event of a temporary taking of all or any portion of the Premises for a period of one hundred eighty (180) days or less, then this Lease shall not terminate but the Base Rent and the Additional Rent shall be abated for the period of such taking in proportion to the ratio that the amount of rentable square feet of the Premises taken bears to the total rentable square feet of the Premises. Landlord shall be entitled to receive the entire award made in connection with any such temporary taking.

ARTICLE 14

ASSIGNMENT AND SUBLETTING

14.1 **Transfers**. Except as otherwise specifically provided or permitted in this Article 14, Tenant shall not, without the prior written consent of Landlord (which consent shall not be unreasonably withheld, conditioned or delayed), assign, mortgage, pledge, hypothecate, encumber, or permit any lien to attach to, or otherwise transfer, this Lease or any interest hereunder, permit any assignment, or other transfer of this Lease or any interest hereunder by operation of law, sublet the Premises or any part thereof, or enter into any license or concession agreements or otherwise permit the occupancy or use of the Premises or any part thereof by any persons other than Tenant and its employees and contractors (all of the foregoing are hereinafter sometimes referred to collectively as "**Transfers**" and any person to whom any Transfer is made or sought to be made is hereinafter sometimes referred to as a **"Transferee**"). If Tenant desires Landlord's consent to any Transfer, Tenant shall notify Landlord in writing, which notice (the "**Transfer Notice**") shall include (i) the proposed effective date of the Transfer, which shall not be less than thirty (30) days nor more than one hundred eighty (180) days after the date of delivery of the Transfer Notice, (ii) a description of the portion of the Premises to be transferred (the "**Subject Space**"), (iii) all of the terms of the proposed Transfer and the consideration therefor, including calculation of the "Transfer Premium", as that term is defined in Section 14.3 below, in connection with such Transfer, the name and address of the proposed Transferee, and an executed copy of all documentation effectuating the proposed Transfer, (iv) current financial statements of the proposed Transferee certified by an officer, partner or owner thereof, business credit and personal references and history of the proposed Transferee and any other information reasonably required by Landlord which will enable Landlord to determine the financial responsibility, character, and reputation of the proposed Transferee, nature of such Transferee's business and proposed use of the Subject Space and (v) an executed estoppel certificate from Tenant stating the information set forth in items (a) through (d) in Article 17 below. Any Transfer made without Landlord's prior written consent shall, at Landlord's option, be null, void and of no effect, and shall, at Landlord's option, constitute a default by Tenant under this Lease. Whether or not Landlord consents to any proposed Transfer, Tenant shall pay Landlord's (or Landlord's property manager's) review and processing fees (which currently equal $1,500.00 for each proposed Transfer), as well as any reasonable professional fees (including, without limitation, attorneys', accountants', architects', engineers' and consultants' fees) incurred by Landlord (or Landlord's property manager), within thirty (30) days after written request by Landlord. Notwithstanding the foregoing, in no event shall Tenant be required to pay Landlord an amount greater than Two Thousand Five Hundred and No/100 Dollars ($2,500.00) with respect to attorneys' fees in connection with a request for Landlord's consent to a Transfer, provided such Transfer involves only the preparation of a consent document by Landlord.

14.2 **Landlord's Consent**. Landlord shall not unreasonably withhold its consent to any proposed Transfer of the Subject Space to the Transferee on the terms specified in the Transfer Notice. Without limitation as to other reasonable grounds for withholding consent, the parties hereby agree that it shall be reasonable under this Lease and under any applicable law for Landlord to withhold consent to any proposed Transfer where one or more of the following apply:

14.2.1 The Transferee is of a character or reputation or engaged in a business which is not consistent with the quality of the Building or the Project;

14.2.2 The Transferee intends to use the Subject Space for purposes which are not permitted under this Lease;

14.2.3 The Transferee is either a governmental agency or instrumentality thereof;

14.2.4 The Transferee is not a party of reasonable financial worth and/or financial stability in light of the responsibilities to be undertaken in connection with the Transfer on the date consent is requested;

14.2.5 The proposed Transfer would cause a violation of another lease for space in the Project, or would give an occupant of the Project a right to cancel its lease;

14.2.6 Intentionally deleted;

14.2.7 Either the proposed Transferee, or any person or entity which directly or indirectly, controls, is controlled by, or is under common control with, the proposed Transferee, (i) occupies space in the Project at the time of the request for consent, or (ii) is negotiating with Landlord (which for purposes of this item (ii) and (iii), below, shall be evidenced by the transmittal of one or more letters of intent, draft proposals or lease documents by such Transferee to Landlord or Landlord to such Transferee) to lease space in the Project at such time, or (iii) has negotiated with Landlord during the three (3)-month period immediately preceding the Transfer Notice;

14.2.8 The portion of the Premises to be sublet or assigned is irregular in shape with inadequate means of ingress and/or egress.

Notwithstanding anything to the contrary contained herein, in no event shall Tenant enter into any Transfer for the possession, use, occupancy or utilization (collectively, "**use**") of the part of the Premises which (i) provides for a rental or other payment for such use based in whole or in part on the income or profits derived by any person from the Premises (other than an amount based on a fixed percentage or percentages of gross receipts or sales), and Tenant agrees that all Transfers of any part of the Premises shall provide that the person having an interest in the use of the Premises shall not enter into any lease or sublease which provides for a rental or other payment for such use based in whole or in part on the income or profits derived by any person from the Premises (other than an amount based on a fixed percentage or percentages of gross receipts of sales), or (ii) would cause any portion of the amounts payable to Landlord hereunder to not constitute "rents from real property" within the meaning of Section 512(b)(3) of the Internal Revenue Code of 1986, and any such purported Transfer shall be absolutely void and ineffective as a conveyance of any right or interest in the possession, use, occupancy or utilization of any part of the Premises.

In the calculations of the Rent paid during each annual period for the Subject Space shall be computed after adjusting such rent to the actual effective rent to be paid, taking into consideration any and all reasonable leasehold concessions granted in connection therewith, including, but not limited to, any rent credit and tenant improvement allowance. For purposes of calculating any such effective rent all such concessions shall be amortized on a straight-line basis over the relevant term.

If Landlord consents to any Transfer pursuant to the terms of this Section 14.2 (and does not exercise any recapture rights Landlord may have under Section 14.4 of this Lease), Tenant may within six (6) months after Landlord's consent, but not later than the expiration of said six-month period, enter into such Transfer of the Subject Space, upon substantially the same terms and conditions as are set forth in the Transfer Notice furnished by Tenant to Landlord pursuant to Section 14.1 of this Lease, provided that if there are any material changes in the terms and conditions from those specified in the Transfer Notice (i) such that Landlord would initially have been entitled to refuse its consent to such Transfer under this Section 14.2, or (ii) which would cause the proposed Transfer to be materially more favorable to the Transferee than the terms set forth in Tenant's original Transfer Notice, Tenant shall again submit the Transfer to Landlord for its approval and other action under this Article 14 (including Landlord's right of recapture, if any, under Section 14.4 of this Lease). Notwithstanding anything to the contrary in this Lease, if Tenant or any proposed Transferee claims that Landlord has unreasonably withheld or delayed its consent under Section 14.2 or otherwise has breached or acted unreasonably under this Article 14, their sole remedies shall be a declaratory judgment and an injunction for the relief sought without any monetary damages, and Tenant hereby waives all other remedies, including, without limitation, any right at law or equity to terminate this Lease, on its own behalf and, to the extent permitted under all applicable laws, on behalf of the proposed Transferee. Tenant shall indemnify, defend and hold harmless Landlord from any and all liability, losses, claims, damages, costs, expenses, causes of action and proceedings involving any third party or parties (including without limitation Tenant's proposed subtenant or assignee) who claim they were damaged by Landlord's wrongful withholding or conditioning of Landlord's consent.

14.3 **Transfer Premium**. If Landlord consents to a Transfer which constitutes a subletting, as a condition thereto which the parties hereby agree is reasonable, Tenant shall pay to Landlord fifty percent (50%) of any "**Transfer Premium**," as that term is defined in this Section 14.3, received by Tenant from such Transferee in any particular calendar month, which amount shall be paid to Landlord immediately following Tenant's receipt of the same. "Transfer Premium" shall mean all rent, additional rent or other consideration payable by such Transferee in connection with the Transfer in excess of the Rent and Additional Rent payable by Tenant under this Lease during the term of the Transfer on a per rentable square foot basis if less than all of the Premises is transferred, after deducting the reasonable expenses incurred by Tenant for (i) any changes, alterations and improvements to the Premises in connection with the Transfer, (ii) any market rate, third party brokerage commissions, (iii) legal fees reasonably incurred in connection with the Transfer, and (iv) any other "out-of-pocket" monetary concessions (including, but not limited to, free rent, improvement allowances, remodeling or decorating costs), costs and expenses reasonably incurred in connection with the Transfer (collectively, the "**Subleasing Costs**"); provided, however, that if, at the time of any such sublease, Landlord determines that the foregoing "Transfer Premium" formula may result in the receipt by

Landlord of amounts that the Landlord may not be permitted to receive pursuant to any requirements, obligation or understanding applicable to Landlord, the parties agree to enter into an amendment to this Lease which revises the "Transfer Premium" formula in a manner that (x) is mutually agreed to by the parties and (y) does not result in any material increase in the expected costs or benefits to either party under this Section 14.3. If, at the time of any such sublease, Landlord determines that Landlord's receipt of the foregoing amounts may result in the receipt by Landlord of amounts that the Landlord may not be permitted to receive pursuant to any requirements, obligation or understanding applicable to Landlord, the parties agree to enter into an amendment to this Lease which revises such amounts in a manner that (x) is mutually agreed to by the parties and (y) does not result in any material increase in the expected costs or benefits to either party under this Section 14.3, Landlord shall not be entitled to any portion of any monies received by Tenant in connection with any assignment of this Lease.

14.4 **Landlord's Option as to Subject Space.** Notwithstanding anything to the contrary contained in this Article 14, Landlord shall have the option, by giving written notice to Tenant within thirty (30) days after receipt of any Transfer Notice, to recapture such Subject Space for the remainder of the Lease Term provided that Tenant shall have the right within ten (10) business days after receipt of Landlord's notice of termination to rescind its request for Landlord's consent in which event this Lease shall continue in full force and effect. Such recapture notice shall cancel and terminate this Lease with respect to the Subject Space as of the date stated in the Transfer Notice as the effective date of the proposed Transfer (or at Landlord's option, shall cause the Transfer to be made to Landlord or its agent, in which case the parties shall execute the Transfer documentation promptly thereafter). In the event of a recapture by Landlord, if this Lease shall be canceled with respect to less than the entire Premises, the Rent reserved herein shall be prorated on the basis of the number of rentable square feet retained by Tenant in proportion to the number of rentable square feet contained in the Premises, and this Lease as so amended shall continue thereafter in full force and effect, and upon request of either party, the parties shall execute written confirmation of the same. If Landlord declines, or fails to elect in a timely manner to recapture the Subject Space under this Section 14.4, then, provided Landlord has consented to the proposed Transfer, Tenant shall be entitled to proceed to transfer the Subject Space to the proposed Transferee, subject to provisions of this Article 14. If Landlord elects to recapture less than the entire Premises, Landlord shall separately demise the Subject Space at its sole cost and expense.

14.5 **Effect of Transfer.** If Landlord consents to a Transfer, (i) the terms and conditions of this Lease shall in no way be deemed to have been waived or modified, (ii) such consent shall not be deemed consent to any further Transfer by either Tenant or a Transferee, (iii) Tenant shall deliver to Landlord, promptly after execution, an original executed copy of all documentation pertaining to the Transfer in form reasonably acceptable to Landlord, and (iv) Tenant shall furnish upon Landlord's request a complete statement, certified by Tenant's chief financial officer, setting forth in detail the computation of any Transfer Premium Tenant has derived and shall derive from such Transfer. Except in connection with Permitted Non-Transfers, Landlord or its authorized representatives shall have the right at all reasonable times to audit the books, records and papers of Tenant relating to any Transfer, and shall have the right to make copies thereof. If the Transfer Premium respecting any Transfer shall be found understated, Tenant shall, within thirty (30) days after demand, pay the deficiency, and if understated by more than three percent (3%), Tenant shall pay Landlord's reasonable out-of-pocket costs of such audit, not to exceed $1,500.00.

14.6 **Additional Transfers.** For purposes of this Lease, the term "Transfer" shall also include (i) if Tenant is a partnership, the withdrawal or change, voluntary, involuntary or by operation of law, of fifty percent (50%) or more of the partners, or transfer of fifty percent (50%) or more of partnership interests, within a twelve (12)-month period, or the dissolution of the partnership without immediate reconstitution thereof, and (ii) if Tenant is a closely held corporation *(i.e.*, whose stock is not publicly held and not traded through an exchange or over the counter), (A) the dissolution, merger, consolidation or other reorganization of Tenant or (B) the sale or other transfer of an aggregate of fifty percent (50%) or more of the voting shares of Tenant (other than to immediate family members by reason of gift or death), within a twelve (12)-month period, or (C) the sale, mortgage, hypothecation or pledge of an aggregate of fifty percent (50%) or more of the value of the unencumbered assets of Tenant within a twelve (12)-month period.

14.7 **Non-Transfers**. Notwithstanding anything to the contrary contained in this Article 14, (i) an assignment of Tenant's interest in this Lease, or a subletting of all or a portion of the Premises, to an affiliate of Tenant (i.e., an entity which is controlled by, controls, or is under common control with, Tenant), (ii) an assignment of Tenant's interest in this Lease to an entity which acquires all or substantially all of the assets of Tenant, or (iii) an assignment of Tenant's interest in this Lease to an entity which is the resulting entity of a merger or consolidation of Tenant during the Lease Term, shall not be deemed a Transfer under this Article 14 (any such assignment or subletting described in items (i) through (iii) of this Section 14.7 hereinafter referred to as a "**Permitted Non-Transfer**" and any such assignee or sublessee pursuant to a Permitted Non-Transfer hereinafter referred to as a "**Permitted Non-Transferee**"), and in such event Landlord shall not be entitled to any recapture rights, fees, profit sharing or any other fees otherwise set forth in this Article 14, provided that (A) Tenant notifies Landlord of any such Permitted Non-Transfer and promptly supplies Landlord with any documents or information reasonably requested by Landlord regarding such Permitted Non-Transfer or such Permitted Non-Transferee, (B) such Permitted Non-Transfer is not a subterfuge by Tenant to avoid its obligations under this Lease, and (C) such Permitted Non-Transferee shall have a tangible net worth (not including good will as an asset) computed in accordance with generally accepted accounting principles ("**Net Worth**") at least equal to or greater than the Net Worth of Tenant as evidenced on that certain balance sheet attached hereto as **Exhibit I**. As used in the aforementioned sentence, "tangible net worth" means the excess of total assets over total liabilities, in each case as determined by financial statements, excluding, however, from the determination of total assets, all assets which would be classified as "intangible" under generally accepted accounting principles. An assignee of Original Tenant's entire interest in this Lease which assignee is a Permitted Non-Transferee may also be referred to herein as a "**Non-Transferee Assignee.**" As used in this Section 14.7, "control" shall mean the ownership, directly or indirectly, of at least fifty-one percent (51%) of the voting securities of, or possession of the right to vote, in the ordinary direction of its affairs, of at least fifty-one percent (51%) of the voting interest in, any person or entity. From and after the effective date of any assignment constituting a Permitted Non-Transfer, so long as the aforementioned Net Worth requirements have been satisfied and the Non-Transferee Assignee has assumed in

writing all future obligations under this Lease, original Tenant shall be released from all liability under this Lease which first accrues from and after the effective date of such assignment constituting a Permitted Non-Transfer.

14.8 **Occurrence of Default**. Each Transfer and each Permitted Non-Transfer hereunder shall be subordinate and subject to the provisions of this Lease, and if this Lease shall be terminated during the term of any such Transfer, or Permitted Non-Transfer, as the case may be, Landlord shall have the right to: (i) treat any sublease as cancelled and repossess the Subject Space by any lawful means, or (ii) require that such Transferee or Permitted Non-Transferee attorn to and recognize Landlord as its landlord under any such Transfer or Permitted Non-Transfer. If Tenant shall be in default under this Lease, Landlord is hereby irrevocably authorized to direct any Transferee or Permitted Non-Transferee, as the case may be, to make all payments under or in connection with such Transfer or Permitted Non-Transfer directly to Landlord (which Landlord shall apply towards Tenant's obligations under this Lease) until such default is cured. Such Transferee or Permitted Non-Transferee, as the case may be, shall rely on any representation by Landlord that Tenant is in default hereunder, without any need for confirmation thereof by Tenant. Upon any assignment of Tenant's interest in this Lease (whether pursuant to a Transfer or a Permitted Non-Transfer, as the case may be), the assignee shall assume in writing all obligations and covenants of Tenant thereafter to be performed or observed under this Lease. No collection or acceptance of rent by Landlord from any Transferee or Permitted Non-Transferee, as the case may be, shall be deemed a waiver of any provision of this Article 14 or the approval of any Transferee or Permitted Non-Transferee or a release of Tenant from any obligation under this Lease (except as may be otherwise expressly set forth in Section 14.7 above), whether theretofore or thereafter accruing. In no event shall Landlord's enforcement of any provision of this Lease against any Transferee or Permitted Non-Transferee, as the case may be, be deemed a waiver of Landlord's right to enforce any term of this Lease against Tenant or any other person. If Tenant's obligations hereunder have been guaranteed, Landlord's consent to any Transfer shall not be effective unless the guarantor also consents to such Transfer.

ARTICLE 15

SURRENDER OF PREMISES; OWNERSHIP AND REMOVAL OF TRADE FIXTURES

15.1 **Surrender of Premises**. No act or thing done by Landlord or any agent or employee of Landlord during the Lease Term shall be deemed to constitute an acceptance by Landlord of a surrender of the Premises unless such intent is specifically acknowledged in writing by Landlord. The delivery of keys to the Premises to Landlord or any agent or employee of Landlord shall not constitute a surrender of the Premises or effect a termination of this Lease, whether or not the keys are thereafter retained by Landlord, and notwithstanding such delivery Tenant shall be entitled to the return of such keys at any reasonable time upon request until this Lease shall have been properly terminated. The voluntary or other surrender of this Lease by Tenant, whether accepted by Landlord or not, or a mutual termination hereof, shall not work a merger, and at the option of Landlord shall operate as an assignment to Landlord of all subleases or subtenancies affecting the Premises or terminate any or all such sublessees or subtenancies.

15.2 **Removal of Tenant Property by Tenant**. Upon the expiration of the Lease Term, or upon any earlier termination of this Lease, Tenant shall, subject to the provisions of this Article 15, quit and surrender possession of the Premises to Landlord in as good order and condition as when Tenant took possession and as thereafter improved by Landlord and/or Tenant, reasonable wear and tear and damage by casualty or condemnation and repairs which are specifically made the responsibility of Landlord hereunder excepted. Notwithstanding the foregoing, provided Tenant is not in Default, Tenant shall not be required to remove any Building Standard Tenant Improvements constructed by Landlord pursuant to the Tenant Work Letter. Upon such expiration or termination, Tenant shall, without expense to Landlord, remove or cause to be removed from the Premises all debris and rubbish, and such items of furniture, equipment, business and trade fixtures, free-standing cabinet work, movable partitions, cabling installed by or at the request of Tenant that is not contained in protective conduit or metal raceway and other articles of personal property owned by Tenant or installed or placed by Tenant at its expense in the Premises, and such similar articles of any other persons claiming under Tenant, as Landlord may, in its sole discretion, require to be removed, and Tenant shall repair at its own expense all damage to the Premises and Building resulting from such removal.

ARTICLE 16

HOLDING OVER

If Tenant holds over after the expiration of the Lease Term or earlier termination thereof, without the express or implied consent of Landlord, such tenancy shall be from month-to-month only, and shall not constitute a renewal hereof or an extension for any further term, and in such case Rent shall be payable at a monthly rate equal to the product of one hundred fifty percent (150%) of the Rent applicable during the last rental period of the Lease Term under this Lease. Such month-to-month tenancy shall be subject to every other applicable term, covenant and agreement contained herein. For purposes of this Article 16, a holding over shall include Tenant's remaining in the Premises after the expiration or earlier termination of the Lease Term and until Tenant's surrender of the Premises to Landlord in the condition required under this Lease. Nothing contained in this Article 16 shall be construed as consent by Landlord to any holding over by Tenant, and Landlord expressly reserves the right to require Tenant to surrender possession of the Premises to Landlord as provided in this Lease upon the expiration or other termination of this Lease. The provisions of this Article 16 shall not be deemed to limit or constitute a waiver of any other rights or remedies of Landlord provided herein or at law. If Tenant fails to surrender the Premises upon the termination or expiration of this Lease, in addition to any other liabilities to Landlord accruing therefrom, Tenant shall protect, defend, indemnify and hold Landlord harmless from all loss, costs (including reasonable attorneys' fees) and liability resulting from such failure, including, without limiting the generality of the foregoing, any claims made by any succeeding tenant founded upon such failure to surrender and any lost profits to Landlord resulting therefrom.

ARTICLE 17

ESTOPPEL CERTIFICATES

Within ten (10) days following a request in writing by either Landlord or Tenant, the other party shall execute, acknowledge and deliver to the requesting party an estoppel certificate, stating (a) that this Lease is unmodified and is in full force and effect (or, if there have been modifications, that this Lease is in full force and effect as modified, and setting forth such modifications), (b) the dates to which Rent and other sums payable hereunder have been paid, (c) either that, to the knowledge of the certifying party, no default exists hereunder or, specifying each such default of which such certifying party has knowledge and (d) any other information reasonably requested by the requesting party or Landlord's current or prospective mortgagee, Landlord's prospective purchaser of all or any portion of the Project, or Tenant's current or prospective Transferee, as the case may be. Any such certificate may be relied upon by any current or prospective mortgagee of Landlord, any prospective purchaser of all or any portion of the Project, or any current or prospective Transferee of Tenant, as the case may be. Landlord or Tenant, as the case may be, shall execute and deliver whatever other instruments may be reasonably required for such purposes. At any time during the Lease Term, Landlord may require Tenant, and to the extent applicable, any guarantor(s), to provide Landlord with a current financial statement and financial statements of the two (2) years prior to the current financial statement year; certified by its chief financial officer as being true, accurate and complete. If Landlord requires such financial statements to be audited (and if the same is not Tenant's normal practice), such audit shall be Landlord's sole cost and expense. Tenant shall not be required to provide such financial statements more than one (1) time in any calendar year except in connection with an actual or prospective financing or sale of the Building or Project. Such statements shall be delivered by Tenant and such guarantor(s) to Landlord within fifteen (15) days after Landlord's written request therefor and be prepared in accordance with generally accepted accounting principles and, if such is the normal practice of Tenant or such guarantor(s), shall be audited by an independent certified public accountant with copies of the auditor's statement, reflecting Tenant's or such guarantor(s)', as applicable, then-current financial condition in such form and detail as Landlord may reasonably request. The failure of Landlord or Tenant (and, in the instance of Tenant, any such guarantor(s)) to timely execute, acknowledge and deliver such estoppel certificate or other instruments, which failure continues for an additional ten (10) days after written notice from the requesting party advising the other party of the consequences of a non-response, shall constitute an acknowledgment that statements included in the estoppel certificate are true and correct, without exception.

ARTICLE 18

SUBORDINATION

This Lease shall be subject and subordinate to all present and future ground or underlying leases of the Building or Project and to the lien of any mortgage, trust deed or other encumbrances now or hereafter in force against the Building or Project or any part thereof, if any, and to all renewals, extensions, modifications, consolidations and replacements thereof, and to all advances made or hereafter to be made upon the security of such mortgages or trust deeds, unless the holders of such mortgages, trust deeds or other encumbrances, or the lessors under such ground lease or underlying leases, require in writing that this Lease be superior thereto; provided, however, that a condition precedent to such subordination as to future mortgages, trust deeds or other encumbrances shall be that Landlord obtains from the lender a non-disturbance agreement (**"SNDA"**) in favor of Tenant in form and substance reasonably acceptable to Tenant. Subject to Tenant's receipt of the SNDA, Tenant covenants and agrees in the event any proceedings are brought for the foreclosure of any such mortgage or deed in lieu thereof (or if any ground lease is terminated), to attorn, without any deductions or set-offs whatsoever, to the lienholder or purchaser or any successors thereto upon any such foreclosure sale or deed in lieu thereof (or to the ground lessor), if so requested to do so by such purchaser or lienholder or ground lessor, and to recognize such purchaser or lienholder or ground lessor as the lessor under this Lease, provided such lienholder or purchaser or ground lessor shall agree to accept this Lease and not disturb Tenant's occupancy, subject to the terms of the SNDA. Landlord's interest herein may be assigned as security at any time to any lienholder. Tenant shall, within five (5) days of request by Landlord, execute such further instruments or assurances as Landlord may reasonably deem necessary to evidence or confirm the subordination or superiority of this Lease to any such mortgages, trust deeds, ground leases or underlying leases. Tenant waives the provisions of any current or future statute, rule or law which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease and the obligations of the Tenant hereunder in the event of any foreclosure proceeding or sale. Landlord shall use its commercially reasonable efforts to obtain, within thirty (30) days after the mutual execution of this Lease, a non-disturbance agreement from any existing lienholder or ground lessor in form and substance reasonably acceptable to Tenant, and which agreement shall provide that so long as Tenant is not in Default hereunder which Default would otherwise give Landlord the right to terminate Tenant's tenancy hereunder, Tenant's use and possession of the Premises shall not be disturbed in the event of a foreclosure under any mortgage, deed of trust or other lien to which this Lease is hereafter subordinate; provided, however, if Landlord is unable to obtain such an agreement after the exercise of its commercially reasonable efforts, this Lease shall not be void or voidable nor shall Landlord be liable to Tenant as a result thereof.

ARTICLE 19

DEFAULTS; REMEDIES

19.1 **Events of Default**. The occurrence of any of the following shall constitute a default of this Lease (**"Default"**) by Tenant:

19.1.1 Any failure by Tenant to pay any Rent or any other charge required to be paid under this Lease, or any part thereof, when due, where such failure continues for more than ten (10) days after the date on which Tenant receives written notice that such amount is due and unpaid; or

19.1.2 Except where a specific time period is otherwise set forth for Tenant's performance in this Lease, in which event the failure to perform by Tenant within such time period shall be a default by Tenant under this Section 19.1.2, any failure by Tenant to observe or perform any other provision, covenant or condition of this Lease to be observed or performed by Tenant where such failure continues for ten (10) days after written notice thereof from Landlord to Tenant; provided that if the nature of such default is such that the same cannot reasonably be cured within a ten (10) day period, Tenant shall not be deemed to be in default if it diligently commences such cure within such period and thereafter diligently proceeds to rectify and cure such default; or

19.1.3 The failure by Tenant to observe or perform according to the provisions of Articles 5, 14, 17 or 18 of this Lease where such failure continues for more than five (5) business days after notice from Landlord; or

19.1.4 Tenant's failure to comply with the terms of the Development CC&R's; or

19.1.5 To the extent permitted by law, a general assignment by Tenant or any guarantor of this Lease for the benefit of creditors, or the taking of any corporate action in furtherance of bankruptcy or dissolution whether or not there exists any proceeding under an insolvency or bankruptcy law, or the filing by or against Tenant or any guarantor of any proceeding under an insolvency or bankruptcy law, unless in the case of a proceeding filed against Tenant or any guarantor the same is dismissed within sixty (60) days, or the appointment of a trustee or receiver to take possession of all or substantially all of the assets of Tenant or any guarantor, unless possession is restored to Tenant or such guarantor within thirty (30) days, or any execution or other judicially authorized seizure of all or substantially all of Tenant's assets located upon the Premises or of Tenant's interest in this Lease, unless such seizure is discharged within thirty (30) days; or

19.1.6 Tenant's failure to occupy the Premises for business operations for more than thirty (30) consecutive days at any time during the Lease Term (or any applicable Option Term) while Tenant is in Default with respect to payment of Rent; or

19.1.7 Tenant's failure to occupy the Premises within ten (10) business days after the Lease Commencement Date while Tenant is in Default with respect to payment of Rent.

The notice periods provided herein are in lieu of, and not in addition to, any notice periods provided by law.

19.2 **Remedies Upon Default** Upon the occurrence of any Default by Tenant, Landlord shall have, in addition to any other remedies available to Landlord at law or in equity (all of which remedies shall be distinct, separate and cumulative), the option to pursue any one or more of the following remedies, each and all of which shall be cumulative and nonexclusive (except as otherwise expressly provided herein), without any notice or demand whatsoever.

19.2.1 Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim or damages therefor; and Landlord may recover from Tenant the following:

(i) The worth at the time of award of any unpaid rent which has been earned at the time of such termination; plus

(ii) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iii) The worth at the time of award of the amount by which the unpaid rent for the balance of the Lease Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iv) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, specifically including but not limited to, brokerage commissions and advertising expenses incurred, expenses of remodeling the Premises or any portion thereof for a new tenant (whether performed by Landlord or Landlord's property manager), whether for the same or a different use, and any special concessions made to obtain a new tenant (provided, however, Tenant shall be responsible only for the portion of such expenses equal to a fraction, the numerator of which is the number of days remaining during the then-current term of this Lease and the denominator of which is the number of days in the term of the new lease entered into by Landlord for the Premises); and

(v) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

The term "**rent**" as used in this Section 19.2 shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Paragraphs 19.2.1(i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at the rate set forth in Article 25 of this Lease, but in no case greater than the maximum amount of such interest permitted by law. As used in Paragraph 19.2.1(iii) above, the "worth at the time of award" shall be computed by discounting

such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

19.2.2 Landlord shall have the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has the right to sublet or assign, subject only to reasonable limitations). Accordingly, if Landlord does not elect to terminate this Lease on account of any Default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its rights and remedies under this Lease, including the right to recover all rent as it becomes due.

19.2.3 Landlord shall at all times have the rights and remedies (which shall be cumulative with each other and cumulative and in addition to those rights and remedies available under Sections 19.2.1 and 19.2.2, above, or any law or other provision of this Lease), without prior demand or notice except as required by applicable law, to seek any declaratory, injunctive or other equitable relief, and specifically enforce this Lease, or restrain or enjoin a violation or breach of any provision hereof.

19.3 **Form of Payment After Default**. Following the occurrence of a Default by Tenant, Landlord shall have the right to require that any or all subsequent amounts paid by Tenant to Landlord hereunder, whether to cure the default in question or otherwise, be paid in the form of cash, money order, cashier's or certified check drawn on an institution acceptable to Landlord, or by other means approved by Landlord, notwithstanding any prior practice of accepting payments in any different form.

19.4 **Efforts to Relet**. No re-entry or repossession, repairs, maintenance, changes, alterations and additions, reletting, appointment of a receiver to protect Landlord's interests hereunder, or any other action or omission by Landlord shall be construed as an election by Landlord to terminate this Lease or Tenant's right to possession, or to accept a surrender of the Premises, nor shall same operate to release Tenant in whole or in part from any of Tenant's obligations hereunder, unless express written notice of such intention is sent by Landlord to Tenant. Tenant hereby irrevocably waives any right otherwise available under any law to redeem or reinstate this Lease.

19.5 **Subleases of Tenant**. Whether or not Landlord elects to terminate this Lease on account of any Default by Tenant, as set forth in this Article 19, Landlord shall have the right to terminate any and all subleases, licenses, concessions or other consensual arrangements for possession entered into by Tenant and affecting the Premises or may, in Landlord's sole discretion, succeed to Tenant's interest in such subleases, licenses, concessions or arrangements. In the event of Landlord's election to succeed to Tenant's interest in any such subleases, licenses, concessions or arrangements, Tenant shall, as of the date of notice by Landlord of such election, have no further right to or interest in the rent or other consideration receivable thereunder.

19.6 **Landlord Default**.

19.6.1 **General**. Notwithstanding anything to the contrary set forth in this Lease, Landlord shall not be in default in the performance of any obligation required to be performed by Landlord pursuant to this Lease unless Landlord fails to perform such obligation within thirty (30) days after the receipt of notice from Tenant specifying in detail Landlord's failure to perform; provided, however, if the nature of Landlord's obligation is such that more than thirty (30) days are required for its performance, then Landlord shall not be in default under this Lease if it shall commence such performance within such thirty (30) day period and thereafter diligently pursue the same to completion. Upon any such default by Landlord under this Lease, Tenant may, except as otherwise specifically provided in this Lease to the contrary, exercise any of its rights provided at law or in equity. Notwithstanding anything herein to the contrary, in no event shall either party be liable to the other party for punitive, special and/or consequential damages hereunder; provided, however, the foregoing shall not limit Landlord's right to seek consequential damages (including lost profits) in the event of a holding over of the Premises by Tenant.

19.6.2 **Abatement of Rent**. In the event that Tenant is prevented from using, and does not use, the Premises or any portion thereof, as a result of (i) any repair, maintenance or alteration performed by Landlord, or which Landlord failed to perform, after the Lease Commencement Date and required by this Lease, which substantially interferes with Tenant's use of the Premises, or (ii) any failure to provide services, utilities or access to the Premises as required by this Lease (either such set of circumstances as set forth in items (i) or (ii), above, to be known as an "Abatement Event"), then Tenant shall give Landlord notice of such Abatement Event, and if such Abatement Event continues for three (3) consecutive business days after Landlord's receipt of any such notice (the "Eligibility Period") and either (A) Landlord does not diligently commence and pursue to completion the remedy of such Abatement Event or (B) Landlord receives proceeds from its rental interruption insurance which covers such Abatement Event, then the Base Rent, Tenant's Share of Direct Expenses, and Tenant's obligation to pay for parking (to the extent not utilized by Tenant) shall be abated or reduced, as the case may be, after expiration of the Eligibility Period for such time that Tenant continues to be so prevented from using, and does not use for the normal conduct of Tenant's business, the Premises or a portion thereof, in the proportion that the rentable area of the portion of the Premises that Tenant is prevented from using, and does not use, bears to the total rentable area of the Premises; provided, however, in the event that Tenant is prevented from using, and does not use, a portion of the Premises for a period of time in excess of the Eligibility Period and the remaining portion of the Premises is not sufficient to allow Tenant to effectively conduct its business therein, and if Tenant does not conduct its business from such remaining portion, then for such time after expiration of the Eligibility Period during which Tenant is so prevented from effectively conducting its business therein, the Base Rent and Tenant's Share of Direct Expenses for the entire Premises and Tenant's obligation to pay for parking shall be abated for such time as Tenant continues to be so prevented from using, and does not use, the Premises. If, however, Tenant reoccupies any portion of the Premises during such period, the Rent allocable to such reoccupied portion, based on the proportion that the rentable area of such reoccupied portion of the Premises bears to the total rentable area of the Premises, shall be payable by Tenant from the date Tenant reoccupies such portion of the Premises. Such right to abate Base Rent and Tenant's Share of Direct Expenses shall be Tenant's sole

and exclusive remedy at law or in equity for an Abatement Event. Except as provided in this Section 19.6.2, nothing contained herein shall be interpreted to mean that Tenant is excused from paying Rent due hereunder.

ARTICLE 20

COVENANT OF QUIET ENJOYMENT

Landlord covenants that Tenant, on paying the Rent, charges for services and other payments herein reserved and on keeping, observing and performing all the other terms, covenants, conditions, provisions and agreements herein contained on the part of Tenant to be kept, observed and performed, shall, during the Lease Term, peaceably and quietly have, hold and enjoy the Premises subject to the terms, covenants, conditions, provisions and agreements hereof without interference by any persons lawfully claiming by or through Landlord. The foregoing covenant is in lieu of any other covenant express or implied.

ARTICLE 21

SECURITY DEPOSIT

Concurrent with Tenant's execution of this Lease, Tenant shall deposit with Landlord a security deposit (the "**Security Deposit**") in the amount set forth in Section 7 of the Summary, as security for the faithful performance by Tenant of all of its obligations under this Lease. In the event of any Default, Landlord may, without notice to Tenant, but shall not be required to apply all or any part of the Security Deposit for the payment of any Rent or any other sum in default or for the payment of any amount that Landlord may reasonably spend or may become obligated to spend by reason of Tenant's Default, or to compensate Landlord for any other loss or damage that Landlord may suffer by reason of Tenant's Default and Tenant shall, upon demand therefor, restore the Security Deposit to its original amount. Any unapplied portion of the Security Deposit shall be returned to Tenant, or, at Landlord's option, to the last assignee of Tenant's interest hereunder, within sixty (60) days following the expiration of the Lease Term. Tenant shall not be entitled to any interest on the Security Deposit. Tenant hereby waives the provisions of Section 1950.7 of the California Civil Code, or any successor statute.

ARTICLE 22

INTENTIONALLY DELETED

ARTICLE 23

SIGNS

23.1 **Full Floors.** Subject to Landlord's prior written approval (which approval shall not be unreasonably withheld, conditioned or delayed), and provided all signs are in keeping with the quality, design and style of the Building and Project, Tenant, if the Premises comprise an entire floor of the Building, at its sole cost and expense, may install identification signage anywhere in the Premises including in the elevator lobby of the Premises, provided that such signs must not be visible from the exterior of the Building.

23.2 **Multi-Tenant Floors.** If other tenants occupy space on the floor on which the Premises is located, Tenant's identifying signage (i.e., suite signage) shall be provided by Landlord, at Landlord's initial cost, and such signage shall be comparable to that used by Landlord for other similar floors in the Building and shall comply with Landlord's Building standard signage program; provided, any repair or replacement of such signage shall be made at Tenant's sole cost and expense.

23.3 **Building Directory.** Tenant shall be entitled, at no charge, to one line on the Building directory to display Tenant's name and location in the Building. The location, quality, design, style, and size of such signage shall be consistent with the Landlord's Building standard signage program. Any changes to Tenant's directory signage after the initial placement of the same shall be at Tenant's sole cost and expense.

23.4 **Prohibited Signage and Other Items.** Any signs, notices, logos, pictures, names or advertisements which are installed and that have not been separately approved by Landlord may be removed without notice by Landlord at the sole expense of Tenant. Except as otherwise set forth herein, Tenant may not install any signs on the exterior or roof of the Project or the Common Areas. Any signs, window coverings, or blinds (even if the same are located behind the Landlord-approved window coverings for the Building), or other items visible from the exterior of the Premises or Building, shall be subject to the prior approval of Landlord, in its reasonable discretion.

23.5 **Exterior Signage.** Effective as of the Lease Commencement Date, Tenant shall have the following signage rights as depicted on **Exhibit E** attached hereto: (i) street monument signage (in the location labeled "F" on **Exhibit E**); (ii) street monument signage (in the location labeled "G" on **Exhibit E**); building eyebrow signage (in the location labeled "A" on **Exhibit E**); (iii) building monument signage (in the location labeled "B" on **Exhibit E**); and (iv) courtyard monument signage (in the location labeled "C" on **Exhibit E**) (individually and collectively referred to as the **"Exterior Signage"**). Notwithstanding the foregoing, Tenant shall not be entitled to install the Exterior Signage if Tenant is in Default. Furthermore, Tenant's right to install the Exterior Signage is expressly subject to and contingent upon Tenant receiving the approval and consent to the Exterior Signage (including the construction of the monument signs upon which Tenant's panels shall be located) from the City of Irvine, California, its architectural review board, any other applicable governmental or quasi-governmental governmental agency and any architectural review committee under the covenants, conditions and restrictions recorded against the Project. Tenant, at its sole cost and expense, shall obtain all other necessary building permits, zoning, regulatory and other approvals in

connection with the Exterior Signage. All costs of approval, consent, design, installation, supervision of installation, wiring, maintaining, operating, repairing and removing the Exterior Signage will be at Tenant's sole cost and expense. Tenant shall submit to Landlord reasonably detailed drawings of its proposed Exterior Signage, including without limitation, the size, material, shape, location, coloring and lettering (including any change in name, if this Lease is assigned) for review and approval by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed. The Exterior Signage shall be subject to (i) Landlord's prior review and written approval thereof (which approval shall not be unreasonably withheld, conditioned or delayed), (ii) the terms, conditions and restrictions of any recorded covenants, conditions and restrictions encumbering the Project and/or the Building and shall conform to the Building sign criteria and Project sign criteria, if any, and the other reasonable standards of design and motif established by Landlord for the exterior of the Building and/or the Project. Tenant will be solely responsible for any damage to the Exterior Signage and any damage that the installation, maintenance, repair or removal thereof may cause to the Building or the Project. Tenant agrees upon the expiration date or sooner termination of this Lease, upon Landlord's request, to remove the Exterior Signage and restore any damage to the Building and the Project at Tenant's expense. In addition, Landlord shall have the right to remove the Exterior Signage at Tenant's sole cost and expense, if, at any time during the Term Tenant is in Default under any term or condition of this Lease. Notwithstanding anything to the contrary contained herein, if Tenant fails to install any Exterior Signage in accordance with the terms of this Section 23.5 within twelve (12) months after the Lease Commencement Date (the "**Outside Signage Installation Date**"), where such failure was within Tenant's reasonable control, Tenant's right to install such Exterior Signage shall terminate as of the Outside Signage Installation Date and shall thereupon be deemed null and void and of no further force and effect as to such Exterior Signage.

ARTICLE 24

COMPLIANCE WITH LAW

Tenant shall not do anything or suffer anything to be done in or about the Premises or the Project which will in any way conflict with any law, statute, ordinance or other governmental rule, regulation or requirement now in force or which may hereafter be enacted or promulgated, including, without limitation, the Americans with Disabilities Act of 1990 (as may be amended) (collectively, the " **Laws**"). At its sole cost and expense, Tenant shall promptly comply with all such Laws, including, without limitation, the making of any alterations and improvements to the Premises. Notwithstanding the foregoing to the contrary, Landlord shall be responsible, as part of Operating Expenses to the extent permitted under Article 4 above, for making all alterations to the following portions of the Building and Project required by applicable Laws: (i) structural portions of the Premises and Building, but not including Tenant Improvements or any Alterations installed by or at the request of Tenant; and (ii) those portions of the Building and Project located outside the Premises; provided, however, Tenant shall reimburse Landlord (or Landlord's property manager), within ten (10) days after invoice, for the costs of any such improvements and alterations and other compliance costs to the extent necessitated by or resulting from (A) any Alterations or Tenant Improvements installed by or on behalf of Tenant, (B) the negligence or willful misconduct of Tenant or any of Tenant's Parties that is not covered by insurance obtained by Landlord and as to which the waiver of subrogation applies, and/or (C) Tenant's specific manner of use of the Premises (as distinguished from general office use). Landlord shall be responsible for any repairs to the Building and/or the Project as a result of any pre-existing condition (existing prior to the Effective Date) in violation of any applicable Laws. Landlord shall be permitted to include in Operating Expenses any costs or expenses incurred by Landlord under this Article 24 to the extent consistent with the terms of Article 4, above.

ARTICLE 25

LATE CHARGES

If any installment of Rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee within ten (10) days after said amount is due, then Tenant shall pay to Landlord a late charge equal to five percent (5%) of the overdue amount plus any reasonable and actual out-of-pocket attorneys' fees incurred by Landlord by reason of Tenant's failure to pay Rent and/or other charges when due hereunder. The late charge shall be deemed Additional Rent and the right to require it shall be in addition to all of Landlord's other rights and remedies hereunder or at law and shall not be construed as liquidated damages or as limiting Landlord's remedies in any manner. In addition to the late charge described above, any Rent or other amounts owing hereunder which are not paid within ten (10) days after that the date they are due shall bear interest from the date when due until paid at a rate per annum equal to the lesser of (i) the annual "**Bank Prime Loan**" rate cited in the Federal Reserve Statistical Release Publication G.13(415), published on the first Tuesday of each calendar month (or such other comparable index as Landlord and Tenant shall reasonably agree upon if such rate ceases to be published) plus four (4) percentage points, and (ii) the highest rate permitted by applicable law.

ARTICLE 26

LANDLORD'S RIGHT TO CURE DEFAULT; PAYMENTS BY TENANT

26.1 **Landlord's Cure**. All covenants and agreements to be kept or performed by Tenant under this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any reduction of Rent, except to the extent, if any, otherwise expressly provided herein. If Tenant shall fail to perform any obligation under this Lease, and, except in case of an emergency, such failure shall continue in excess of the time allowed under Section 19.1.2, above, unless a specific time period is otherwise stated in this Lease, Landlord may, but shall not be obligated to, make any such payment or perform any such act on Tenant's part without waiving its rights based upon any default of Tenant and without releasing Tenant from any obligations hereunder.

26.2 **Tenant's Reimbursement**. Except as may be specifically provided to the contrary in this Lease, Tenant shall pay to Landlord (or Landlord's property manager), upon delivery by Landlord to Tenant of statements therefor: (i) sums equal to expenditures reasonably made and obligations incurred by Landlord in connection with the remedying by Landlord of Tenant's defaults pursuant to the provisions of Section 26.1; (ii) sums equal to all losses, costs, liabilities, damages and expenses referred to in Article 10 of this Lease; and (iii) sums equal to all expenditures made and obligations incurred by Landlord in collecting or attempting to collect the Rent or in enforcing or attempting to enforce any rights of Landlord under this Lease or pursuant to law, including, without limitation, all legal fees and other amounts so expended, provided that the foregoing shall be limited to the reasonable and actual out-of-pocket expenses incurred by Landlord. Tenant's obligations under this Section 26.2 shall survive the expiration or sooner termination of the Lease Term.

ARTICLE 27

ENTRY BY LANDLORD

Landlord (or Landlord's property manager) reserves the right at all reasonable times and upon not less than 48 hours' prior written notice to Tenant (except in the case of an emergency, in which case no such notice shall be required) to enter the Premises to (i) inspect them; (ii) show the Premises to prospective purchasers, or to current or prospective mortgagees, ground or underlying lessors or insurers; (iii) during the final nine (9) months of the Lease Term, to show the Premises to prospective tenants; (iv) post notices of nonresponsibility; or (v) alter, improve or repair the Premises or the Building, or for structural alterations, repairs or improvements to the Building or the Building's systems and equipment. Notwithstanding anything to the contrary contained in this Article 27, Landlord (or Landlord's property manager) may enter the Premises at any time to (A) perform services required of Landlord, including janitorial service; (B) take possession due to any Default by Tenant in the manner provided herein; and (C) perform any covenants of Tenant which Tenant fails to perform where such failure continues beyond the expiration of any applicable notice or cure period. Landlord (or Landlord's property manager) may make any such entries without the abatement of Rent (except as specifically set forth in Section 19.6.2 above) and may take such reasonable steps as required to accomplish the stated purposes. Tenant hereby waives any claims for damages or for any injuries or inconvenience to or interference with Tenant's business, lost profits, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned thereby. For each of the above purposes, Landlord shall at all times have a key with which to unlock all the doors in the Premises, excluding Tenant's vaults, safes and special security areas designated in advance by Tenant. In an emergency, Landlord shall have the right to use any means that Landlord may deem proper to open the doors in and to the Premises. Any entry into the Premises by Landlord in the manner hereinbefore described shall not be deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an actual or constructive eviction of Tenant from any portion of the Premises. No provision of this Lease shall be construed as obligating Landlord to perform any repairs, alterations or decorations except as otherwise expressly agreed to be performed by Landlord herein. Tenant shall have the right to have a representative present during any entry of Landlord into the Premises under this Lease, provided Landlord's entry is not unreasonably delayed. Subject to the terms of Section 19.6 and Section 29.13, Landlord shall use commercially reasonable efforts to minimize any interference with Tenant's business during any such work and be responsible for all damages to the extent resulting from the grossly negligent acts of its representatives, agents and contractors during any entry, and Landlord shall promptly restore the Premises to its condition as existed prior to such entry.

ARTICLE 28

TENANT PARKING

28.1 **Tenant Parking Passes**. Tenant shall rent from Landlord, commencing on the Lease Commencement Date, the number of parking passes set forth in Section 8 of the Summary, on a monthly basis throughout the Lease Term, which parking passes shall pertain to the Project parking facility and shall entitle Tenant and/or its personnel to park one (1) vehicle in one (1) parking space per pass rented. Any such passes for unreserved parking spaces shall be on a first-come, first-serve basis. Subject to Section 8 of the Summary, Tenant shall pay to Landlord for automobile parking passes on a monthly basis the prevailing rate charged from time to time at the location of such parking passes; provided, however, during the initial Lease Term, such prevailing rates for Tenant shall be fixed at: (a) $60.00 per unreserved pass per month (including any additional unreserved parking passes leased by Tenant above its allocation of its unreserved parking passes); (b) $120.00 per surface lot reserved parking pass per month; and (c) $150.00 per subterranean reserved parking pass per month. In addition, Tenant shall be responsible for the full amount of any taxes imposed by any governmental authority in connection with the renting of such parking passes by Tenant or the use of the parking facility by Tenant. Tenant's continued right to use the parking passes is conditioned upon Tenant abiding by all reasonable rules and regulations which are prescribed from time to time for the orderly operation and use of the parking facility where the parking passes are located, including any sticker or other identification system established by Landlord, Tenant's cooperation in seeing that Tenant's employees and visitors also comply with such rules and regulations and Tenant not being in Default under this Lease. In addition, Tenant shall comply with all applicable governmental resolutions, laws, rules and regulations.

28.2 **Other Terms**. Landlord, at its sole cost and expense (except to the extent included in Operating Expenses) and so long as same does not materially and adversely impact Tenant's business operations from the Premises, specifically reserves the right to change the size, configuration, design, layout and all other aspects of the Project parking facility at any time and Tenant acknowledges and agrees that Landlord may, without incurring any liability to Tenant and without any abatement of Rent under this Lease, from time to time, close-off or restrict access to the Project parking facility for purposes of permitting or facilitating any such construction, alteration or improvements; provided, in exercising its rights hereunder, Landlord shall use its good faith efforts to minimize the duration of any such closure. Tenant agrees that Landlord shall not be liable for damages, by abatement of Rent or otherwise, for failure to provide any parking, including any failure to provide reserved parking spaces, when such

failure is occasioned, in whole or in part, by construction, alteration, improvements, repairs or replacements, by any strike, lockout or other labor trouble, by inability to resolve any dispute with any other party to the Development CC&R's after reasonable effort to do so, by any riot or other dangerous condition, emergency, accident or casualty whatsoever, by act or default of Tenant or other parties, or by any other cause; and such failures shall never be deemed to constitute an eviction or disturbance of Tenant's use and possession of the Premises or relieve Tenant from paying Rent or performing any of its obligations under this Lease. Furthermore, Landlord shall not be liable under any circumstances for a loss of, or injury to, property or for injury to, or interference with, Tenant's business, including, without limitation, loss of profits, however occurring, through or in connection with or incidental to a failure to furnish any parking as set forth in this Article 28. The parking passes rented by Tenant pursuant to this Article 28 are provided to Tenant solely for use by Tenant's own personnel and such passes may not be transferred, assigned, subleased or otherwise alienated by Tenant without Landlord's prior approval. Tenant may validate visitor parking by such method or methods as may be established from time to time, at the validation rate from time to time generally applicable to visitor parking.

28.3 **Parking Procedures**. Except as to the Additional Parking granted to Tenant, the parking passes initially will not be separately identified; however Landlord reserves the right in Landlord's and Tenant's mutually acceptable discretion and at Landlord's sole cost and expense to separately identify by signs or other markings the area to which Tenant's parking passes relate. Landlord shall have no obligation to monitor the use of such parking facility, nor shall Landlord be responsible for any loss or damage to any vehicle or other property or for any injury to any person. Tenant's parking passes shall be used only for parking of automobiles no larger than full size passenger automobiles, sport utility vehicles or pick-up trucks in connection with Tenant's business operations at the Premises only during the hours that Tenant and/or its personnel are conducting business operations from the Premises; provided, however, occasional overnight parking associated with Tenant's or its personnel's conduct of business from the Premises shall be permitted, subject to Tenant's and/or its personnel's compliance with Landlord's rules related to such overnight parking. Tenant shall comply with all rules and regulations which may be prescribed from time to time with respect to parking and/or the parking facilities servicing the Project. Tenant shall not at any time use more parking spaces in the Project parking facility than the number of parking passes so allocated to Tenant or park its vehicles or the vehicles of others in any portion of the Project parking facility not designated by Landlord as a non-exclusive parking area. Except as to the Additional Parking, Tenant shall not have the exclusive right to use any specific parking space. If any person or entity has the exclusive right to use any particular parking space(s), Tenant shall not use such spaces. All trucks (other than pick-up trucks) and delivery vehicles shall be (i) parked at the designated areas of the surface parking lot (which designated areas are subject to change by Landlord at any time), (ii) loaded and unloaded in a manner which does not interfere with the businesses of other occupants of the Project, and (iii) permitted to remain on the Project only so long as is reasonably necessary to complete loading and unloading. In the event Landlord elects in its sole and absolute discretion or is required by any law or by the Development CC&R's to limit or control parking, whether by validation of parking tickets or any other method of assessment, Tenant agrees to participate in such validation or assessment program under such reasonable rules and regulations as are from time to time established by Landlord.

ARTICLE 29

MISCELLANEOUS PROVISIONS

29.1 **Terms; Captions**. The words "Landlord" and "Tenant" as used herein shall include the plural as well as the singular. The necessary grammatical changes required to make the provisions hereof apply either to corporations or partnerships or individuals, men or women, as the case may require, shall in all cases be assumed as though in each case fully expressed. The captions of Articles and Sections are for convenience only and shall not be deemed to limit, construe, affect or alter the meaning of such Articles and Sections.

29.2 **Binding Effect**. Subject to all other provisions of this Lease, each of the covenants, conditions and provisions of this Lease shall extend to and shall, as the case may require, bind or inure to the benefit not only of Landlord and of Tenant, but also of their respective heirs, personal representatives, successors or assigns, provided this clause shall not permit any assignment by Tenant contrary to the provisions of Article 14 of this Lease.

29.3 **No Air Rights**. No rights to any view or to light or air over any property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease. If at any time any windows of the Premises are temporarily darkened or the light or view therefrom is obstructed by reason of any repairs, improvements, maintenance or cleaning in or about the Project, the same shall be without liability to Landlord and without any reduction or diminution of Tenant's obligations under this Lease.

29.4 **Short Form of Lease**. At the request of Landlord or any mortgagee or ground lessor, Tenant agrees to execute a short form of Lease and deliver the same to Landlord within fifteen (15) days following the request therefor.

29.5 **Transfer of Landlord's Interest**. Tenant acknowledges that Landlord has the right to transfer all or any portion of its interest in the Project or Building and in this Lease, and Tenant agrees that in the event of any such transfer, Landlord shall automatically be released from all liability under this Lease which accrues from and after the date of such transfer, and Tenant agrees to look solely to such transferee for the performance of Landlord's obligations hereunder after the date of transfer and such transferee shall be deemed to have fully assumed and be liable for all obligations of this Lease to be performed by Landlord, including the return of any Security Deposit, and Tenant shall attorn to such transferee. Tenant further acknowledges that Landlord may assign its interest in this Lease to a mortgage lender as additional security and agrees that such an assignment shall not release Landlord from its obligations hereunder and that Tenant shall continue to look to Landlord for the performance of its obligations hereunder.

29.6 **Prohibition Against Recording**. Except as provided in Section 29.4 of this Lease, neither this Lease, nor any memorandum, affidavit or other writing with respect thereto, shall be recorded by either Landlord or Tenant or by anyone acting through, under or on behalf of Landlord or Tenant.

29.7 **Landlord's Title**. Landlord's title is and always shall be paramount to the title of Tenant. Nothing herein contained shall empower Tenant to do any act which can, shall or may encumber the title of Landlord.

29.8 **Relationship of Parties**. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venturer or any association between Landlord and Tenant.

29.9 **Application of Payments**. During any Default, Landlord shall have the right to apply payments received from Tenant pursuant to this Lease, regardless of Tenant's designation of such payments, to satisfy any obligations of Tenant hereunder, in such order and amounts as Landlord, in its sole discretion, may elect.

29.10 **Time of Essence**. Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

29.11 **Partial Invalidity**. If any term, provision or condition contained in this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, provision or condition to persons or circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and each and every other term, provision and condition of this Lease shall be valid and enforceable to the fullest extent possible permitted by law.

29.12 **No Warranty**. In executing and delivering this Lease, Tenant has not relied on any representations, including, but not limited to, any representation as to the amount of any item comprising Additional Rent or the amount of the Additional Rent in the aggregate or that Landlord is furnishing the same services to other tenants, at all, on the same level or on the same basis, or any warranty or any statement of Landlord which is not set forth herein or in one or more of the exhibits attached hereto.

29.13 **Landlord Exculpation**. The liability of Landlord or the Landlord Parties to Tenant for any default by Landlord under this Lease or arising in connection herewith or with Landlord's operation, management, leasing, repair, renovation, alteration or any other matter relating to the Project or the Premises shall be limited solely and exclusively to an amount which is equal to the interest of Landlord in the Building and in the rents, issues and profits thereof, provided that any claim is made by Tenant within one (1) year following the date of any such sale, as well as any insurance or condemnation proceeds not applied to the restoration of the Project and subject to the prior rights of any mortgagee or ground or underlying lessors of Landlord. Neither Landlord, nor any of the Landlord Parties shall have any personal liability therefor, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. The limitations of liability contained in this Section 29.13 shall inure to the benefit of Landlord's and the Landlord Parties' present and future partners, beneficiaries, officers, directors, trustees, shareholders, agents and employees, and their respective partners, heirs, successors and assigns. Under no circumstances shall any present or future partner of Landlord (if Landlord is a partnership), or trustee or beneficiary (if Landlord or any partner of Landlord is a trust), have any liability for the performance of Landlord's obligations under this Lease. Notwithstanding any contrary provision herein, neither Landlord nor the Landlord Parties shall be liable under any circumstances for injury or damage to, or interference with, Tenant's business, including but not limited to, loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring.

29.14 **Entire Agreement**. It is understood and acknowledged that there are no oral agreements between the parties hereto affecting this Lease and this Lease constitutes the parties' entire agreement with respect to the leasing of the Premises and supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. None of the terms, covenants, conditions or provisions of this Lease can be modified, deleted or added to except in writing signed by the parties hereto.

29.15 **Right to Lease**. Landlord reserves the absolute right to effect such other tenancies in the Project as Landlord in the exercise of its sole business judgment shall determine to best promote the interests of the Building or Project. Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or type or number of tenants shall, during the Lease Term, occupy any space in the Building or Project.

29.16 **Force Majeure**. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, acts of war, acts of terrorism, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, except with respect to the obligations imposed with regard to Rent and other charges to be paid by Tenant pursuant to this Lease and except as to Tenant's obligations under Articles 5 and 24 of this Lease (collectively, a "Force Majeure"), notwithstanding anything to the contrary contained in this Lease, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage and, therefore, if this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay in such party's performance caused by a Force Majeure.

29.17 **Waiver of Redemption by Tenant**. Tenant hereby waives, for Tenant and for all those claiming under Tenant, any and all rights now or hereafter existing to redeem by order or judgment of any court or by any legal process or writ, Tenant's right of occupancy of the Premises after any termination of this Lease.

29.18 **Notices**. All notices, demands, statements, designations, approvals or other communications (collectively, **"Notices"**) given or required to be given by either party to the other hereunder or by law shall be in writing, shall be (A) sent by United States certified or registered mail, postage prepaid, return receipt requested (**"Mail"**), (B) transmitted by facsimile, if such facsimile is promptly followed by a Notice sent by Mail, or (C) delivered by a nationally recognized overnight courier. Any Notice shall be sent, transmitted, or delivered, as the case may be, to Tenant at the appropriate address set forth in Section 9 of the Summary, or to such other place as Tenant may from time to time designate in a Notice to Landlord, or to Landlord at the addresses set forth in Section 10 of the Summary, or to such other places as Landlord may from time to time designate in a Notice to Tenant. Any Notice will be deemed given (i) three (3) days after the date it is posted if sent by Mail, or (ii) the date the overnight courier delivery is made. If Tenant is notified of the identity and address of Landlord's mortgagee or ground or underlying lessor, Tenant shall give to such mortgagee or ground or underlying lessor written notice of any default by Landlord under the terms of this Lease by registered or certified mail, and such mortgagee or ground or underlying lessor shall be given a reasonable opportunity to cure such default prior to Tenant's exercising any remedy available to Tenant.

29.18.1 If such notice is a notice of default, such notice shall: (i) specify the alleged default; (ii) specify the specific provisions of the Lease under which the default is alleged; and (iii) demand that the defaulting party cure the alleged default within the applicable cure period. No such notice shall be deemed a forfeiture or termination of this Lease unless expressly set forth in such notice.

29.18.2 A copy of any notices sent to Tenant shall simultaneously be sent to Paris Ackerman LLP, 103 Eisenhower Parkway, Roseland, New Jersey 07068, Attn: Karen E. Abrams, Esq.

29.18.3 Whenever a party is required or desires to send any notice or other communication to the other party under or pursuant to this Lease, such notice or communication, if sent by such party's attorneys, shall, for all purposes, be deemed to have been sent by such party.

29.19 **Joint and Several**. If there is more than one Tenant, the obligations imposed upon Tenant under this Lease shall be joint and several.

29.20 **Authority; Tenant Representation**. If Tenant is a corporation, trust, partnership or limited liability company, each individual executing this Lease on behalf of Tenant hereby represents and warrants that Tenant is a duly formed and existing entity qualified to do business in California and that Tenant has full right and authority to execute and deliver this Lease and that each person signing on behalf of Tenant is authorized to do so. Tenant hereby represents to Landlord that neither Tenant nor any members, partners, subpartners, parent organization, affiliate or subsidiary, or their respective officers, directors, contractors, agents, servants, employees, invitees or licensees (collectively, **"Tenant Individuals"**), to Tenant's current actual knowledge, appears on any of the following lists (collectively, **"Government Lists"**) maintained by the United States government:

29.20.1 The two (2) lists maintained by the United States Department of Commerce (Denied Persons and Entities; the Denied Persons list can be found at http://www.bis.doc.gov/dpl/thedeniallist.asp; the Entity List can be found at http://www.bis.doc.gov/entities/default.htm);

29.20.2 The list maintained by the United States Department of Treasury (Specially Designated Nationals and Blocked Persons, which can be found at http://www.ustreas.gov/ofac/t11sdn.pdf;

29.20.3 The two (2) lists maintained by the United States Department of State (Terrorist Organizations and Debarred Parties; the State Department List of Terrorists can be found at http://www.state.gov/s/ct/rls/other/des/123085.html; the List of Debarred Parties can be found at http://www.pmddtc.state.gov/compliance/debar.html); and

29.20.4 Any other list of terrorists, terrorist, organizations or narcotics traffickers maintained pursuant to any of the rules and regulations of the Office of Foreign Assets Control, United States Department of Treasury, or by any other government or agency thereof.

29.20.5 Should any Tenant Individuals appear on any Government Lists at any time during the Lease Term, Landlord shall be entitled to terminate this Lease by written notice to Tenant effective as of the date specified in such notice.

29.21 **Attorneys' Fees**. In the event that either Landlord or Tenant should bring suit for the possession of the Premises, for the recovery of any sum due under this Lease, or because of the breach of any provision of this Lease or for any other relief against the other, then all costs and expenses, including reasonable attorneys', experts' and arbitrators' fees and costs, incurred by the prevailing party therein shall be paid by the other party, which obligation on the part of the other party shall be deemed to have accrued on the date of the commencement of such action and shall be enforceable whether or not the action is prosecuted to judgment.

29.22 **Governing Law; WAIVER OF TRIAL BY JURY**. This Lease shall be construed and enforced in accordance with the laws of the State of California. IN ANY ACTION OR PROCEEDING ARISING HEREFROM, LANDLORD AND TENANT HEREBY CONSENT TO (I) THE JURISDICTION OF ANY COMPETENT COURT WITHIN THE STATE OF CALIFORNIA, (II) SERVICE OF PROCESS BY ANY MEANS AUTHORIZED BY CALIFORNIA LAW, AND (III) IN THE INTEREST OF SAVING TIME AND EXPENSE, TRIAL WITHOUT A JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER OR THEIR SUCCESSORS IN RESPECT OF ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, AND/OR ANY CLAIM

FOR INJURY OR DAMAGE, OR ANY EMERGENCY OR STATUTORY REMEDY. IN THE EVENT LANDLORD COMMENCES ANY SUMMARY PROCEEDINGS OR ACTION FOR NONPAYMENT OF BASE RENT OR ADDITIONAL RENT, TENANT SHALL NOT INTERPOSE ANY COUNTERCLAIM OF ANY NATURE OR DESCRIPTION (UNLESS SUCH COUNTERCLAIM SHALL BE MANDATORY) IN ANY SUCH PROCEEDING OR ACTION, BUT SHALL BE RELEGATED TO AN INDEPENDENT ACTION AT LAW.

29.23 **Submission of Lease.** Submission of this instrument for examination or signature by Tenant does not constitute a reservation of, option for or option to lease, and it is not effective as a lease or otherwise until execution and delivery by both Landlord and Tenant.

29.24 **Brokers.** Landlord and Tenant hereby warrant to each other that they have had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, excepting only the real estate brokers or agents specified in Section 11 of the Summary (the **"Brokers"**), and that they know of no other real estate broker or agent who is entitled to a commission in connection with this Lease. Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims, demands, losses, liabilities, lawsuits, judgments, costs and expenses (including without limitation reasonable attorneys' fees) with respect to any leasing commission or equivalent compensation alleged to be owing on account of any dealings with any real estate broker or agent, other than the Brokers, occurring by, through, or under the indemnifying party.

29.25 **Independent Covenants.** This Lease shall be construed as though the covenants herein between Landlord and Tenant are independent and not dependent and Tenant hereby expressly waives the benefit of any statute to the contrary and agrees that if Landlord fails to perform its obligations set forth herein, Tenant shall not be entitled to make any repairs or perform any acts hereunder at Landlord's expense or to any setoff of the Rent or other amounts owing hereunder against Landlord, except as otherwise expressly set forth herein.

29.26 **Project or Building Name and Signage.** Landlord shall have the right at any time to change the name of the Project and to install, affix and maintain any and all signs on the exterior and on the interior of the Project as Landlord may, in Landlord's sole discretion, desire. Tenant shall not use the name of the Project or use pictures or illustrations of the Project in advertising or other publicity or for any purpose other than as the address of the business to be conducted by Tenant in the Premises, without the prior written consent of Landlord.

29.27 **Counterparts.** This Lease may be executed in counterparts with the same effect as if both parties hereto had executed the same document. Both counterparts shall be construed together and shall constitute a single lease. Each party agrees that the delivery of this Lease by electronic (including "pdf") or facsimile transmission shall have the same force and effect as delivery of original signatures and that each party may use such electronic or facsimile signatures as evidence of the execution and delivery of this Lease by all parties to the same extent that an original signature could be used.

29.28 **Intentionally Omitted.**

29.29 **Transportation Management.** Tenant shall fully comply with all present or future government-mandated programs intended to manage parking, transportation or traffic in and around the Building, and in connection therewith, Tenant shall take responsible action for the transportation planning and management of all employees located at the Premises by working directly with Landlord, any governmental transportation management organization or any other transportation-related committees or entities.

29.30 **No Violation.** Tenant and Landlord each hereby warrants and represents that neither its execution of nor performance under this Lease shall cause such party to be in violation of any agreement, instrument, contract, law, rule or regulation by which such party is bound, and such party shall protect, defend, indemnify and hold the other party harmless against any claims, demands, losses, damages, liabilities, costs and expenses, including, without limitation, reasonable attorneys' fees and costs, arising from such party's breach of this warranty and representation.

29.31 **Communications and Computer Lines.** Tenant may install, maintain, replace, remove or use any communications or computer wires and cables (collectively, the "Lines") at the Project in or serving the Premises, provided that (i) Tenant shall comply with all of the other provisions of Articles 7 and 8 of this Lease, (ii) an acceptable number of spare Lines and space for additional Lines shall be maintained for existing and future occupants of the Project, as determined in Landlord's reasonable opinion, (iii) the Lines therefor (including riser cables) shall be appropriately insulated to prevent excessive electromagnetic fields or radiation, and shall be surrounded by a protective conduit reasonably acceptable to Landlord, (iv) any new or existing Lines servicing the Premises shall comply with all applicable governmental laws and regulations, (v) as a condition to permitting the installation of new Lines, Landlord may require that Tenant remove existing Lines installed by or on behalf of Tenant located in or serving the Premises and repair any damage in connection with such removal, and (vi) Tenant shall pay all costs in connection therewith, including any fees charged by Landlord for Tenant's use of the Building's telecommunications capacity in excess of Tenant's Share thereof. Landlord reserves the right to require that Tenant remove any Lines located in or serving the Premises which are installed in violation of these provisions, or which are at any time in violation of any laws or represent a dangerous or potentially dangerous condition.

29.32 **Office and Communications Services.**

29.32.1 The Provider. Landlord has advised Tenant that certain office and communications services may be offered to tenants of the Building by a concessionaire under contract to Landlord (**"Provider"**). Tenant shall have the right but not the obligation to contract with Provider for the provision of any or all of such services on such terms and conditions as Tenant and Provider may agree.

29.32.2 **Other Terms**. Tenant acknowledges and agrees that: (i) Landlord has made no warranty or representation to Tenant with respect to the availability of any such services, or the quality, reliability or suitability thereof; (ii) the Provider is not acting as the agent or representative of Landlord in the provision of such services, and Landlord shall have no liability or responsibility for any failure or inadequacy of such services, or any equipment or facilities used in the furnishing thereof, or any act or omission of Provider, or its agents, employees, representatives, officers or contractors; (iii) Landlord shall have no responsibility or liability for the installation, alteration, repair, maintenance, furnishing, operation, adjustment or removal of any such services, equipment or facilities; and (iv) any contract or other agreement between Tenant and Provider shall be independent of this Lease, the obligations of Tenant hereunder, and the rights of Landlord hereunder, and, without limiting the foregoing, no default or failure of Provider with respect to any such services, equipment or facilities, or under any contract or agreement relating thereto, shall have any effect on this Lease or give to Tenant any offset or defense to the full and timely performance of its obligations hereunder, or entitle Tenant to any abatement of rent or additional rent or any other payment required to be made by Tenant hereunder, or constitute any accrual or constructive eviction of Tenant, or otherwise give rise to any other claim of any nature against Landlord.

29.33 **Development CC&R's**. This Lease and the terms hereof shall be subject in all respects to the provisions of the Development CC&R's. The term **"Development CC&R's,"** as used in this Lease, shall mean and refer to that certain Declaration of Easements, Covenants, Conditions and Restrictions dated November 22, 2004, and recorded November 23, 2004, as Instrument No. 2004001045376 in the Official Records of Orange County, California, as amended; provided that in no event shall any new rules, regulations or restrictions promulgated by Landlord materially and adversely affect Tenant's ability to use the Premises for the Permitted Use or materially increase Tenant's costs to do so. To Landlord's actual knowledge, without duty of investigation or inquiry, as of the date of this Lease Landlord is not in material default of any of Landlord's obligations under the Development CC&R's. Landlord further represents that it will not amend the Development CC&R's in any manner that materially and adversely affects Tenant's ability to operate in the Premises for the Permitted Use.

29.34 **Intentionally Deleted.**

29.35 **Building Renovations**. It is specifically understood and agreed that Landlord has made no representation or warranty to Tenant and has no obligation and has made no promises to alter, remodel, improve, renovate, repair or decorate the Premises, Building, or any part thereof and that no representations respecting the condition of the Premises or the Building have been made by Landlord to Tenant except as specifically set forth herein or in the Tenant Work Letter. However, Tenant hereby acknowledges that Landlord may during the Lease Term renovate, improve, alter, or modify (collectively, the "Renovations") the Project, the Building and/or the Premises including without limitation the parking structure, Common Areas, systems and equipment, roof, and structural portions of the same, which Renovations may include, without limitation, (i) installing sprinklers in the Building Common Areas and tenant spaces, (ii) modifying the Common Areas and tenant spaces to comply with applicable laws and regulations, including regulations relating to the physically disabled, seismic conditions, and building safety and security, and (iii) installing new floor covering, lighting, and wall coverings in the Building Common Areas, and in connection with any Renovations, Landlord may, among other things, erect scaffolding or other necessary structures in the Building, limit or eliminate access to portions of the Project, including portions of the Common Areas, or perform work in the Building, which work may create noise, dust or leave debris in the Building. Subject to Section 19.6.2, Tenant hereby agrees that such Renovations and Landlord's actions in connection with such Renovations shall in no way constitute a constructive eviction of Tenant nor entitle Tenant to any abatement of Rent; provided, in exercising its rights hereunder, Landlord shall use its commercially reasonable efforts not to materially and adversely affect Tenant's use of the Premises for the Permitted Use. Landlord shall have no responsibility or for any reason be liable to Tenant for any direct or indirect injury to or interference with Tenant's business arising from the Renovations, nor shall Tenant be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of the Premises or of Tenant's personal property or improvements resulting from the Renovations or Landlord's actions in connection with such Renovations, or for any inconvenience or annoyance occasioned by such Renovations or Landlord's actions.

29.36 **CASp**. For purposes of Section 1938(a) of the California Civil Code, Landlord hereby discloses to Tenant, and Tenant hereby acknowledges, that neither the Premises, the Building, nor the Project, have undergone inspection by a Certified Access Specialist (CASp). In addition, the following notice is hereby provided pursuant to Section 1938(e) of the California Civil Code: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." In furtherance of and in connection with such notice: (i) Tenant, having read such notice and understanding Tenant's right to request and obtain a CASp inspection and with advice of counsel, hereby elects not to obtain such CASp inspection and forever waives its rights to obtain a CASp inspection with respect to the Premises, Building and/or Project to the extent permitted by applicable Laws now or hereafter in effect; and (ii) if the waiver set forth in clause (i) hereinabove is not enforceable pursuant to applicable Laws now or hereafter in effect, then Landlord and Tenant hereby agree as follows (which constitute the mutual agreement of the parties as to the matters described in the last sentence of the foregoing notice): (A) Tenant shall have the one-time right to request for and obtain a CASp inspection, which request must be made, if at all, in a written notice delivered by Tenant to Landlord on or before the Lease Commencement Date; (B) any CASp inspection timely requested by Tenant shall be conducted (1) between the hours of 9:00 a.m. and 5:00 p.m. on any business day, (2) only after ten (10) days' prior written notice to Landlord of the date of such CASp inspection, (3) in a professional manner by a CASp designated by Landlord and without any testing that would damage the Premises, Building or Project in any

way, and (4) at Tenant's sole cost and expense, including, without limitation, Tenant's payment of the fee for such CASp inspection, the fee for any reports prepared by the CASp in connection with such CASp inspection (collectively, the **"CASp Reports"**) and all other costs and expenses in connection therewith; (C) Tenant shall deliver a copy of any CASp Reports to Landlord within two (2) business days after Tenant's receipt thereof; (D) Tenant, at its sole cost and expense, shall be responsible for making any improvements, alterations, modifications and/or repairs to or within the Premises to correct violations of construction-related accessibility standards including, without limitation, any violations disclosed by such CASp inspection; and (E) if such CASp inspection identifies any improvements, alterations, modifications and/or repairs necessary to correct violations of construction-related accessibility standards relating to those items of the Building and Project located outside the Premises that are Landlord's obligation to repair as expressly set forth herein, then Landlord shall perform such improvements, alterations, modifications and/or repairs as and to the extent required by applicable Laws to correct such violations, and Tenant shall reimburse Landlord for the cost of such improvements, alterations, modifications and/or repairs within ten (10) business days after Tenant's receipt of an invoice therefor from Landlord.

29.37 **Energy Performance Disclosure**. Tenant hereby acknowledges that Landlord may be required to disclose certain information concerning the energy performance of the Building pursuant to California Public Resources Code Section 25402.10, the regulations adopted pursuant thereto and/or pursuant to other similar regulations (collectively as applicable, the "**Energy Disclosure Requirements**"). Tenant further acknowledges that pursuant to the Energy Disclosure Requirements, Landlord may be required in the future to disclose information concerning Tenant's energy usage to certain third parties, including, without limitation, prospective purchasers, lenders and tenants of the Building (the "**Tenant Energy Use Disclosure**"). Tenant hereby (a) consents to all such Tenant Energy Use Disclosures, (b) acknowledges that Landlord shall not be required to notify Tenant of any Tenant Energy Use Disclosure, and (c) agrees that upon request from Landlord, Tenant shall provide Landlord with any energy usage data for the Premises, including, without limitation, copies of utility bills for the Premises. Further, Tenant hereby releases Landlord from any and all losses, costs, damages, expenses and liabilities relating to, arising out of and/or resulting from any Tenant Energy Use Disclosure. The terms of this Section 29.37 shall survive the expiration or earlier termination of this Lease.

29.38 **Anti-Corruption**.

29.38.1 Tenant hereby represents, warrants and covenants that:

29.38.1.1 Tenant and each of its partners and subpartners, and their respective officers, agents, servants, and employees (collectively, the "**Tenant Individuals**"), are now in compliance with the Anti-Corruption Laws (defined below). No action, suit or proceeding by or before any court, or government agency, authority or body, or any arbitrator or nongovernmental authority involving Tenant and/or any of the Tenant Individuals with respect to applicable anti-corruption laws is pending, or to Tenant's knowledge, threatened.

29.38.1.2 No government is investigating or has in the past five (5) years conducted, initiated or threatened any investigation of Tenant and/or any of the Tenant Individuals for alleged violation of Anti-Corruption Laws.

29.38.1.3 Tenant shall comply with all applicable Anti-Corruption Laws in connection with the performance of all duties and obligations relating to this Lease.

29.38.1.4 Without limiting the foregoing, Tenant shall not cause or knowingly permit Landlord, Landlord's property manager or any of the Tenant Individuals to either directly or indirectly, pay, offer, promise or authorize a Prohibited Payment (as defined below).

29.38.1.5 In carrying out its responsibilities under this Lease, Tenant will not provide any meals, gifts, gratuities, entertainment, or travel to any Government Official (as defined below) without the prior written consent of Landlord.

29.38.1.6 Tenant shall immediately notify in writing Landlord and Landlord's property manager if Tenant becomes aware of facts or information which suggest a breach of the foregoing Anti-Corruption covenants or the Anti-Corruption Laws.

29.38.2 Landlord hereby represents, warrants and covenants that:

29.38.2.1 Landlord and each of its partners and subpartners, and their respective officers, agents, servants, and employees (collectively, the "**Landlord Individuals**"), are now in compliance with the Anti-Corruption Laws (defined below). No action, suit or proceeding by or before any court, or government agency, authority or body, or any arbitrator or nongovernmental authority involving Landlord and/or any of the Landlord Individuals with respect to applicable anti-corruption laws is pending, or to Landlord's knowledge, threatened.

29.38.2.2 No government is investigating or has in the past five (5) years conducted, initiated or threatened any investigation of Landlord and/or any of the Landlord Individuals for alleged violation of Anti-Corruption Laws.

29.38.2.3 Landlord shall comply with all applicable Anti-Corruption Laws in connection with the performance of all duties and obligations relating to this Lease.

29.38.2.4 Without limiting the foregoing, Landlord shall not cause or knowingly permit Tenant, Tenant's property manager or any of the Landlord Individuals to either directly or indirectly, pay, offer, promise or authorize a Prohibited Payment (as defined below).

29.38.2.5 In carrying out its responsibilities under this Lease, Landlord will not provide any meals, gifts, gratuities, entertainment, or travel to any Government Official (as defined below) without the prior written consent of Tenant.

29.38.2.6 Landlord shall immediately notify in writing Tenant and Tenant's property manager if Landlord becomes aware of facts or information which suggest a breach of the foregoing Anti-Corruption covenants or the Anti-Corruption Laws.

29.38.3 The breach by either party of any of its representations, warranties and/or covenants contained in this Section 29.38 shall constitute a material breach of this Lease. In the event the other party has reason to believe that a breach of any of the representations, warranties or covenants in this Section 29.38 has occurred or will occur same shall be investigated in good faith hereunder.

29.38.4 The provisions of this Section 29.38 and any warranties, representations or covenants made thereunder shall survive any expiration or earlier termination of this Lease.

29.38.5 As used in this herein:

29.38.5.1 "**Anti-Corruption Laws**" shall mean all laws, rules, and regulations of any jurisdiction applicable to the relevant party concerning or related to bribery or corruption, including laws governing the bribery or corruption of domestic U.S. federal, state, or local Government Officials, non-U.S. Government Officials, and commercial bribery.

29.38.5.2 "**Government Official**" shall mean any (i) official or employee of a U.S. or non-U.S. government body, department, agency, instrumentality, or government-controlled entity, or a public international organization; (ii) political party or official thereof, or candidate for political office; or (iii) person acting in an official capacity for or on behalf of any of the foregoing.

29.38.5.3 "**Prohibited Payment**" shall mean any direct or indirect payment, offer, promise or authorization of money or anything of value, to a Government Official or to any other person (i) for the purpose of influencing any act by or decision of such Government Official or such person in order to obtain or retain business or to direct business to any person, or securing any improper advantage, or (ii) when such offer, payment, promise or authorization would be unlawful under applicable laws, including commercial bribery laws.

29.39 **Fitness Center**. Tenant shall be granted up to one hundred five (105) access cards (or such reasonable additional amounts as may be requested by Tenant from time to time) to the existing fitness center serving the Building (the "**Fitness Center**") for the non-exclusive use of said Fitness Center by Tenant's employees for its intended purposes; provided, however, (a) the use of the Fitness Center by Tenant shall be governed by a separate fitness center agreement/license to be executed by each employee of Tenant using the Fitness Center, and (b) so long as Tenant is not in Default under this Lease, Landlord shall waive the above described charges associated with Tenant's use of such fitness center access charges during the Lease Term (the "**Abated Fitness Center Charges**"). Landlord makes no representation or warranty regarding the condition, functionality or suitability of the Fitness Center and/or any component thereof, and Tenant shall defend, indemnify and hold harmless Landlord from and against any and all costs, expenses (including reasonable attorneys' fees), demands, claims, causes of action and liens arising from or in connection with the Fitness Center and the use thereof by Tenant and any of Tenant's employees. Tenant shall be permitted to install, at Tenant's sole cost and expense, certain branded equipment in the Fitness Center for the nonexclusive use of the tenants and occupants of the Project, subject to Landlord's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed) of the branding and the equipment to be installed by Tenant (**"Tenant Equipment"**); provided, however, Tenant shall indemnify, defend, and hold Landlord harmless from and against damages, losses, claims, judgments, attorneys' fees and costs in connection with such equipment and the use and installation thereof. Tenant, at Tenant's sole cost and expense, shall continuously maintain Tenant's Equipment in a clean, first-class working condition. At Landlord's option, upon expiration of the Lease Term, Tenant shall remove such equipment from the Fitness Center, repair any damage occasioned by such removal, and restore the area previously occupied by such equipment to its original condition.

29.40 **Conference Center**. Subject to availability, Tenant's advance reservation, Tenant's compliance with the reasonable rules and regulations for the use therefor (including, without limitation, the then applicable cancellation policy and cancellation fees), and so long as Tenant is not in Default under this Lease, during the Lease Term, Tenant shall be allowed to use the conference room and board room serving the Building free of charge for up to a total of fifty (50) hours per full calendar month (any partial month shall be prorated) on a non-cumulative basis, if such conference room and/or board room is constructed and available for the non-exclusive use by tenants of the Building; provided, however, any of such fifty (50) hours which remain unused after the end of each calendar month shall be deemed waived and no longer available to Tenant, and further provided that nothing herein shall abate Tenant's obligation to pay for any cancellation fees, cleaning fees (currently $25 per use), damage fees or other similar fees related to Tenant's use of the conference room. Such amount of abated conference room charges is hereafter referred to herein as "**Abated Conference Room Charges**".

29.41 **Patio Area**. Tenant shall have the exclusive license to use the four (4) exterior patio areas located adjacent to the Premises (individually and collectively, the "**Patio Area**") as depicted in **Exhibit A** attached hereto. Tenant shall accept the Patio Area in its "as-is" condition (except to the extent any improvements to such Patio Area

are included in the Tenant Work Letter), and Landlord shall not be obligated to provide or pay for any work or services related to the improvement of the Patio Area. Tenant shall have the right, but not the obligation, to partition two (2) of the exterior patio areas as depicted in **Exhibit H** attached hereto. Tenant also acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty regarding the condition of the Patio Area or the compliance of the Patio Area with any applicable Laws now in force or which may hereafter be enacted or promulgated. Any alteration or improvement to the Patio Area shall be made by Tenant at Tenant's sole cost and expense, subject to Landlord's prior written approval (which approval shall not be unreasonably withheld, conditioned or delayed) and the terms of Article 8 above. Tenant shall have the right to place and maintain furniture (including, without limitation, chairs, tables, and/or trash receptacles) (collectively, "**Patio Furniture**") in the Patio Area subject to Landlord's prior written approval of the same (which approval shall not be unreasonably withheld, conditioned or delayed). Notwithstanding Landlord's approval of the Patio Furniture, Tenant shall remain solely liable for any liability arising out of the placement of the Patio Furniture in the Patio Area, and Landlord shall have no liability in connection therewith. Tenant shall keep the Patio Furniture in clean, safe, operable and first-class condition and repair and shall replace the same as necessary to comply with such standard. Tenant shall keep the Patio Area clean of all trash and debris and shall also keep the surrounding areas clean of debris and trash arising from the use of the Patio Area. Tenant shall clean the Patio Area regularly, and shall power wash the Patio Area on an as needed basis. Tenant shall remove any Patio Furniture from the Patio Area upon the expiration or earlier termination of this Lease, or upon the termination of Tenant's rights under this Section 29.41, and shall return the affected portion of the Patio Area to the condition the Patio Area would have been in had no such Patio Furniture been installed, reasonable wear and tear excepted. Tenant shall not be permitted to display any graphics, signs or insignias or the like in the Patio Area. Landlord shall have the right to make any improvements to the Patio Area or display any graphics, plants or other items from the Patio Area which it desires in its sole discretion in connection with overall Building or Project graphics or improvements. Tenant shall use the Patio Area solely for the seating of its employees and shall not use the Patio Area for preparing food or any other retail purpose. No smoking shall be permitted in the Patio Area. Tenant's use of the Patio Area shall be subject to such additional reasonable rules, regulations and restrictions as Landlord may make from time to time concerning the Patio Area. Except as expressly set forth in this Section 29.41, all of the terms, conditions, covenants, limitations and restrictions contained in this Lease pertaining to the Premises and Tenant's use thereof shall apply equally to the Patio Area and Tenant's use thereof, including, without limitation, Tenant's indemnity of Landlord set forth in Section 10.1, Tenant's insurance obligations set forth in Article 10, and Tenant's obligations to comply with Law set forth in Article 24; provided, however, the Patio Area shall not be deemed to be a part of the Premises for purposes of any abatement or termination rights under Articles 11 and 13. The license to use the Patio Area granted to Tenant hereby shall be revocable by Landlord for cause upon written notice to Tenant, and Landlord thereafter shall have the right to prevent Tenant's access thereto. As used in this Section 29.41, "cause" shall include, without limitation, any of the following: (i) Landlord's good faith determination that the license granted hereby and/or the use of the Patio Area creates a hazard or threatens the safety and/or security of persons or property or endangers or otherwise interferes with the use and occupancy of the Building or Project by Landlord, its employees, agents or contractors or other tenants or occupants of the Building or the Project, or constitutes a nuisance; (ii) the license granted hereby constitutes a violation of or otherwise conflicts with any law, statute, ordinance or other governmental rule, regulation or requirement now in force or which may hereafter be enacted or promulgated, or results in increased rates of insurance for the Building or Project; (iii) Tenant abandons or vacates all or a substantial portion of the Premises; (iv) this Lease is terminated for any reason; or (v) Tenant fails to comply with any of the terms, conditions, covenants, limitations or restrictions contained in this Section 29.41 or elsewhere in this Lease which apply to the Patio Area or Tenant's use thereof.

29.42 **Beer Tap**. To the extent that an establishment which serves beer and wine is constructed in the center courtyard of the Project (the "**beer garden**"), Landlord shall use its commercially reasonable efforts to cause Tenant's selection of one (1) beer brand to be included on tap at such beer garden (which brand shall be available on a non-exclusive basis, for sale in common with the other beer brands available for sale), with Tenant's name or logo on such beer tap handle; provided however, Landlord makes no representation or warranty as to the construction, condition and/or operation of any such beer garden. Other than the selection of one (1) beer brand as provided in the immediately preceding sentence, Tenant has no rights with respect to the brand, the beer and/or the beer garden, including, without limitation, establishment of the price of such beer and/or any rights to profits in connection therewith.

29.43 **Landlord's Lien**. Landlord hereby acknowledges and agrees that any and all of Tenant's movable furniture, furnishings, trade fixtures and equipment at the Premises ("**Tenant's Property**") may be financed by a third-party lender or lessor (an "**Equipment Lienor**"), and, except for any for Tenant's Property paid or reimbursed from the Allowance or otherwise paid for by Landlord, Landlord hereby (i) subordinates any of its rights to Tenant's Property to Equipment Lienor's rights, and (ii) agrees to recognize the rights of any such Equipment Lienor, subject to and in accordance with Tenant's lender's commercially reasonable form of waiver agreement to be entered into by and between Landlord and the Equipment Lienor within ten (10) business days after Tenant's written request therefor, subject to Tenant's payment of the actual and reasonable out-of-pocket attorneys' fees and costs incurred by Landlord in connection therewith.

29.44 **Consents**. Except as otherwise expressly provided herein, whenever Landlord's consent is required, if within fifteen (15) days after Landlord's receipt of Tenant's request for consent under this Lease, Tenant does not receive written notice and Landlord's consent to or rejection of such request, Landlord shall be deemed to have rejected such request.

29.45 **No Additional Landlord Supervisory Fees**. Except as may be expressly set forth in this Lease, Tenant shall not be responsible for any Landlord supervisory fees or similar Landlord fees or charges related to any of Tenant's improvements, alterations, repairs and/or maintenance to the Premises.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be executed the day and date first above written.

LANDLORD:

QUINTANA OFFICE PROPERTY LLC,
a Delaware limited liability company

By: /s/ Raymond Lawler
Name: Raymond Lawler
Title: Senior Managing Director

TENANT:

XPONENTIAL FITNESS LLC,
a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: CEO

EXHIBIT A

CONCEPTUAL OUTLINE OF PREMISES

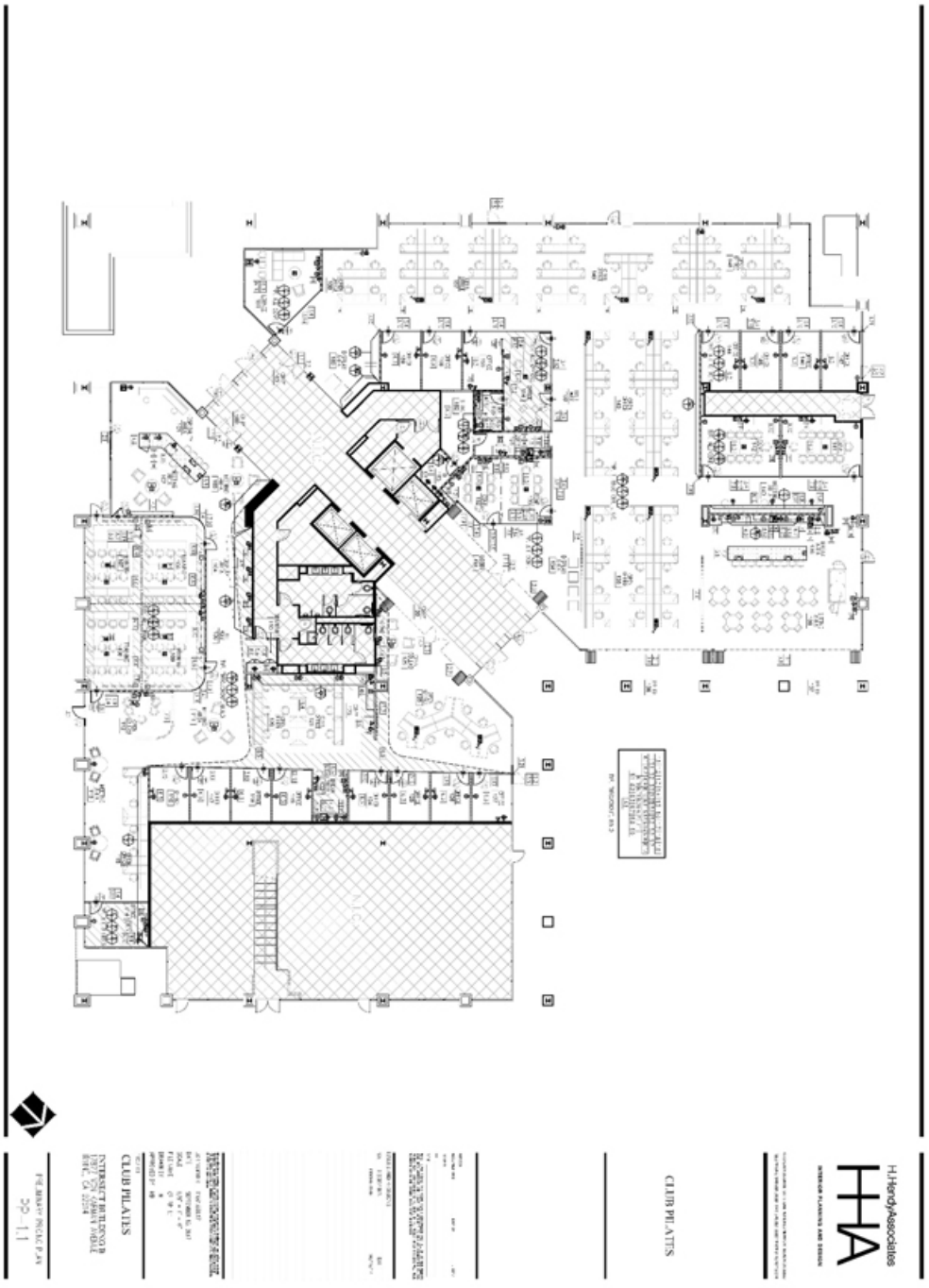


EXHIBIT A-1

DEPICTION OF BUILDING AND PROJECT

EXHIBIT B

TENANT WORK LETTER
(Landlord Build with Allowance)

1. **TENANT IMPROVEMENTS**. As used in the Lease and this Tenant Work Letter, the term "**Tenant Improvements**" or "**Tenant Improvement Work**" means those items of general tenant improvement construction shown on the Final Plans (described in Section 4 below), more particularly described in Section 5 below.

2. **WORK SCHEDULE**. Within thirty (30) days after mutual execution of this Lease, Landlord shall deliver to Tenant, for Tenant's review and approval, a schedule ("**Work Schedule**") which will set forth the timetable for the planning and completion of the installation of the Tenant Improvements. The Work Schedule will set forth each of the various items of work to be done or approval to be given by Landlord and Tenant in connection with the completion of the Tenant Improvements. The Work Schedule will be submitted to Tenant for its approval, which approval Tenant agrees not to unreasonably withhold, and, once approved by both Landlord and Tenant, the Work Schedule will become the basis for Landlord's completion of the Tenant Improvements. All plans and drawings required by this Tenant Work Letter and all work performed pursuant thereto are to be prepared and performed in accordance with the Work Schedule. Landlord may, from time to time during construction of the Tenant Improvements, modify the Work Schedule as Landlord reasonably deems appropriate. If Tenant fails to approve the Work Schedule, as it may be modified after discussions between Landlord and Tenant within ten (10) business days after the date the Work Schedule is first received by Tenant, the Work Schedule shall be deemed to be approved by Tenant as submitted or Landlord may, at its option, terminate the Lease upon written notice to Tenant.

3. **CONSTRUCTION REPRESENTATIVES**. Landlord hereby appoints the following person(s) as Landlord's representative ("**Landlord's Representative**") to act for Landlord in all matters covered by this Tenant Work Letter: Lynne Lyons.

Tenant hereby appoints the following person(s) as Tenant's representative ("**Tenant's Representative**") to act for Tenant in all matters covered by this Tenant Work Letter: Robyn Kruder.

All communications with respect to the matters covered by this Tenant Work Letter are to be made to Landlord's Representative or Tenant's Representative, as the case may be, in writing in compliance with the notice provisions of the Lease. Either party may change its representative under this Tenant Work Letter at any time by written notice to the other party in compliance with the notice provisions of the Lease.

4. **TENANT IMPROVEMENT PLANS**.

(a) **Preparation of Space Plans**. In accordance with the Work Schedule, Tenant agrees to meet with Landlord's architect and/or space planner for the purpose of promptly preparing preliminary space plans for the layout of the Premises ("**Space Plans**"). The Space Plans are to be sufficient to convey the architectural design of the Premises and layout of the Tenant Improvements therein and are to be submitted to Landlord in accordance with the Work Schedule for Landlord's approval (which approval shall not be unreasonably withheld, conditioned or delayed). If Landlord reasonably disapproves any aspect of the Space Plans, Landlord will advise Tenant in writing of such disapproval and the reasons therefor in accordance with the Work Schedule. Tenant will then submit to Landlord for Landlord's approval, in accordance with the Work Schedule, a redesign of the Space Plans incorporating the revisions reasonably required by Landlord.

(b) **Preparation of Final Plans**. Based on the approved Space Plans, and in accordance with the Work Schedule, at Landlord's election, Landlord's architect will prepare complete architectural plans, drawings and specifications and complete engineered mechanical, structural and electrical working drawings for all of the Tenant Improvements for the Premises (collectively, the "**Final Plans**"). The Final Plans will be submitted to Tenant for signature to confirm that they are consistent with the Space Plans. If Tenant reasonably disapproves any aspect of the Final Plans based on any inconsistency with the Space Plans, Tenant agrees to advise Landlord in writing of such disapproval and the reasons therefor within the time frame set forth in the Work Schedule. In accordance with the Work Schedule, Landlord will, subject to Section 4(c) below, then cause Landlord's architect to redesign the Final Plans incorporating the revisions reasonably requested by Tenant so as to make the Final Plans consistent with the Space Plans.

(c) **Requirements of Tenant's Final Plans**. Landlord will not unreasonably withhold, delay or condition its consent to changes in the Final Plans proposed by Tenant provided the Final Plans, as revised, will: (i) be compatible with the Building shell and with the design, construction and equipment of the Building; (ii) be comprised of the Building standards set forth in the written description thereof (the "**Standards**") or of at least equal quality as the Standards and approved by Landlord; (iii) comply with all applicable Laws, ordinances, rules and regulations of all governmental authorities having jurisdiction, and all applicable insurance regulations; (iv) not require Building service beyond the level normally provided to other tenants in the Building and will not overload the Building floors; and (v) be of a nature and quality consistent with the overall objectives of Landlord for the Building, as determined by Landlord in its reasonable but subjective discretion.

(d) **Submittal of Final Plans**. Once approved by Landlord and Tenant, at Landlord's election, Landlord's architect will submit the Final Plans to the appropriate governmental agencies for plan checking and the issuance of a building permit. Landlord's architect, with Tenant's cooperation, will make any changes to the Final Plans which are requested by the applicable governmental authorities to obtain the building permit. After approval of the Final Plans no further changes may be made without the prior written approval of both Landlord and Tenant, and then only after agreement by Tenant to pay any costs resulting from the design and/or construction of such changes in excess of the Allowance. Tenant hereby acknowledges that any such changes will be subject to the terms of Sections 7 and 8 below.

Landlord's approval of the Final Plans shall create no liability or responsibility on the part of Landlord for the completeness of such plans or their design sufficiency or compliance with Laws.

(e) **Changes to Shell of Building**. If the Final Plans or any amendment thereof or supplement thereto shall require changes in the Building shell, the increased cost of the Building shell work caused by such changes will be paid for by Tenant or charged against the "**Allowance**" described in Section 5 below.

(f) **Work Cost Estimate and Statement**. Prior to the commencement of construction of any of the Tenant Improvements shown on the Final Plans, Landlord will submit to Tenant a written estimate of the cost (the "**Work Cost**") to complete the Tenant Improvement Work, which written estimate will be based on the Final Plans taking into account any modifications which may be required to reflect changes in the Final Plans required by the City or County in which the Premises are located (the "**Work Cost Estimate**"). Tenant will either approve the Work Cost Estimate or disapprove specific items and submit to Landlord revisions to the Final Plans to reflect deletions of and/or substitutions for such disapproved items. Submission and approval of the Work Cost Estimate will proceed in accordance with the Work Schedule. Upon Tenant's approval of the Work Cost Estimate (such approved Work Cost Estimate to be hereinafter known as the "**Work Cost Statement**"), Landlord will have the right to purchase materials and to commence the construction of the items included in the Work Cost Statement pursuant to Section 6 hereof. If the total costs reflected in the Work Cost Statement exceed the Allowance described in Section 5 below, Tenant agrees to pay such excess, as Additional Rent, within five (5) business days after Tenant's approval of the Work Cost Estimate or within five (5) business days after Tenant's receipt of Landlord's invoice therefor. Throughout the course of construction, any differences between the estimated Work Cost in the Work Cost Statement and the actual Work Cost will be determined by Landlord and appropriate adjustments and payments by Tenant will be made within five (5) business days after Landlord's invoice therefor.

5. **PAYMENT FOR THE TENANT IMPROVEMENTS**.

(a) **Allowance**. Landlord hereby grants to Tenant an Allowance as referenced in the Summary. The Allowance is to be used only for:

(i) Payment of the cost of preparing the Space Plans and the Final Plans, including mechanical, electrical, plumbing and structural drawings and of all other aspects necessary to complete the Final Plans. The Allowance will not be used for the payment of extraordinary design work not consistent with the scope of the Standards (i.e., above-standard design work) or for payments to any other consultants, designers or architects other than Landlord's architect, engineers and consultants.

(ii) The payment of plan check, permit and license fees relating to construction of the Tenant Improvements.

(iii) Construction of the Tenant Improvements, including, without limitation, the following:

(aa) Installation within the Premises of all partitioning, doors, floor coverings, ceilings, wall coverings and painting, millwork and similar items;

(bb) All electrical wiring, lighting fixtures, outlets and switches, and other electrical work necessary for the Premises;

(cc) The furnishing and installation of all duct work, terminal boxes, diffusers and accessories necessary for the heating, ventilation and air conditioning systems within the Premises, including the cost of meter and key control for after-hour air conditioning;

(dd) Any additional improvements to the Premises required for Tenant's use of the Premises including, but not limited to, odor control, special heating, ventilation and air conditioning, noise or vibration control or other special systems or improvements;

(ee) All fire and life safety control systems such as fire walls, sprinklers, halon, fire alarms, including piping, wiring and accessories, necessary for the Premises;

(ff) All plumbing, fixtures, pipes and accessories necessary for the Premises;

(gg) Testing and inspection costs;

(hh) Fees for the general contractor including, but not limited to, fees and costs attributable to general conditions associated with the construction of the Tenant Improvements; and

(ii) Landlord's construction management fee of two percent (2%) (the "**Construction Management Fee"**) of the total hard (but not soft) costs of the Tenant Improvements, provided that the Construction Management Fee shall not be payable on any portion of the cost of the Tenant Improvements which exceeds the $85.00/rsf Allowance.

(iv) All other costs to be expended by Landlord in the construction of the Tenant Improvements, including those costs incurred by Landlord for construction of elements of the Tenant Improvements in the Premises, which construction was performed by Landlord prior to the execution of this Lease by Landlord and Tenant. Landlord shall have the right, but not the obligation, to perform the Tenant Improvement Work during non-standard business

hours and thus incur overtime and/or above-standard charges for such labor, and Tenant agrees that Landlord shall be permitted to apply the Allowance towards payment for the costs therefor.

(b) **Excess Costs**. The cost of each item referenced in Section 5(a) above shall be charged against the Allowance. If the Work Cost exceeds the Allowance, Tenant agrees to pay to Landlord such excess including the fee for the Construction Management Fee in connection with the supervision of such excess work prior to the commencement of construction within ten (10) days after invoice therefor (less any sums previously paid by Tenant for such excess pursuant to the Work Cost Estimate). In no event will the Allowance be used to pay for Tenant's furniture, artifacts, equipment, telephone systems or any other item of personal property which is not affixed to the Premises.

(c) **Changes**. If, after the Final Plans have been prepared and the Work Cost Statement has been established, Tenant requires any changes or substitutions to the Final Plans, any additional costs related thereto including the fee for Landlord's contractor and the Construction Management Fee in connection with the supervision of such changes or substitutions are to be paid by Tenant to Landlord within five (5) business days after invoice therefor. Any changes to the Final Plans will be approved by Landlord and Tenant in the manner set forth in Section 4 above and will, if necessary, require the Work Cost Statement to be revised and agreed upon between Landlord and Tenant in the manner set forth in Section 4(f) above. Landlord will have the right to decline Tenant's request for a change to the Final Plans if such changes are inconsistent with the provisions of Section 4 above, or if the change would materially delay construction of the Tenant Improvements and the Lease Commencement Date.

(d) **Governmental Cost Increases**. If increases in the cost of the Tenant Improvements as set forth in the Work Cost Statement are due to requirements of any governmental agency, Tenant agrees to pay Landlord the amount of such increase including the fee for Landlord's contractor and the Construction Management Fee in connection with the supervision of such additional work within five (5) business days of Landlord's written notice; provided, however, that Landlord will first apply toward any such increase any remaining balance of the Allowance.

(e) **Unused Allowance Amounts**. Except as otherwise provided in Section 5(f) below, any unused portion of the Allowance upon completion of the Tenant Improvements ("**Excess Allowance**") will not be refunded to Tenant or be available to Tenant as a credit against any obligations of Tenant under the Lease unless Tenant has paid for excess costs as described in Sections 5(b), 5(c) or 5(d), in which case the unused Allowance may be applied toward such excess cost amounts and paid to Tenant.

(f) **Applied Allowance**. Notwithstanding the foregoing, provided Tenant is not in default under the Lease, Landlord shall permit Tenant to use up to Ten and No/100ths Dollars ($10.00) per rentable square foot of the Premises of any Excess Allowance towards payment of Tenant's obligation to pay Base Rent and/or Tenant's reasonable and actual out-of-pocket project management and moving and relocation costs, including telephone and data cabling costs, physical move expenses, installation of furniture and equipment, move coordination costs, and purchase of furniture, fixtures and equipment to be used exclusively at the Premises (the "**FF&E**") (and which FF&E shall, at Landlord's sole option, either become Landlord's property and remain with the Premises and/or be removed from the Premises at Tenant's sole cost and expense upon expiration or earlier termination of the Lease) (collectively, the "**Moving Costs**") (such portion of the Excess Allowance applied towards Moving Costs and/or Base Rent is referred to as the "**Applied Allowance**"), subject to prior written notice to Landlord given no later than thirty (30) days after the Lease Commencement Date; provided, that Tenant submits to Landlord, within sixty (60) days after the Lease Commencement Date (the "**Outside Allowance Date**"), copies of contracts, lien releases, receipts and invoices (and other back-up documentation to the extent requested by Landlord) evidencing such Moving Costs and Tenant's payment in full therefor. Any portion of the Allowance which remains unused and unrequested as of the Outside Allowance Date shall be deemed waived by, and no longer available to, Tenant, and Landlord shall have no further obligation to disburse any portion thereof.

6. CONSTRUCTION OF TENANT IMPROVEMENTS. Until Tenant approves the Final Plans and Work Cost Statement, and obtains the Permits, Landlord will be under no obligation to cause the construction of any of the Tenant Improvements. Provided that Tenant has obtained the Permits, following Tenant's approval of the Work Cost Statement described in Section 4(f) above and upon Tenant's payment of the total amount by which such Work Cost Statement exceeds the Allowance, if any, Landlord's contractor will commence and diligently proceed with the construction of the Tenant Improvements, subject to Tenant Delays (as described in Section 8 below) and Force Majeure Delays (as described in Section 9 below).

7. LEASE COMMENCEMENT DATE AND SUBSTANTIAL COMPLETION.

(a) **Lease Commencement Date**. The Lease Term will commence on the date (the "**Lease Commencement Date**") which is the later of: (i) the date the Tenant Improvements have been "substantially completed" (as defined below) or (ii) [March 1, 2018; provided, however, that if substantial completion of the Tenant Improvements is delayed as a result of any Tenant Delays described in Section 8 below, then the Lease Commencement Date as would otherwise have been established pursuant to this Section 7(a) will be accelerated by the number of days of such Tenant Delays.

(b) **Substantial Completion; Punch-List**. For purposes of Section 7(a)(ii) above, the Tenant Improvements will be deemed to be "substantially completed" when Landlord: (a) is able to provide Tenant with reasonable access to the Premises, and (b) has substantially performed all of the Tenant Improvement Work required to be performed by Landlord under this Tenant Work Letter, other than minor "punch-list" type items and adjustments which do not materially interfere with Tenant's access to or use of the Premises. Within thirty (30) days after delivery of the Premises to Tenant, Tenant and Landlord will conduct a walk-through inspection of the Premises, and prepare a written punch-list specifying those punch-list items which require completion, which items Landlord will thereafter diligently complete.

(c) **Delivery of Possession**. Landlord agrees to deliver possession of the Premises to Tenant when the Tenant Improvements have been substantially completed in accordance with Section (b) above. The parties estimate that Landlord will deliver possession of the Premises to Tenant and the Lease Term will commence on or before the Estimated Lease Commencement Date (i.e., May 22, 2018). Landlord agrees to use its commercially reasonable efforts to cause the Tenant Improvements to be substantially completed on or before the Estimated Lease Commencement Date. Tenant agrees that except as otherwise provided in Section 7(d) below, if Landlord is unable to deliver possession of the Premises to Tenant on or prior to the Estimated Lease Commencement Date, the Lease will not be void or voidable, nor will Landlord be liable to Tenant for any loss or damage resulting therefrom.

(d) **Outside Date for Delivery**. Notwithstanding the foregoing, if Landlord fails to deliver the Premises with the Tenant Improvements substantially completed on or before the Estimated Lease Commencement Date (i.e., May 22, 2018), as such failure shall be extended to the extent of any Force Majeure Delays or Tenant Delays (the **"Outside Delivery Date"**), then Tenant, as its sole and exclusive remedy, shall have the right to extend the Lease Commencement Date and the Lease Expiration Date of the Lease Term by one (1) day for each day Landlord is delayed in delivering possession of the Premises to Tenant, and Tenant shall receive one (1) day of Base Rent abatement for each day beyond the Outside Delivery Date that Landlord fails to turn over possession of the Premises to Tenant in accordance with the terms of this Tenant Work Letter, which Base Rent abatement shall be applied following the expiration of the Base Rent Abatement Period.

8. **TENANT DELAYS**. For purposes of this Tenant Work Letter, "**Tenant Delays**" means any delay in the completion of the Tenant Improvements resulting from any or all of the following: (a) Tenant's failure to timely perform any of its obligations pursuant to this Tenant Work Letter, including any failure to complete, on or before the due date therefor, any action item which is Tenant's responsibility pursuant to the Work Schedule delivered by Landlord to Tenant pursuant to this Tenant Work Letter; (b) Tenant's changes to Space Plans or Final Plans after Landlord's approval thereof; (c) Tenant's request for materials, finishes, or installations which are not readily available or which are incompatible with the Standards; (d) any delay of Tenant in making payment to Landlord for Tenant's share of the Work Cost; or (e) any other act or failure to act by Tenant, Tenant's employees, agents, architects, independent contractors, consultants and/or any other person performing or required to perform services on behalf of Tenant.

9. **FORCE MAJEURE DELAYS**. For purposes of this Tenant Work Letter, "Force Majeure Delays" means any actual delay in the construction of the Tenant Improvements, which is beyond the reasonable control of Landlord or Tenant, as the case may be, as described in Section 29.16 of the Lease.

10. **FREIGHT/CONSTRUCTION ELEVATOR**. Landlord will, consistent with its obligation to other tenants in the Building, if appropriate and necessary, make the freight/construction elevator reasonably available to Tenant in connection with initial decorating, furnishing and moving into the Premises. Tenant agrees to pay for any after-hours staffing of the freight/construction elevator, if needed.

11. **CONSTRUCTION WARRANTY**. Landlord shall obtain from Landlord's general contractor a commercially reasonable warranty ("**Construction Warranty**") for a period of one (1) year following substantial completion of the initial Tenant Improvements for such warrant(ies) which are customarily provided in the construction industry. To the extent any maintenance or repair of the Premises and/or the Building is covered by the Construction Warranty, Landlord shall use its commercially reasonable efforts to enforce the Construction Warranty, or at Landlord's option, shall assign the Construction Warranty to Tenant (on a non-exclusive basis) and permit Tenant to enforce the same.

EXHIBIT C

NOTICE OF LEASE TERM DATES

To: _____
_____
_____
_____

Re: Office Lease dated _____, 20___ between _____, a _____ ("**Landlord**"), and _____, a _____ ("**Tenant**") concerning Suite _____ on floor(s) _____ of the office building located at _____, _____, California.

Ladies and gentlemen:

In accordance with the Office Lease (the '**Lease**"), we wish to advise you and/or confirm as follows:

1. The Lease Term shall commence on or has commenced on _____ for a term of _____ ending on _____.

2. Rent commenced to accrue on _____, in the amount of _____.

3. If the Lease Commencement Date is other than the first day of the month, the first billing will contain a pro rata adjustment. Each billing thereafter, with the exception of the final billing, shall be for the full amount of the monthly installment as provided for in the Lease.

4. Your rent checks should be made payable to _____ at _____.

"

Landlord":

_____,
a _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Agreed to and Accepted
as of _____, 20____.

"Tenant":

_____
a _____

By: _____
Its: _____

EXHIBIT D

RULES AND REGULATIONS

Tenant shall faithfully observe and comply with the following Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any of said Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Project. Landlord shall use its commercially reasonable efforts to apply such Rules and Regulations in a non-discriminatory manner against all tenants and occupants at the Project, to the extent applicable. In the event of any conflict between the Rules and Regulations and the other provisions of this Lease, the latter shall control.

1. Tenant shall not alter any lock or install any new or additional locks or bolts on any doors or windows of the Premises without obtaining Landlord's prior written consent. Tenant shall bear the cost of any lock changes or repairs required by Tenant. Two keys will be furnished by Landlord for the Premises, and any additional keys required by Tenant must be obtained from Landlord at a reasonable cost to be established by Landlord. Upon the termination of this Lease, Tenant shall restore to Landlord all keys of stores, offices, and toilet rooms, either furnished to, or otherwise procured by, Tenant and in the event of the loss of keys so furnished, Tenant shall pay to Landlord the cost of replacing same or of changing the lock or locks opened by such lost key if Landlord shall deem it necessary to make such changes.

2. All doors opening to public corridors shall be kept closed at all times except for normal ingress and egress to the Premises.

3. Landlord reserves the right to close and keep locked all entrance and exit doors of the Building during such hours as are customary for comparable buildings in the North Orange County, California area. Tenant, its employees and agents must be sure that the doors to the Building are securely closed and locked when leaving the Premises if it is after the normal hours of business for the Building. Any tenant, its employees, agents or any other persons entering or leaving the Building at any time when it is so locked, or any time when it is considered to be after normal business hours for the Building, may be required to sign the Building register. Access to the Building may be refused unless the person seeking access has proper identification or has a previously arranged pass for access to the Building. Landlord will furnish passes to persons for whom Tenant requests same in writing. Tenant shall be responsible for all persons for whom Tenant requests passes and shall be liable to Landlord for all acts of such persons. The Landlord and its agents shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. In case of invasion, mob, riot, public excitement, or other commotion, Landlord reserves the right to prevent access to the Building or the Project during the continuance thereof by any means it deems appropriate for the safety and protection of life and property.

4. No furniture, freight or equipment of any kind shall be brought into the Building except during such hours and in the manner established by Landlord from time to time for the Building. All moving activity into or out of the Building shall be scheduled with Landlord and done only at such time and in such manner as Landlord designates. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy property brought into the Building and also the times and manner of moving the same in and out of the Building. Safes and other heavy objects shall, if considered necessary by Landlord, stand on supports of such thickness as is necessary to properly distribute the weight. Landlord will not be responsible for loss of or damage to any such safe or property in any case. Any damage to any part of the Building, its contents, occupants or visitors by moving or maintaining any such safe or other property shall be the sole responsibility and expense of Tenant.

5. No furniture or equipment will be received in the Building or carried up or down in the elevators, except between such hours established by Landlord from time to time, in such specific elevator and by such personnel as shall be designated by Landlord.

6. The requirements of Tenant will be attended to only upon application at the management office for the Project or at such office location designated by Landlord. Employees of Landlord shall not perform any work or do anything outside their regular duties unless under special instructions from Landlord.

7. No sign, advertisement, notice or handbill shall be exhibited, distributed, painted or affixed by Tenant on any part of the Premises or the Building without the prior written consent of the Landlord. Tenant shall not disturb, solicit, peddle, or canvass any occupant of the Project and shall cooperate with Landlord and its agents of Landlord to prevent same.

8. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the tenant who, or whose servants, employees, agents, visitors or licensees shall have caused same.

9. Tenant shall not overload the floor of the Premises.

10. Except for vending machines intended for the sole use of Tenant's employees and invitees, no vending machine or machines other than fractional horsepower office machines shall be installed, maintained or operated upon the Premises without the written consent of Landlord.

11. Tenant shall not use or keep in or on the Premises, the Building, or the Project any kerosene, gasoline, explosive material, corrosive material, material capable of emitting toxic fumes, or other inflammable or

combustible fluid chemical, substitute or material. Tenant shall provide material safety data sheets for any Hazardous Material used or kept on the Premises.

12. Tenant shall not without the prior written consent of Landlord use any method of heating or air conditioning other than that supplied by Landlord.

13. Tenant shall not use, keep or permit to be used or kept, any foul or noxious gas or substance in or on the Premises, or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Project by reason of noise, odors, or vibrations, or interfere with other tenants or those having business therein, whether by the use of any musical instrument, radio, phonograph, or in any other way. Tenant shall not throw anything out of doors, windows or skylights or down passageways.

14. Tenant shall not bring into or keep within the Project, the Building or the Premises any animals, birds, fish, aquariums, or, except in areas designated by Landlord, bicycles or other vehicles.

15. The Premises shall not be used for any improper, objectionable or immoral purposes.

16. The Premises shall not be used for manufacturing or for the storage of merchandise except as such storage may be incidental to the use of the Premises provided for in the Summary. Tenant shall not occupy or permit any portion of the Premises to be occupied as an office for a messenger-type operation or dispatch office, public stenographer or typist, or for the manufacture or sale of liquor, narcotics, or tobacco in any form, or as a medical office, or as a barber or manicure shop, or as an employment bureau without the express prior written consent of Landlord. Tenant shall not engage or pay any employees on the Premises except those actually working for such tenant on the Premises nor advertise for laborers giving an address at the Premises.

17. Landlord reserves the right to exclude or expel from the Project any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of these Rules and Regulations.

18. Tenant, its employees and agents shall not loiter in or on the entrances, corridors, sidewalks, lobbies, courts, halls, stairways, elevators, vestibules or any Common Areas for the purpose of smoking tobacco products or for any other purpose, nor in any way obstruct such areas, and shall use them only as a means of ingress and egress for the Premises.

19. Tenant shall not waste electricity, water or air conditioning and agrees to cooperate fully with Landlord to ensure the most effective operation of the Building's heating and air conditioning system, and shall refrain from attempting to adjust any controls. Tenant shall participate in recycling programs undertaken by Landlord.

20. Tenant shall store all its trash and garbage within the interior of the Premises. No material shall be placed in the trash boxes or receptacles if such material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage in Irvine, California without violation of any law or ordinance governing such disposal. All trash, garbage and refuse disposal shall be made only through entry-ways and elevators provided for such purposes at such times as Landlord shall designate. Tenant shall make alternate arrangements, at Tenant's cost, for the disposal of high volumes of trash in excess of the amount determined by Landlord to be an office tenant's typical volume of trash (i.e., excessive moving boxes or shipping materials). If the Premises is or becomes infested with vermin as a result of the use or any misuse or neglect of the Premises by Tenant, its agents, servants, employees, contractors, visitors or licensees, Tenant shall forthwith, at Tenant's expense, cause the Premises to be exterminated from time to time to the satisfaction of Landlord and shall employ such licensed exterminators as shall be approved in writing in advance by Landlord.

21. Tenant shall comply with all safety, fire protection and evacuation procedures and regulations established by Landlord or any governmental agency.

22. Any persons employed by Tenant to do janitorial work shall be subject to the prior written approval of Landlord, and while in the Building and outside of the Premises, shall be subject to and under the control and direction of the Building manager (but not as an agent or servant of such manager or of Landlord), and Tenant shall be responsible for all acts of such persons.

23. No awnings or other projection shall be attached to the outside walls of the Building without the prior written consent of Landlord, and no curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with, any window or door of the Premises other than Landlord standard drapes. All electrical ceiling fixtures hung in the Premises or spaces along the perimeter of the Building must be fluorescent and/or of a quality, type, design and a warm white bulb color approved in advance in writing by Landlord. Neither the interior nor exterior of any windows shall be coated or otherwise sunscreened without the prior written consent of Landlord. Tenant shall be responsible for any damage to the window film on the exterior windows of the Premises and shall promptly repair any such damage at Tenant's sole cost and expense. Tenant shall keep its window coverings closed during any period of the day when the sun is shining directly on the windows of the Premises. Prior to leaving the Premises for the day, Tenant shall draw or lower window coverings and extinguish all lights. Tenant shall abide by Landlord's regulations concerning the opening and closing of window coverings which are attached to the windows in the Premises, if any, which have a view of any interior portion of the Building or Common Areas.

24. The sashes, sash doors, skylights, windows, and doors that reflect or admit light and air into the halls, passageways or other public places in the Building shall not be covered or obstructed by Tenant, nor shall any bottles, parcels or other articles be placed on the windowsills.

25. Tenant must comply with requests by the Landlord concerning the informing of their employees of items of importance to the Landlord.

26. Tenant must comply with all applicable **"NO-SMOKING"** or similar ordinances. If Tenant is required under the ordinance to adopt a written smoking policy, a copy of said policy shall be on file in the office of the Building.

27. Tenant hereby acknowledges that Landlord shall have no obligation to provide guard service or other security measures for the benefit of the Premises, the Building or the Project. Tenant hereby assumes all responsibility for the protection of Tenant and its agents, employees, contractors, invitees and guests, and the property thereof, from acts of third parties, including keeping doors locked and other means of entry to the Premises closed, whether or not Landlord, at its option, elects to provide security protection for the Project or any portion thereof. Tenant further assumes the risk that any safety and security devices, services and programs which Landlord elects, in its sole discretion, to provide may not be effective, or may malfunction or be circumvented by an unauthorized third party, and Tenant shall, in addition to its other insurance obligations under this Lease, obtain its own insurance coverage to the extent Tenant desires protection against losses related to such occurrences. Tenant shall cooperate in any reasonable safety or security program developed by Landlord or required by law.

28. All office equipment of any electrical or mechanical nature shall be placed by Tenant in the Premises in settings reasonably approved by Landlord, to absorb or prevent any vibration, noise and annoyance.

29. Tenant shall not use in any space or in the public halls of the Building, any hand trucks except those equipped with rubber tires and rubber side guards.

30. No auction, liquidation, fire sale, going-out-of-business or bankruptcy sale shall be conducted in the Premises without the prior written consent of Landlord.

31. No tenant shall use or permit the use of any portion of the Premises for living quarters, sleeping apartments or lodging rooms.

32. Tenant shall not purchase towels, janitorial or maintenance or other similar services from any company or persons not approved by Landlord. Landlord shall approve a sufficient number of sources of such services to provide Tenant with a reasonable selection, but only in such instances and to such extent as Landlord in its judgment shall consider consistent with the security and proper operation of the Building.

33. Tenant shall install and maintain, at Tenant's sole cost and expense, an adequate, visibly marked and properly operational fire extinguisher next to any duplicating or photocopying machines or similar heat producing equipment, which may or may not contain combustible material, in the Premises.

34. Tenant shall not permit any portion of the Project, including the Parking Facilities, to be used for the washing, detailing or other cleaning of automobiles.

35. All low voltage and data cable installed at the Premises must be plenum rated.

36. "Smoking," as used herein, shall be deemed to include the use ofe-cigarettes, smokeless cigarettes and other similar products. All rules and regulations set forth in this Exhibit applicable to smoking also apply to the use of e-cigarettes, smokeless cigarettes and other similar products.

Landlord reserves the right at any time to change or rescind any one or more of these Rules and Regulations, or to make such other and further reasonable Rules and Regulations as in Landlord's judgment may from time to time be necessary for the management, safety, care and cleanliness of the Premises, Building, the Common Areas and the Project, and for the preservation of good order therein, as well as for the convenience of other occupants and tenants therein. Landlord may waive any one or more of these Rules and Regulations for the benefit of any particular tenants, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations in favor of any other tenant, nor prevent Landlord from thereafter enforcing any such Rules or Regulations against any or all tenants of the Project. Tenant shall be deemed to have read these Rules and Regulations and to have agreed to abide by them as a condition of its occupancy of the Premises.

EXHIBIT E

DEPICTION AND LOCATION OF SIGNAGE

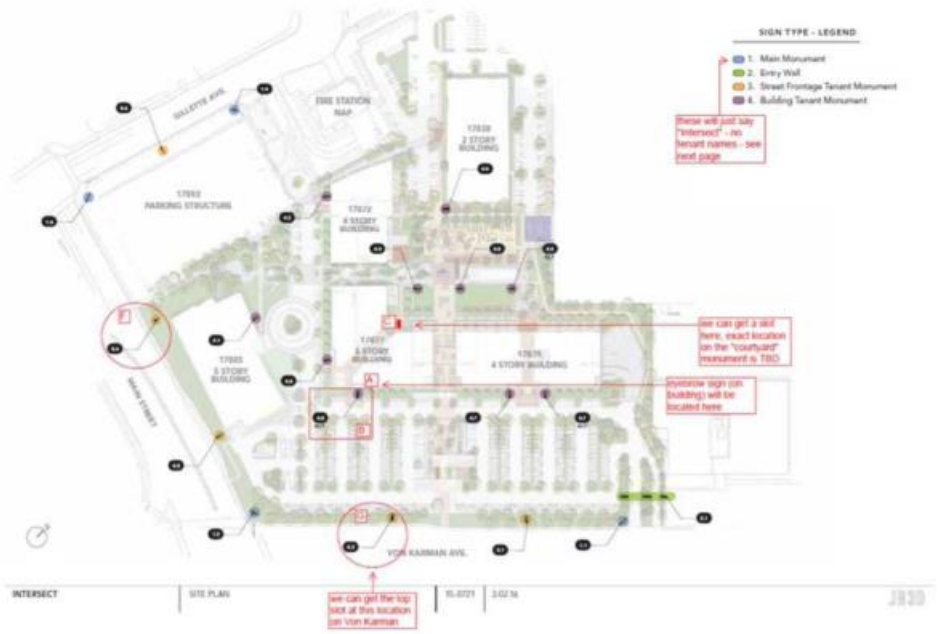


EXHIBIT F

INTENTIONALLY DELETED

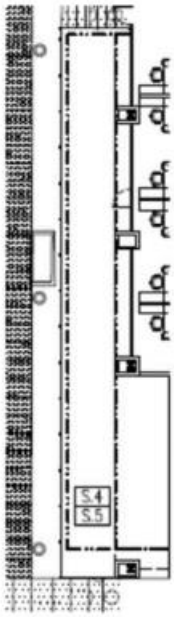
EXHIBIT G

**DESCRIPTION OF EXISTING COVENANTS,
CONDITIONS AND RESTRICTIONS**

1. Declaration of Easements, Covenants, Conditions and Restrictions dated November 22, 2004, by Maguire Properties, L.P., as Declarant, and recorded on November 23, 2004 as Instrument No. 2004001045376 in the Official Records of the County of Orange.

EXHIBIT H

DEPICTION OF PATIO WORK



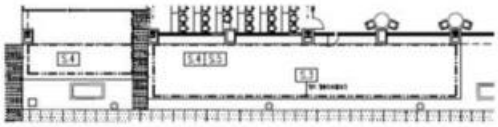


EXHIBIT I

TENANT'S CURRENT BALANCE SHEET

Club Pilates Franchise, LLC
Balance Sheet
As of May 31, 2017

		Total
ASSETS		
Current Assets		
Bank Accounts		
Cal United 1593		506,596.74
Cal United MFC 8947		15,696.31
Cash Undeposited		0.00
Citizens Business Bank 1167		1,507,212.76
Money Market		24.66
Total Bank Accounts	**$**	**2,029,530.47**
Accounts Receivable		
Accounts Receivable		11,226,431.78
Total Accounts Receivable	**$**	**11,226,431.78**
Other Current Assets		
Accounts Rec Franchise Fee		0.00
Accounts Rec Royalties		0.00
Accounts Receivable - MFC		222,667.55
Accounts Receivable - Pilates S		0.00
Accounts Receivable GAAP		0.00
Credit Card Receivables		0.00
Employee Advances		0.00
Inventory Asset		393,866.08
Note Receivable		0.00
Other Assets		0.00
Other Receivables		800,945.00
Other Receivables GAAP		0.00
Prepaid Expenses		70,470.15
Prepaid Expenses - GAAP Adj		0.00
Prepaid Insurance		333.41
Teacher Training Receivable		66,373.12
Undeposited Funds		7,637.07
Total Other Current Assets	**$**	**1,562,292.38**
Total Current Assets	**$**	**14,818,254.63**
Fixed Assets		
Accumulated Depreciation		-109,321.79
Autos and Trucks		17,000.00
Computer Equip, and Programming		73,208.72
Furniture and Equipment		283,098.19
Leasehold Improvements		75,417.31
Video Production and Materials		140,884.36
Web Design & Domain		35,606.25
Total Fixed Assets	**$**	**515,893.04**

Other Assets		
Deposits		35,900.00
Intangible Assets		
Goodwill		5,782,162.02
Territory Rights		0.00
Trademark		25,000.00
Accumulated Amortization		-3,568.67
Total Trademark	$	**21,431.33**
Total Intangible Assets	$	**5,803,593.35**
Total Other Assets	$	**5,839,493.35**
TOTAL ASSETS	$	**21,173,641.02**
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable		890,256.90
Total Accounts Payable	$	**890,256.90**
Credit Cards		
Credit Card		0.00
Total Credit Cards	$	**0.00**
Other Current Liabilities		
Accounts Payable GAAP		0.00
Accrued Costs - Equipment		9,378,945.97
Accrued Costs - Products		490,439.34
Accrued Costs - GAAP Adj		0.00
Accrued Development Costs		0.00
Accrued Expenses		114,697.03
Accrued Interest		-0.04
BOE Payable		23.93
CA Department of Revenue Payable		-6,724.61
Department of Revenue Payable		-21,148.75
Due to Related Party		0.00
Due to Club Pilates Global		0.00
Due to Club Pilates, LLC		0.00
Total Due to Related Party	$	**0.00**
Lafayette Payable		8.25
Marketing Reserve		15,696.31
Note Payable - LAG Fit		0.00
Sales Tax Agency Payable		0.00
Sales Tax Liability		119,127.68
Sales Tax Payable		221.56
Sales Tax Payable - Sales Tax		21,063.07
Sales Tax Payable		0.00
Total Sales Tax Payable - Sales Tax	$	**21,063.07**
Vouchers Unredeemed		-216.60
Total Other Current Liabilities	$	**10,112,133.14**
Total Current Liabilities	$	**11,002,390.04**

Long-Term Liabilities		
Deferred Revenues		
Deferred area development fee		0.00
Deferred Costs		0.00
Deferred Prepaid Classes		0.00
Deferred Product Sales		0.00
Deferred Revenue - Equipment Sales		0.00
Deferred Revenue-Franchise Fees		0.00
Total Deferred Revenues	**$**	**0.00**
Note Payable - Club Pilates Global		0.00
Note Payable - Club Pilates LLC		0.00
Total Long-Term Liabilities	**$**	**0.00**
Total Liabilities	**$**	**11,002,390.04**
Equity		
Common Units		666,667.00
Member Capital Contribution		3,764,630.00
Member Distributions		-6,096,334.61
Opening Balance Equity		-353,695.00
Preferred Units		945,095.00
Retained Earnings		328,367.95
Net Income		10,916,520.64
Total Equity	**$**	**10,171,250.98**
TOTAL LIABILITIES AND EQUITY	**$**	**21,173,641.02**

OFFICE LEASE

QUINTANA OFFICE PROPERTY LLC,

a Delaware limited liability company,

as Landlord,

and

XPONENTIAL FITNESS LLC,

a Delaware limited liability company,

as Tenant.

[XPONENTIAL FITNESS]

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Exhibit 10.2

EXECUTED VERSION

SECOND AMENDED AND RESTATED CREDIT AGREEMENT

dated as of

October 25, 2018

among

XPONENTIAL FITNESS LLC and ST. GREGORY HOLDCO, LLC,

as Borrower,

THE OTHER LOAN PARTIES PARTY HERETO,

THE VARIOUS FINANCIAL INSTITUTIONS PARTY HERETO,

as Lenders,

and

MONROE CAPITAL MANAGEMENT ADVISORS, LLC,

as Administrative Agent

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ANNEXES

SCHEDULES

EXHIBITS

SECOND AMENDED AND RESTATED CREDIT AGREEMENT

THIS SECOND AMENDED AND RESTATED CREDIT AGREEMENT dated as of October 25, 2018 (this "Agreement") is entered into among (i) Xponential Fitness LLC, a Delaware limited liability company and St. Gregory Holdco, LLC, a Delaware limited liability company, (ii) any Person from time to time joined hereto as a borrower party in accordance with the terms hereof (together with Xponential Fitness LLC and St. Gregory Holdco, LLC, individually and collectively referred to herein as "Borrower"), (iii) the other Loan Parties party hereto, (iv) the financial institutions that are or may from time to time become parties hereto (together with their respective successors and assigns, the "Lenders") and (v) MONROE CAPITAL MANAGEMENT ADVISORS, LLC (in its individual capacity, "Monroe Capital"), as administrative agent for the Lenders.

RECITALS

WHEREAS, Intermediate Holdings, Borrower, the other Loan Parties party thereto, the Lenders and Monroe Capital entered into a Credit Agreement dated as of September 29, 2017 (as amended, restated, modified or supplemented prior to the date hereof, including by that certain Amended and Restated Credit Agreement dated as of June 28, 2018, the "Existing Credit Agreement");

WHEREAS, Holdings ("Purchaser") intends to purchase all of the Capital Securities of Pure Barre ("Seller") via Barre Holdco, pursuant to that certain PB Acquisition Agreement pursuant to which, immediately prior to consummation of the Acquisition of Barre Holdco by Holdings, Merger Sub will merge with and into Barre Holdco, with Barre Holdco being the surviving entity (such transaction, the "Closing Date Acquisition");

WHEREAS, Borrower has requested that the Lenders make Loans to provide the funds required to refinance the Borrowers' indebtedness under the Existing Credit Agreement, finance a portion of the Closing Date Acquisition, to pay fees, costs and expenses incurred in connection with the foregoing, and to provide for the ongoing general corporate purposes and working capital needs of Borrower and other Loan Parties as further provided herein, in an aggregate principal amount of $145,000,000 in the form of (a) Existing Term A Loans made pursuant to the Existing Credit Agreement prior to the Closing Date, (b) Additional Term A Loans to Borrower on the Closing Date in an aggregate principal amount of $65,332,106.23, (c) Revolving Loans to Borrower from time to time in an aggregate principal amount not to exceed $10,000,000, and the Lenders are willing to do so on the terms and conditions set forth herein;

WHEREAS, the parties hereto have agreed to amend and restate the Existing Credit Agreement in its entirety.

WHEREAS, Administrative Agent and the Lenders hereby acknowledge and agree: (i) to the consummation of Closing Date Acquisition and the transactions contemplated thereby; and (ii) that the Closing Date Acquisition and the transactions contemplated thereby shall not constitute an Event of Default under this Agreement or the Existing Credit Agreement; and

WHEREAS, the parties hereto intend that this Agreement not effect a novation of the obligations of Borrower or Guarantors under the Existing Credit Agreement but merely a restatement, and where applicable, an amendment to the terms governing such obligations.

In consideration of the mutual agreements herein contained, the parties hereto agree as follows:

SECTION 1
DEFINITIONS.

1.1. Definitions. When used herein the following terms shall have the following meanings:

"Account Debtor" is defined in the Guaranty and Collateral Agreement.

"Account or Accounts" is defined in the UCC or PPSA, as applicable.

"Acquisition" means any transaction or series of related transactions for the purpose of or resulting, directly or indirectly, in (a) the acquisition of all or a substantial portion of the assets of a Person, or of all or a substantial portion of any business or division of a Person, (b) the acquisition of in excess of 50% of the Capital Securities of any Person, or otherwise causing any Person to become a Subsidiary, or (c) a merger, amalgamation or consolidation or any other combination with another Person (other than a Person that is already a Subsidiary).

"Additional Term A Loan" is defined in Section 2.1.2(a).

"Additional Term A Loan Commitment" means, as to any Lender, such Lender's commitment to make Additional Term A Loans under this Agreement. The amount of each Lender's Additional Term A Loan Commitment is set forth on Annex A. The aggregate amount of the Additional Term A Loan Commitments of all Lenders as of the Closing Date is $65,332,106.23.

"Administrative Agent" means Monroe Capital in its capacity as administrative agent for the Lenders hereunder and any successor thereto in such capacity.

"Affected Loan" is defined in Section 8.3.

"Affiliate" of any Person means (a) any other Person which, directly or indirectly, controls or is controlled by or is under common control with such Person, (b) any director of such Person and (c) with respect to any Lender, any entity administered or managed by such Lender or an Affiliate or investment advisor thereof and which is engaged in making, purchasing, holding or otherwise investing in commercial loans. A Person shall be deemed to be "controlled by" any other Person if such Person possesses, directly or indirectly, power to vote 5% or more of the securities (on a fully diluted basis) having ordinary voting power for the election of directors or managers or power to direct or cause the direction of the management and policies of such Person whether by contract or otherwise. Unless expressly stated otherwise herein, neither Administrative Agent nor any Lender shall be deemed an Affiliate of any Loan Party.

"Agent Fee Letter" means, the second amended and restated fee letter dated as of the Closing Date between Borrower and the Administrative Agent.

"Agreement" is defined in the preamble of this Agreement.

"AKTF" means AKT Franchise, LLC, a Delaware limited liability company.

"Allocable Amount" is defined in Section 16.6.

"Applicable Margin" means, as of any date of determination, the applicable rate per annum set forth in the following table that corresponds to the Total Debt to EBITDA Ratio as set forth in the most recent Compliance Certificate delivered to Administrative Agent pursuant to Section 10.1.3. For the period from the Closing Date through the date that Administrative Agent receives the Compliance Certificate for the Computation Period ending December 31, 2018, the Applicable Margin will be the rate per annum in the row styled "Level II":

Level	Total Debt to EBITDA Ratio	Applicable Margin LIBOR Loans	Applicable Margin Base Rate Loans
I	³ 4.50:1.00	6.50%	3.25%
II	<4.50:1.00 but ³ 3.00:1.00	6.00%	2.75%
III	< 3.00:1.00	5.50%	2.25%

Except as otherwise set forth in this definition, the Applicable Margin will be based upon the most recent Compliance Certificate. Notwithstanding the foregoing, the Applicable Margin will be re-determined quarterly on the first day of the month following the date of delivery to Administrative Agent of the applicable Compliance Certificate pursuant to Section 10.1.3. If Borrower fails to furnish or cause Borrower Representative to furnish any Compliance Certificate when that Compliance Certificate is due, then the Applicable Margin will be the rate per annum in the row styled "Level I" as of the first Business Day of the month following the date on which that Compliance Certificate was required to be delivered until the date on which that Compliance Certificate is delivered, on which date (but not retroactively), without constituting a waiver of any Default or Event of Default occasioned by the failure to timely deliver that Compliance Certificate, the Applicable Margin will be set at the rate per annum based upon the calculations disclosed by that Compliance Certificate. If any information contained in any Compliance Certificate delivered pursuant to Section 10.1.3. is shown to be inaccurate, and that inaccuracy, if corrected, would have led to the application of a higher Applicable Margin for any period than the Applicable Margin actually applied for that period, then (i) Borrower shall promptly deliver or cause to be delivered to Administrative Agent a correct Compliance Certificate for that period; (ii) the Applicable Margin will be determined as if the correct Applicable Margin (as set forth in the table above) were applicable for that period (irrespective of whether a correct Compliance Certificate is delivered); and (iii) Borrower shall promptly (but in any event within two Business Days after delivery of that corrected Compliance Certificate or after demand by Administrative Agent) deliver to Administrative Agent full payment in respect of the accrued additional interest as a result of the increased Applicable Margin for that period, which payment Administrative Agent shall promptly apply to the affected Obligations.

"Approved Fund" means (a) any Person (other than a natural person) engaged in making, purchasing, holding, or investing in commercial loans and similar extensions of credit and that is advised, administered, or managed by a Lender, an Affiliate of a Lender (or an entity or an Affiliate of an entity that administers, advises or manages a Lender); (b) with respect to any Lender that is an investment fund, any other investment fund that invests in loans and that is advised, administered or managed by the same investment advisor as such Lender or by an Affiliate of such investment advisor; (c) any third party which provides "warehouse financing" to a Person described in the preceding clause (a) or (b) (and any Person described in said clause (a) or (b) shall also be deemed an Approved Fund with respect to such third party providing such warehouse financing); and (d) (i) any investment company, fund, trust, securitization vehicle or conduit that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business or (ii) any Person (other than a natural person) which temporarily warehouses loans for any Lender or any entity described in the preceding clause (i) and that, with respect to each of the preceding clauses (i) and (ii), is administered or managed by (x) a Lender, (y) an Affiliate of a Lender or (z) a Person (other than a natural person) or an Affiliate of a Person (other than a natural person) that administers or manages a Lender; provided in no event shall any Disqualified Lender be an Approved Fund.

"Area Representative Agreement" means an agreement between any Company or any Subsidiary and a Franchisee under which such Franchisee (referred to as an area representative) has been granted the right to solicit and screen prospective Franchisees for, and assist such Company or such Subsidiary in providing services to, unit Franchises operating under the trade name of such Company or such Subsidiary in a designated geographical area for a defined period of time, including any addendum, amendment, extension or renewal thereof, and together with any guarantee or other instrument or agreement relating thereto.

"Asset Disposition" means the sale, lease, assignment or other transfer for value (each, a "Disposition") by any Loan Party to any Person (other than Borrower or other Loan Party) of any asset or right of such Loan Party (including, the loss, destruction or damage of any thereof or any actual condemnation, confiscation, requisition, seizure or taking thereof).

"Assignee" is defined in Section 15.6.1.

"Assignment Agreement" is defined in Section 15.6.1.

"Assignment and Assumption Agreement" means that certain Assignment and Assumption Agreement, dated as of June 28, 2018, among TPG Growth III Fitness L.P., Sponsor and Holdings.

"Attorney Costs" means, with respect to any Person, all reasonable documented out-of-pocket fees and charges of any counsel to such Person and all court costs and similar legal expenses.

"Available Amount" means, as of any date of determination (each, a "Reference Date"), (a) an amount equal to the sum of (i) aggregate Excess Cash Flow for all Fiscal Years for which financial statements have been required to be delivered pursuant to Section 10.1.1, commencing

with the Fiscal Year ending December 31, 2018, and ending prior to such Reference Date and (ii) the aggregate amount of Net Cash Proceeds from any issuance of Qualified Equity Interests by Holdings or other contributions to the capital of Holdings (other than equity issued in connection with the Borrower's exercise of its Cure Right under Section 13.4), in each case, received by the Borrower after the Closing Date and prior to the applicable Reference Date; provided that all such Net Cash Proceeds must be used or applied in accordance with this Agreement within one hundred eighty (180) days of the receipt thereof or the Available Amount shall thereafter not include the amount of such Net Cash Proceeds, minus (b) the amount of prepayments required to be made in respect of such Excess Cash Flow pursuant to Section 6.2.2(a)(iv), minus (c) the aggregate usage of the Available Amount by the Loan Parties under this Agreement during the period from the Closing Date through such Reference Date. Notwithstanding anything herein to the contrary, unless (x) no Default or Event of Default has occurred and is continuing or would result from the proposed usage of the Available Amount and (y) there would be no violation of any covenant set forth in Section 11.14 for the most recently ended 12-month period for which Administrative Agent has received financial statements pursuant to Section 10.1.2, as determined on a pro forma basis, after giving effect to the proposed usage of the Available Amount as if such usage occurred on the last day of such 12-month period, using, for purposes of the calculation in clause (y), EBITDA for the most recently ended 12-month period for which Administrative Agent has received financial statements pursuant to Section 10.1.2, the Available Amount as of any Reference Date shall be $0.00.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Bank Product Agreements" means those certain agreements entered into from time to time between any Loan Party and a Lender or its Affiliates in connection with any of the Bank Products.

"Bank Product Obligations" means all obligations, liabilities, contingent reimbursement obligations, fees, and expenses owing by the Loan Parties to any Lender or its Affiliates pursuant to or evidenced by the Bank Product Agreements and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and including all such amounts that a Loan Party is obligated to reimburse to Administrative Agent or any Lender as a result of Administrative Agent or such Lender purchasing participations or executing indemnities or reimbursement obligations with respect to the Bank Products provided to the Loan Parties pursuant to the Bank Product Agreements.

"Bank Products" means any service provided to, facility extended to, or transaction entered into with, any Loan Party by any Lender or its Affiliates consisting of, (a) deposit accounts, (b) cash management services, including, controlled disbursement, lockbox, electronic funds transfers (including, book transfers, fedwire transfers, ACH transfers), online reporting and other services relating to accounts maintained with any Lender or its Affiliates, (c) debit cards

and credit cards, or (d) so long as prior written notice thereof is provided by Lender (or its Affiliate) providing such service, facility or transaction and Administrative Agent consents in writing to its inclusion as a Bank Product, any other service provided to, facility extended to, or transaction entered into with, any Loan Party by a Lender or its Affiliates. No Hedging Agreements or Hedging Obligations will be deemed Bank Products or included as Bank Product Obligations without Administrative Agent's prior written consent.

"Bankruptcy Code" means the Federal Bankruptcy Reform Act of 1978 (11 U.S.C. §101, et seq.), as amended and in effect from time to time and the regulations issued from time to time thereunder.

"Barre Holdco" means Barre Holdco, LLC, a Delaware limited liability company.

"Base Rate" means, at any time, a fluctuating rate per annum equal to the greatest of (a) the Federal Funds Rate plus 0.5%, (b) the Prime Rate, (c) 4.25% and (d) the LIBOR Rate plus 1.0%.

"Base Rate Loan" means any Loan which bears interest at or by reference to the Base Rate.

"Borrower" is defined in the preamble of this Agreement.

"Borrower Representative" means Xponential Fitness LLC, a Delaware limited liability company.

"Borrowing Availability" means the lesser of (a) the Revolving Commitment and (b) to the extent Borrower requests Revolving Loans and Letters of Credit in an aggregate principal amount in excess of $1,000,000, (i) EBITDA for the most recently ended 12 month period for which Administrative Agent has received financial statements pursuant to Section 10.1.2 multiplied by the maximum Total Debt to EBITDA Ratio permitted under Section 11.14.2 for the most recently ended Computation Period minus (ii) outstanding Total Debt (other than Revolving Outstandings).

"BSA" is defined in Section 9.24.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the laws of, or are in fact closed in, Illinois and, in the case of a Business Day which relates to a LIBOR Loan, on which dealings are carried on in the London interbank eurodollar market.

"Canadian AML Laws" means the Proceeds of Crime (Money Laundering) and Terrorism Financing Act (Canada), the Criminal Code (Canada), the Special Economic Measures Act (Canada), the Corruption of Foreign Public Officials Act (Canada), the Freezing Assets of Corrupt Foreign Public Officials Act (Canada), the United Nations Act and other applicable Canadian anti-money laundering and "know your client" policies, regulations, laws or rules, together with any guidelines or orders thereunder and any similar Canadian legislation, rules, regulations and interpretations thereunder or related thereto.

"Canadian Defined Benefit Plan" means any Canadian Pension Plan that contains a "defined benefit provision" as defined in subsection 147.1(1) of the ITA, excluding any Canadian Multi-Employer Plans, whether existing on the Closing Date or which would be considered a Canadian Defined Benefit Plan if assumed, adopted or otherwise participated in or contributed to by a Loan Party thereafter.

"Canadian Multi-Employer Plan" means any Canadian Defined Benefit Plan to which a Loan Party or a Subsidiary is required to contribute pursuant to a collective agreement or participation agreement and which is not maintained or administered by a Loan Party or any of its Affiliates, whether existing on the Closing Date or which would be considered a Canadian Multi-Employer Plan if assumed, adopted or otherwise participated in or contributed to by a Loan Party or a Subsidiary thereafter.

"Canadian Pension Plans" means each plan which is a "registered pension plan" as defined in the ITA or which is required to be registered under federal or provincial pension benefits standards legislation established, maintained or contributed to by any Loan Party or any Subsidiary, or under which any Loan Party or any Subsidiary has any liability or contingent liability, in relation to any employees or former employees that it may have in Canada.

"Capital Expenditures" means all expenditures which, in accordance with GAAP, would be required to be capitalized and shown on the consolidated balance sheet of Borrower, including expenditures in respect of Capital Leases, but excluding any expenditures (a) made in connection with the replacement, substitution or restoration of assets to the extent financed from insurance proceeds (or other similar recoveries) paid on account of the loss of or damage to the assets being replaced or restored, (b) made with Net Cash Proceeds from awards of compensation arising from the taking by eminent domain or condemnation of the assets being replaced, (c) made with Net Cash Proceeds from any issuance of Capital Securities by any Loan Party directly or indirectly to Sponsor or other existing holders of Capital Securities to the extent used solely to fund Capital Expenditures, (d) made with Net Cash Proceeds of dispositions permitted under this Agreement, (e) made by Holdings or any Subsidiary to effect leasehold improvements to any property leased by Holdings or such Subsidiary as lessee, to the extent that such expenses have been reimbursed by the landlord, and (f) actually paid for by a third party (excluding Holdings or any Subsidiary) and for which none of Holdings or any Subsidiary has provided or is required to provide or incur, directly or indirectly, any consideration or monetary obligation to such third party or any other Person (whether before, during or after such period). For purposes of this definition, (i) the purchase price of equipment that is purchased substantially simultaneously with the trade-in or sale of existing equipment (or proceeds contributed by an unrelated third party) shall be included in Capital Expenditures only to the extent of the gross amount of such purchase price less the credit granted by the seller of such equipment for the equipment being traded in at such time or the amount of such proceeds, as the case may be, (ii) the aggregate consideration paid in connection with permitted investments shall not be included in Capital Expenditures, and (iii) the purchase price of equipment and leasehold improvements purchased in connection with the Fueled Collective Build-Out shall not be reduced by any landlord reimbursement payment.

"Capital Lease" means, with respect to any Person, any lease of (or other agreement conveying the right to use) any real or personal property by such Person that, in conformity with

GAAP, is accounted for as a capital lease on the balance sheet of such Person, provided however, for purposes of this Agreement, any obligations of a Person under a lease that is not (or would not be) required to be classified and accounted for as a capitalized lease on a balance sheet of such Person under GAAP as in effect as of the Closing Date shall not be treated as a capitalized lease as a result of the adoption of changes in GAAP or changes in the application of GAAP.

"Capital Securities" means, with respect to any Person, all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) of such Person's capital, whether now outstanding or issued or acquired after the Closing Date, including common shares, preferred shares, membership interests in a limited liability company, limited or general partnership interests in a partnership, interests in a trust, interests in other unincorporated organizations or any other equivalent of such ownership interest.

"Cash Collateralize" means to deliver cash collateral to an Issuing Lender, to be held as cash collateral for outstanding Letters of Credit, pursuant to documentation satisfactory to such Issuing Lender and in an amount equal to 103% of the Stated Amount of such outstanding Letters of Credit. Derivatives of such term have corresponding meanings.

"Cash Equivalent Investment" means, at any time, (a) any evidence of Debt, maturing not more than one year after such time, issued or guaranteed by the United States Government or any agency thereof, (b) commercial paper, maturing not more than one year from the date of issue, or corporate demand notes, in each case (unless issued by a Lender or its holding company) rated at least A-l by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. or P-l by Moody's Investors Service, Inc., (c) any certificate of deposit, time deposit or banker's acceptance, maturing not more than one year after such time, or any overnight Federal funds transaction that is issued or sold by any Lender or its holding company (or by a commercial banking institution that is a member of the Federal Reserve System and has a combined capital and surplus and undivided profits of not less than $500,000,000), (d) any repurchase agreement entered into with any Lender (or commercial banking institution of the nature referred to in clause (c)) which (i) is secured by a fully perfected security interest in any obligation of the type described in any of clauses (a) through (c) above and (ii) has a market value at the time such repurchase agreement is entered into of not less than 100% of the repurchase obligation of such Lender (or other commercial banking institution) thereunder, (e) money market accounts or mutual funds which invest exclusively in assets satisfying the foregoing requirements, and (f) other short term liquid investments approved in writing by Administrative Agent.

"CB Purchase Agreement" means that certain Unit Purchase Agreement, dated as of the Original Closing Date, by and among, Holdings, as buyer, Montgomery Ventures Investments, LLC, as seller, CycleBar Holdco, LLC, a Delaware limited liability company, and the CB Principals (as defined therein) named therein.

"CBF" means CycleBar Franchising, LLC, an Ohio limited liability company.

"CFC" means any (i) foreign Subsidiary that is a "controlled foreign corporation" within the meaning of Section 957 of the Code or (ii) domestic Subsidiary substantially all of the assets

of which consist of the stock of one or more foreign Subsidiaries each of which is a "controlled foreign corporation" within the meaning of Section 957 of the Code.

"Change in Law" means the adoption or phase-in of, or any change in, in each case after the date of this Agreement, any applicable law, rule, or regulation, or any change in the interpretation or administration of any applicable law, rule, or regulation by any governmental authority, central bank, or comparable agency charged with the interpretation or administration thereof, or compliance by any Lender with any request or directive (whether or not having the force of law) of any such authority, central bank, or comparable agency. For purposes of this Agreement, the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, or directives thereunder or issued in connection therewith, and all requests, rules, guidelines, or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States regulatory authorities, in each case pursuant to Basel III, will, in each case, be deemed to have been adopted and gone into effect after the date of this Agreement.

"Change of Control" means the occurrence of any of the following events: (a) Sponsor shall cease to, directly or indirectly, (i) own and control at least 51% of the economic and voting interests of Holdings or (ii) possess the right to elect (through contract, ownership of voting securities or otherwise) at all times a majority of the Governing Body of Holdings or to direct the management policies and decisions of Holdings; (b) Sponsor shall receive consideration in excess of $20,000,000 from the sale or disposition of the Capital Securities of Holdings (or of any direct or indirect parent of Holdings); or (c) Holdings shall cease to, directly or indirectly, own or control 100% (or in the case of a Subsidiary that is not a Wholly-Owned Subsidiary, the applicable percentage owned by Holdings of such Subsidiary on the Closing Date) of each class of the outstanding Capital Securities of each Loan Party and Subsidiary (other than (i) Holdings, (ii) in the case of a Subsidiary that is not a Wholly-Owned Subsidiary, the applicable percentage of such entity owned by Holdings on the Closing Date and (iii) any Loan Party or Subsidiary that ceases to exist or is otherwise sold, transferred or otherwise disposed of following a transaction permitted by Section 11.5).

"Closing Date" is defined in Section 12.1.

"Closing Date Acquisition" is defined in the recitals of this Agreement.

"Club Pilates Purchase Agreement" means that certain Unit Purchase Agreement by and among TPG Growth III Fitness, LP, as Buyer, the Holders of all units of the Company, Club Pilates Franchise, LLC, as the Company, and Anthony Geisler, in his individual capacity and as the unitholder representative dated as of May 2, 2017.

"Club Pilates Royalty Buyout" means the buy-out price payable by Club Pilates Franchise, LLC to St. Gregory Development Group, LLC in respect of the exercise of the buyout of its performance bonus obligation pursuant to that certain Independent Contractor Agreement, dated June 1, 2015, by and between St. Gregory Development Group and Club Pilates Franchise, LLC.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collateral" means "Collateral" (as defined in the Guaranty and Collateral Agreement) and any and all other property now or hereafter securing Obligations.

"Collateral Access Agreement" means an agreement in form and substance reasonably satisfactory to Administrative Agent pursuant to which a mortgagee or lessor of real property on which collateral is stored or otherwise located, or a warehouseman, processor or other bailee of Inventory or other property owned by any Loan Party, acknowledges the Liens of Administrative Agent, waives or subordinates any Liens held by such Person on such property, and, in the case of any such agreement with a mortgagee or lessor, permits Administrative Agent reasonable access to and use of such real property following the occurrence and during the continuance of an Event of Default to remove or sell any Collateral stored or otherwise located thereon.

"Collateral Documents" means, collectively, the Guaranty and Collateral Agreement, each Mortgage, each Mortgage Related Document, each Collateral Access Agreement, each Pledge Agreement, each Intellectual Property Security Agreement, each control agreement, the Insurance Assignments, the Reaffirmation Agreement and any other agreement or instrument pursuant to which Borrower or any Loan Party grants or purports to grant collateral to Administrative Agent for the benefit of the Lenders or otherwise relates to such Collateral.

"Commitment" means, as to any Lender, such Lender's commitment to make Loans under this Agreement, and to issue or participate in Letters of Credit, under this Agreement. The initial amount of each Lender's Commitment is set forth on Annex A.

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"Companies" means AKTF; CPF; Cycle Bar Holdco, LLC, a Delaware limited liability company; LBF; LBIP; LBP; Pure Barre; RHF; RHT; SLF; St. Gregory Holdco, LLC, a Delaware limited liability company; Holdings, Intermediate Holdings; Xponential Fitness LLC; and Yoga Six.

"Companies' Knowledge" means the knowledge of (i) any of the following personnel of the Companies or any of their Subsidiaries, as imputed to such personnel after reasonable inquiry and investigation: Jeffrey D. Herr, James M. Jagers, Anthony Geisler, Megan Moen, John Meloun and Shaun Grove, (ii) any other senior officer involved in franchise operations or sales of any such Companies or any of their Subsidiaries and (iii) any other Person who has been identified in Item 2 of any Franchisor's FDDs within the past three (3) years, which Item 2s are incorporated herein by reference.

"Compliance Certificate" means a Compliance Certificate in substantially the form of Exhibit B.

"Computation Period" means each period of four consecutive Fiscal Quarters ending on the last day of a Fiscal Quarter.

"Consolidated Depreciation and Amortization Expense" means, with respect to any Person for any period, the total amount of depreciation and amortization expense of such Person and its Subsidiaries, including the amortization of deferred financing fees, intangible assets (including goodwill), debt issuance costs, commissions, fees and expenses of such Person and its

Subsidiaries for such period on a consolidated basis and otherwise determined in accordance with GAAP.

"Consolidated Net Income" means, with respect to Holdings and its Subsidiaries for any period, the consolidated net income (or loss) of Holdings and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP (other than (x) the recognition of franchise fee income (including without limitation related income arising out of equipment sales the proceeds of which have been received) which income it is agreed will continue to be recognized at the time of signing of a new franchise agreement consistent with past practices and any change thereto shall require the consent of the Administrative Agent in its sole discretion in writing and (y) other deviations from GAAP as are consented to by the Administrative Agent in its sole discretion in writing) excluding (i) any after tax gains or non-cash losses attributable to the sale, exchange or other disposition of assets outside the ordinary course of business, (ii) any extraordinary, unusual or non-recurring gains or non-cash losses, charges or expenses, and (iii) any non-cash gains and non-cash losses from any Hedging Obligation or any ineffectiveness recognized in earnings related to qualifying hedge transactions or the fair value of changes therein recognized in earnings for derivatives that do not qualify as hedge transactions, in each case, in respect of Hedging Obligations.

"Contingent Liability" means, with respect to any Person, each obligation and liability of such Person and all such obligations and liabilities of such Person incurred pursuant to any agreement, undertaking or arrangement by which such Person: (a) guarantees, endorses or otherwise becomes or is contingently liable upon (by direct or indirect agreement, contingent or otherwise, to provide funds for payment, to supply funds to, or otherwise to invest in, a debtor, or otherwise to assure a creditor against loss) the indebtedness, dividend, obligation or other liability of any other Person in any manner (other than by endorsement of instruments in the course of collection), including any indebtedness, dividend or other obligation which may be issued or incurred at some future time; (b) guarantees the payment of dividends or other distributions upon the Capital Securities of any other Person; (c) undertakes or agrees (whether contingently or otherwise): (i) to purchase, repurchase, or otherwise acquire any indebtedness, obligation or liability of any other Person or any property or assets constituting security therefor, (ii) to advance or provide funds for the payment or discharge of any indebtedness, obligation or liability of any other Person (whether in the form of loans, advances, stock purchases, capital contributions or otherwise), or to maintain solvency, assets, level of income, working capital or other financial condition of any other Person, or (iii) to make payment to any other Person other than for value received; (d) agrees to lease property or to purchase securities, property or services from such other Person with the purpose or intent of assuring the owner of such indebtedness or obligation of the ability of such other Person to make payment of the indebtedness or obligation; (e) induces the issuance of, or in connection with the issuance of, any letter of credit for the benefit of such other Person; or (f) undertakes or agrees otherwise to assure a creditor against loss. The amount of any Contingent Liability shall (subject to any limitation set forth herein) be equal to the amount of the liability so guaranteed or otherwise supported or, if less, the amount to which such Contingent Liability is specifically limited.

"Controlled Group" means all members of a controlled group of corporations, all members of a controlled group of trades or businesses (whether or not incorporated) under common control and all members of an affiliated service group which, together with Borrower or

any of its Subsidiaries, are treated as a single employer under Section 414(b) or (c) of the Code or, solely with respect to Section 412 of the Code, Section 414(m) or (o) of the Code.

"CPF" means Club Pilates Franchise, LLC, a Delaware limited liability company.

"Current Assets" means, with respect to any Person, all current assets of such Person as of any date of determination calculated in accordance with GAAP, but excluding cash, Cash Equivalent Investments and debts due from Affiliates.

"Current Liabilities" means, with respect to any Person, all liabilities that should, in accordance with GAAP, be classified as current liabilities, and in any event shall include all Debt payable on demand or within one year from any date of determination without any option on the part of the obligor to extend or renew beyond such year, all accruals for federal or other taxes based on or measured by income and payable within such year, but excluding the current portion of long-term debt required to be paid within one year, the aggregate outstanding principal balance of the Revolving Loan or the Term Loan and any outstanding letters of credit.

"Debt" of any Person means, without duplication, (a) all indebtedness of that Person for borrowed money; (b) all indebtedness evidenced by bonds, debentures, notes or similar instruments; (c) all obligations of that Person as lessee under Capital Leases which have been or should be recorded as liabilities on a balance sheet of that Person in accordance with GAAP as in effect as of the Closing Date and shall not be treated as a Capital Lease as a result of the adoption of changes in GAAP or changes in the application of GAAP; (d) all obligations of that Person to pay the deferred purchase price of property or services (excluding trade or similar accounts payable incurred in the ordinary course of business); (e) all indebtedness secured by a Lien on the property of that Person, whether or not that indebtedness has been assumed by that Person, but if that Person has not assumed or otherwise become liable for that indebtedness, then that indebtedness will be measured at the fair market value of the property securing that indebtedness at the time of determination; (f) all obligations, contingent or otherwise, with respect to the face amount of all letters of credit (whether or not drawn), bankers' acceptances, and similar obligations issued for the account of that Person (including the Letters of Credit); (g) all Hedging Obligations of that Person; (h) all Contingent Liabilities of that Person; (i) all Debt of any partnership of which that Person is a general partner; (j) all non-compete payment obligations, earn-outs, and similar obligations; (k) all monetary obligations under any receivables factoring, receivable sale, or similar transactions and all monetary obligations under any synthetic lease, tax ownership/operating lease, off-balance sheet financing, or similar financing; and (l) any Disqualified Equity Interests of that Person or other equity instrument of that Person, whether or not mandatorily redeemable, that under GAAP is characterized as debt, whether pursuant to financial accounting standards board issuance No. 150 or otherwise.

"Debt to be Repaid" means Debt listed on Schedule 12.1.

"Default" means any event that, if it continues uncured, will, with lapse of any applicable cure period or notice or both, constitute an Event of Default.

"Defaulting Lender" means any Lender that (a) has failed to fund any portion of the Loans or participations in Letters of Credit required to be funded by it hereunder within one

Business Day of the date required to be funded by it hereunder, (b) has otherwise failed to pay over to Administrative Agent or any other Lender any other amount required to be paid by it hereunder within one Business Day of the date when due, unless the subject of a good faith dispute, (c) has been deemed or has a parent company that has been deemed insolvent or become the subject of a bankruptcy or Insolvency Proceeding, (d) has notified Borrower, Administrative Agent, any Issuing Lender or any Lender that it does not intend to comply with any of its funding obligations under this Agreement or has made a public statement to the effect that it does not intend to comply with its funding obligations under this Agreement or under other agreements in which it commits to extend credit or (e) has failed to confirm within three Business Days of a request by Administrative Agent that it will comply with the terms of this Agreement relating to its obligations to fund Loans and participations in then outstanding Letters of Credit.

"Designated Proceeds" is defined in Section 6.2.2(a).

"Development Agreement" means an agreement between any Company or any Subsidiary and a Franchisee under which the Franchisee has been granted the right to open more than one Franchise under the trade name of such Company or such Subsidiary within a designated geographical area and within a defined period of time, including any addendum, amendment, extension or renewal thereof, and together with any guarantee or other instrument or agreement relating thereto.

"Disposition" is defined in the definition of Asset Disposition.

"Disqualified Equity Interest" means any Capital Security that, by its terms (or by the terms of any security or other Capital Security into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition, in each case before the date that is 180 days after the Termination Date, (a) matures or is mandatorily redeemable (other than solely for Qualified Equity Interests), pursuant to a sinking-fund obligation or otherwise (except as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event are subject to the prior repayment in full of the Loans and all other Obligations that are accrued and payable and the termination of the Commitments); (b) is redeemable at the option of the holder thereof (other than solely for Qualified Equity Interests), in whole or in part; (c) provides for the scheduled payments of dividends in cash; or (d) is or becomes convertible into or exchangeable for Debt or any other Capital Securities that would constitute Disqualified Equity Interests.

"Disqualified Lender" means so long as no Specified Event of Default under clauses (i) or (ii) of such definition has occurred and is continuing (a) each of those certain banks, financial institutions and other institutional lenders and entities identified on Schedule 1.1(a) as delivered and acceptable to Administrative Agent on the Closing Date (which schedule (i) may be updated from time to time with the written consent of Administrative Agent (which consent shall not be unreasonably withheld) and (ii) shall be limited to five or less entities at all times), (b) each competitor of any Loan Party that is identified in writing by Borrower to Administrative Agent and (c) in the case of each of clauses (a) and (b), any of their Affiliates (excluding any fund that is primarily engaged in the making, purchasing, holding or otherwise investing in commercial loans and other similar extensions of credit in the ordinary course) that are either (i) identified in

writing by Borrower to Administrative Agent on or before the Closing Date with respect to affiliates of the financial institutions referenced in clause (a) or at any time with respect to the competitors referenced in clause (b) or (ii) readily identifiable on the basis of such Affiliate's name.

"Dividend Payment Conditions" means, with respect to any Person, that each of the following are true as of any relevant date of determination both before and after giving effect to any distribution (w) EBITDA shall be at least $32,000,000 calculated for the trailing twelve (12)-month period ending on the last day of the most recently completed fiscal quarter with respect to which the Administrative Agent has received financial statements pursuant to Section 10.1.2, (x) the Total Debt to EBITDA Ratio for the twelve month period ending as of the calendar month then most recently ended for which financial statements pursuant to Section 10.1.1 or 10.1.2 have been delivered to Administrative Agent (such pro forma ratio to be determined as if such payment was made as of the first day of such period covered thereby), is the lesser of (i) 4.25:1.00 and (ii) the applicable compliance level for the most recently ended Fiscal Quarter less 0.25, (y) Borrower shall have Liquidity of at least $2,000,000 before and after giving effect to the proposed payment and (z) the Fixed Charge Coverage Ratio for the twelve month period ending as of the calendar month then most recently ended for which financial statements pursuant to Section 10.1.1 or 10.1.2 have been delivered to Administrative Agent (such pro forma ratio to be determined as if any Existing Earn-Out Obligation was a Fixed Charge), is no less than 1.20:1.00.

"Dollar" and the sign "$" mean lawful money of the United States of America.

"EBITDA" means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period:

(a) increased (without duplication) by the following, in each case (other than clauses (vii) and (ix)) to the extent deducted (and not added back) in determining Consolidated Net Income for such period:

(i) any provision for (or less any benefit, including income tax credits and refunds, from) income taxes (including franchise, gross receipts and single business taxes imposed in lieu of income taxes); plus

(ii) Consolidated Depreciation and Amortization Expense of such Person for such period; plus

(iii) the amount of any documented and clearly identifiable restructuring charges; provided that the amounts added to EBITDA pursuant to this clause (iii) shall not exceed 25% of EBITDA for the period ending after September 30, 2018 but on or prior to December 31, 2019 (provided that no more than 15% of such amount is derived from Pure Barre and no more than 10% of such amount is derived from Loan Parties other than Pure Barre) and 5% of EBITDA for any period ending after December 31, 2019;

and provided further, that amounts added to EBITDA pursuant to this clause (iii) when aggregated with amounts added to EBITDA pursuant to clause (vi) (other than pursuant to clause (vi)(1)), clause (vii) and Section 1.3(c) shall not exceed (i) 40% of EBITDA for any period ending after December 31, 2018 but on or prior to March 31, 2019, (ii) 35% of EBITDA for any period ending after March 31, 2019 but on or prior to June 30, 2019, (iii) 30% of EBITDA for any period ending after June 30, 2019 but on or prior to September 30, 2019, (iv) 25% of EBITDA for any period ending after September 30, 2019 but on or prior to December 31, 2019 and (iv) 10% of EBITDA for any period ending thereafter; plus

(iv) any other non-cash charges or adjustments, including (A) any write offs or write downs reducing Consolidated Net Income for such period, (B) equity-based awards compensation expense and expenses related to or associated with deferred compensation programs, (C) losses on sales, disposals or abandonment of, or any impairment charges or asset write-down or write-off related to, intangible assets, long-lived assets, inventory and investments in debt and equity securities, (D) all losses from investments recorded using the equity method, (E) charges for facilities closed prior to the applicable lease expiration, and (F) non-cash expenses in connection with new studio or other facility openings and closings; plus

(v) the amount of (i) board of directors fees not to exceed $500,000 in the aggregate for such period and (ii) any management, monitoring, consulting and advisory fees (including termination and transaction fees) and related indemnities and expenses paid or accrued in such period under the Management Agreement; plus

(vi) (1) all fees, costs, charges or expenses in connection with acquisitions and Investments (including Permitted Acquisitions) including without limitation, consulting fees paid in connection with the Closing Date Acquisition, whether or not such acquisitions are consummated; provided, (A) with respect to acquisitions and Investments (other than the Closing Date Acquisition) that are consummated after the Closing Date, such fees, costs, charges or expenses (a) are incurred within 120 days following the consummation of such acquisition or Investment and (b) shall not exceed (i) $4,000,000 in the aggregate in any period ending on or prior to December 31, 2019 and (ii) $1,500,000 for any period ending after December 31, 2019, and (B) with respect to acquisitions and Investments which are not consummated, the aggregate amount of such fees, costs, charges or expenses added back shall not exceed (x) $1,275,000 in the aggregate for such period with respect to any period ending on or prior to March 31,

2019 and (y) $680,000 in the aggregate for such period with respect to any period ending after March 31, 2019 and (2) the amount of extraordinary, nonrecurring or unusual losses (including all fees and expenses relating thereto), charges or expenses, integration costs, transition costs, pre-opening, opening, consolidation and closing costs for facilities or studios, costs and operating expenses incurred in connection with any strategic initiatives or attributable to the implementation of cost saving initiatives, costs or accruals or reserves incurred in connection with acquisitions (including the Related Transactions and Permitted Acquisitions, and whether or not such acquisitions are consummated) whether on, after or prior to the Closing Date, other business optimization expenses (including costs and expenses relating to business optimization programs and new systems design and implementation costs), severance costs and expenses, one-time compensation charges, retention or completion bonuses, executive recruiting costs, consulting fees, restructuring costs and reserves, and curtailments or modifications to pension and postretirement employee benefit plans; provided, that the amounts added to EBITDA pursuant to this clause (vi) (2) shall not exceed 20% of EBITDA for such period; and provided further, that amounts added to EBITDA pursuant to this clause (vi) (other than pursuant to clause (vi)(1)) when aggregated with amounts added to EBITDA pursuant to Section 1.3(c), clause (iii) and clause (vii) shall not exceed (i) 40% of EBITDA for any period ending after December 31, 2018 but on or prior to March 31, 2019, (ii) 35% of EBITDA for any period ending after March 31, 2019 but on or prior to June 30, 2019 (iii) 30% of EBITDA for any period ending after June 30, 2019 but on or prior to September 30, 2019, (iv) 25% of EBITDA for any period ending after September 30, 2019 but on or prior to December 31, 2019 and (iv) 10% of EBITDA for any period ending thereafter; plus

(vii) the amount of "run-rate" cost savings, cost synergies and operating expense reductions related to restructurings, cost savings initiatives or other initiatives that are projected by the Borrower in good faith to result from Permitted Acquisitions and Investments permitted by Section 11.11 (1) with respect to which substantial steps have been taken, in each case, during the 15 month period following such Permitted Acquisition or Investment and (2) with respect to which substantial steps are expected to be taken (in the good faith determination of the Borrower) on or before June 30, 2019 in an amount not to exceed $900,000 in any such period (provided that in each case, such cost savings, cost synergies or operating expense reductions shall be certified by management of the Borrower and calculated on a pro forma basis as though such cost savings, cost synergies or operating expense reductions had been realized on the

first day of such period), net of the amount of actual benefits realized from such actions during such period (it is understood and agreed that "run-rate" means the full recurring benefit that is associated with any action taken or with respect to which substantial steps have been taken (which adjustments shall exclude the annualization of any studio royalties and may be incremental to (but not duplicative of) pro forma cost savings, cost synergies or operating expense reduction adjustments made pursuant to Section 1.3(c)); provided that such cost savings, cost synergies and operating expenses are (i) reasonably identifiable and factually supportable; and (ii) shall not exceed $2,500,000 with respect to Pure Barre and $1,000,000 with respect to all other brands (excluding amounts associated with brands related to the Original Related Transactions in an amount not to exceed $1,250,000); and provided further that the amounts added to EBITDA pursuant to this clause (vii) shall not exceed 20% of EBITDA for such period; and provided further, that amounts added to EBITDA pursuant to this clause (vii) when aggregated with amounts added to EBITDA pursuant to clause (iii) and clause (vi) (other than pursuant to clause (vi)(1)) shall not exceed (i) 40% of EBITDA for any period ending after December 31, 2018 but on or prior to March 31, 2019, (ii) 35% of EBITDA for any period ending after March 31, 2019 but on or prior to June 30, 2019 (iii) 30% of EBITDA for any period ending after June 30, 2019 but on or prior to September 30, 2019, (iv) 25% of EBITDA for any period ending after September 30, 2019 but on or prior to December 31, 2019 and (iv) 10% of EBITDA for any period ending thereafter; plus

(viii) any non-cash costs or expense incurred by Holdings or a Subsidiary pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement; plus

(ix) cash receipts (or any netting arrangements resulting in reduced cash expenditures) not representing EBITDA or Consolidated Net Income in any period to the extent non-cash gains relating to such income were deducted in the calculation of EBITDA pursuant to clause (b) below for any previous period and not added back; plus

(x) Interest Expense for such period; plus

(xi) to the extent covered by insurance and actually reimbursed in cash, expenses with respect to liability or casualty events; plus

(xii) any proceeds of a business interruption insurance claim actually received in cash and solely to the extent replacing lost profits; plus

(xiii) any losses or start-up costs or expenses (excluding marketing costs and expenses funded or reasonably and in good faith expected to be funded with amounts contributed by franchisees in to marketing funds) incurred and reducing Consolidated Net Income for such period; provided that with respect to any test period, such amounts (A) be solely and directly attributable to any brand acquired by Borrower or any other Loan Party during the trailing twelve month period following the acquisition of such brand, (B) shall not exceed an amount equal to (i) $1,000,000 with respect to any brand in any period, (ii) $5,000,000, in the aggregate for all brands in any period ending on or prior to June 30, 2019, (iii) $2,500,000 in the aggregate for all brands in any period ending after June 30, 2019 but on or prior to December 31, 2019, (iv) $1,500,000 in the aggregate for any period ending after December 31, 2019 but on or prior to March 31, 2020, (v) $1,000,000 in the aggregate for any period ending after March 31, 2020 but on or prior to June 30, 2020 and (vi) $0 in the aggregate for an period ending after June 30, 2020 and (C) be supported by documentation to the satisfaction of the Administrative Agent; plus

(xiv) [intentionally omitted]; plus

(xv) solely with respect to the testing of financial covenants all reasonable and documented fees or expenses incurred or paid by Holdings, Borrower or any Subsidiary in connection with the consummation of the Original Related Transactions, including payments to officers, employees and directors as change of control payments, severance payments and charges for repurchase or rollover of, or modifications to, stock options, provided that such fees or expenses shall not (together with all adjustments pursuant to clause (xiii)) exceed $3,955,000 in the aggregate and shall be incurred within 180 days of the Closing Date; plus

(xvi) all reasonable and documented fees, costs, charges or expenses incurred or paid by Holdings, Borrower or any Subsidiary in connection with the consummation of the Closing Date Acquisition, including payments to officers, employees and directors as change of control payments, severance payments and charges for repurchase or rollover of, or modifications to, stock options; provided that such fees, costs, charges or expenses shall not exceed $5,000,000 in the aggregate and shall be incurred within 180 days of the Closing Date; plus

(xvii) to the extent funded with proceeds of Incremental Loans and deducted from Consolidated Net Income, up to $10,000,000 invested by the Borrowers on or prior to December 31, 2019 in

franchisees in exchange for longer contract terms from such franchisees.

(b) decreased (without duplication) by the following, in each case to the extent included in determining Consolidated Net Income for such period:

(i) non-cash gains increasing Consolidated Net Income of such Person for such period, excluding any non-cash gains to the extent they represent the reversal of an accrual or reserve for a potential cash item that reduced EBITDA in any prior period; plus

(ii) any non-cash gains with respect to cash actually received in a prior period unless such cash did not increase EBITDA in such prior period; plus

(iii) extraordinary gains and unusual or non-recurring gains (less all fees and expenses relating thereto); plus

(iv) in each case to the extent included in determining such Consolidated Net Income for such period and without duplication, the amount of positive EBITDA of Subsidiaries that have not guaranteed the Obligations hereunder and provided Liens on their assets securing the Obligations for such period;

(c) increased or decreased (without duplication) by, as applicable, any adjustments resulting from the application of FASB Accounting Standards Codification 460, Guarantees.

For purposes of determining compliance with any financial test or ratio hereunder, EBITDA (computed in accordance with the terms of this definition) of any Target acquired in a Permitted Acquisition by Holdings or any Subsidiary during such period shall be included in determining EBITDA of Holdings and its Subsidiaries for any period as if such Target was acquired at the beginning of such period. Notwithstanding the foregoing, the amount added to EBITDA pursuant to Section 1.3(c), clauses (a)(iii), (a)(vi) (other than pursuant to clause (a)(vi)(1)), (a)(vii) and (a)(xiii) may in the aggregate not exceed (i) 55% of EBITDA of Holdings and its Subsidiaries for any period ending on or prior to December 31, 2018 (provided that EBTIDA attributable to Pure Barre shall not exceed $6,000,000 of such amount), (ii) 50% of EBITDA of Holdings and its Subsidiaries for any period ending after December 31, 2018 but on or prior to March 31, 2019 (provided that EBTIDA attributable to Pure Barre shall not exceed $6,000,000 of such amount), (iii) 45% of EBITDA of Holdings and its Subsidiaries for any period ending after March 31, 2019 but on or prior to June 30, 2019 (provided that EBTIDA attributable to Pure Barre shall not exceed $6,000,000 of such amount), (iv) 40% of EBITDA of Holdings and its Subsidiaries for any period ending after June 30, 2019 but on or prior to September 30, 2019 (provided that EBTIDA attributable to Pure Barre shall not exceed $6,000,000 of such amount), (v) 35% of EBITDA of Holdings and its Subsidiaries for any period ending after September 30, 2019 but on or prior to December 31, 2019 (provided that EBTIDA attributable to Pure Barre

shall not exceed $6,000,000 of such amount), and (vii) 20% of EBITDA of Holdings and its Subsidiaries for any period ending thereafter.

"ECF Percentage" means 75%; provided in the event that the Total Debt to EBITDA Ratio as of the most recently ended Fiscal Quarter is less than or equal to 2.50:1.00, then the ECF Percentage shall be reduced to 50%.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority; (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition; or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent;

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Eligible Assignee" means (a) a Lender, (b) the Issuing Lender, (c) an Affiliate of a Lender or the Issuing Lender; (d) an Approved Fund of a Lender; and (e) any Person (other than a natural Person) engaged in making, purchasing, holding or otherwise investing in commercial loans in its ordinary course of activities; provided that "Eligible Assignee" shall in no event include any Disqualified Lender.

"Environmental Agreement" means each agreement of the Loan Parties with respect to any real estate subject to a Mortgage, pursuant to which Loan Parties agree to indemnify and hold harmless Administrative Agent and Lenders from liability under any Environmental Laws.

"Environmental Claims" means all claims, however asserted, by any governmental, regulatory or judicial authority or other Person alleging potential liability or responsibility for violation of any Environmental Law, or for release of Hazardous Substances.

"Environmental Laws" means all applicable and legally-binding present or future federal, state, provincial or local laws, statutes, common law duties, rules, regulations, ordinances and codes, together with all administrative or judicial orders, consent agreements, directed duties, requests, licenses, authorizations and permits of, and agreements with, any governmental authority, in each case relating to any matter arising out of or relating to public or worker health and safety (related to Hazardous Substances), or pollution or protection of the environment, including any of the foregoing relating to the presence, use, production, generation, handling, transport, treatment, storage, disposal, distribution, discharge, emission, release, threatened release, control or cleanup of any Hazardous Substance.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"E U Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Event of Default" means any of the events described in Section 13.1.

"Excess Cash Flow" means, for any period, the remainder of (a) EBITDA for such period, plus the sum of, (i) the amount of positive EBITDA of Subsidiaries that have not guaranteed the Obligations hereunder and provided Liens on their assets securing the Obligations for such period in an amount not to exceed the amount of cash distributed by such Subsidiary to a Loan Party during such period and (ii) any net decrease in the Working Capital Adjustment during such period, minus (b) the sum, without duplication, of (i) scheduled repayments of principal of the Term Loans and other Funded Debt (other than payments of revolving Debt that do not include a dollar-for-dollar commitment reduction) permitted hereunder and made during such period, plus (ii) voluntary prepayments of the Term Loan pursuant hereto during such period and voluntary prepayments of the Revolving Loans during such period that are accompanied by a dollar-for-dollar reduction of the Revolving Commitments, plus (iii) cash payments permitted hereunder and made during such period with respect to unfinanced (whether with equity or Debt) Capital Expenditures, plus (iv) all income and franchise taxes paid in cash by the Loan Parties during such period (including, without limitation (but without duplication), Tax Distributions) net of refunds actually received in cash during such period, plus (v) cash Interest Expense (net of interest income) of the Loan Parties during such period, plus (vi) in each case solely to the extent added in determining EBITDA for such period and without duplication of any of the foregoing, any other amounts paid in cash and added back to EBITDA pursuant to the definition thereof, plus (vii) any net increase in Working Capital Adjustments during such period and plus (viii) cash payments (not financed with the proceeds of Equity (including the Available Amount) or Debt other than Revolving Loans) made in such period with respect to Permitted Acquisitions.

"Excluded Accounts" means any deposit accounts (a) having in the aggregate for all such accounts average daily cash balances not to exceed $150,000, (b) any deposit account used solely for the purposes of (i) payroll and accrued payroll benefits, (ii) current and accrued taxes, including withholding taxes, (iii) 401(k) or other retirement plans and employee benefits or healthcare benefits, or (iv) other trust accounts, (c) that are zero balance accounts or (d) in connection with providing cash collateral to secure letters of credit permitted hereunder.

"Excluded Swap Obligation" means, with respect to any guarantor of a Swap Obligation, including the grant of a security interest to secure the guaranty of such Swap Obligation, any Swap Obligation if, and to the extent that, such Swap Obligation is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the guaranty or grant of such security interest becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Swap Obligation or security interest is or becomes illegal.

"Excluded Taxes" means any of the following Taxes imposed on or, with respect to any Lender or Administrative Agent (i) Taxes based upon, or measured by overall net income, overall net receipts, or overall net profits (including franchise taxes imposed in lieu of such Taxes and including branch profits Taxes), but only to the extent such Taxes are imposed by a taxing authority (a) in a jurisdiction in which such Lender or Administrative Agent is organized, imposed as a result of such Lender or Administrative Agent being organized under the laws of such jurisdiction, (b) in a jurisdiction in which a Lender's or Administrative Agent's principal office is located, imposed as a result of such Lender or Administrative Agent's principal office being located in such jurisdiction, (c) in a jurisdiction in which such Lender's lending office in respect of which payments under this Agreement are made is located, or (d) as a result of any other present or former connection between such Lender or the Administrative Agent and the jurisdiction imposing such Tax (other than connections arising solely from such Lender or the Administrative Agent having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document) ("Other Connection Taxes"), (ii) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to applicable law in effect on the date on which (a) such Lender acquires such interest in the Loan or Commitment or (b) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 7.6, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, and (iii) any U.S. federal withholding Taxes imposed pursuant to FATCA.

"Existing Earn-Out Obligations" means amounts owing by Holdings to the Sellers (as defined in the CB Purchase Agreement) pursuant to Section 2.5 of the CB Purchase Agreement in an aggregate amount not to exceed $15,000,000.

"Existing Loan Document" means the Existing Credit Agreement and all "Loan Documents" as such term was defined in the Existing Credit Agreement.

"Existing Term A Loans" means the Term Loans as such term was defined in the Existing Credit Agreement.

"Extraordinary Receipts" means any cash received by or paid to or for the account of any Loan Party not in the ordinary course of business consisting of (a) pension plan reversions, (b) proceeds of insurance (including business interruption insurance and representation and warranty insurance), (c) judgments, proceeds of settlements or other consideration of any kind in connection with any cause of action (other than with respect to reimbursement of third party claims), (d) condemnation awards (and payments in lieu thereof), (e) indemnity payments (other than with respect to reimbursement of third party claims), (f) any purchase price adjustment received in connection with any purchase (other than a working capital adjustment), and (g) foreign, United States, state or local tax refunds to the extent not included in the calculation of EBITDA.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any applicable intergovernmental agreement with respect thereto, and any fiscal or regulatory legislation, rules or practices adopted pursuant to any such intergovernmental agreement, or treaty or convention among governmental authorities and implementing the foregoing.

"FCF" means Fueled Collective Franchising, LLC, an Ohio limited liability company.

"FDD" means the Franchise Disclosure Document and its predecessor, Uniform Franchise Offering Circular, and similar documents used in the offer and sale of franchises anywhere in the world by any Company or any of their Subsidiaries in its efforts to comply with any Franchise Laws.

"Federal Funds Rate" means, for any day, a fluctuating interest rate equal for each day during such period to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by Administrative Agent from three Federal funds brokers of recognized standing selected by Administrative Agent. Administrative Agent's determination of such rate shall be binding and conclusive absent manifest error.

"Fiscal Quarter" means a fiscal quarter of a Fiscal Year, which period is the 3-month period ending on the last day of each of March, June, September, and December of each year.

"Fiscal Year" means the fiscal year of Borrower and its Subsidiaries, which period shall be the 12 month period ending on December 31 of each year.

"Fixed Charge Coverage Ratio" means, for any Computation Period, the ratio of (a) the total for such period of EBITDA (without giving effect to the final sentence thereof) minus the sum of (i) income taxes paid or payable in cash by the Loan Parties and their Subsidiaries (including without duplication Tax Distributions) and (ii) all Capital Expenditures made by the by the Loan Parties and their Subsidiaries not financed with (x) the proceeds of Debt (other than Revolving Loans) or (y) Capital Securities (collectively, such clauses (i)-(ii), the "Fixed Charge Adjustments") to (b) Fixed Charges for such period; provided that for the purpose of calculating the Fixed Charge Coverage Ratio for any period ending prior to the expiration of four full fiscal quarters since the Closing Date, Fixed Charges and the Fixed Charge Adjustments shall be deemed to be Fixed Charges and Fixed Charge Adjustments for the period from the Closing Date to and including the applicable date of determination multiplied by a fraction equal to (x) 365 divided by (y) the number of days actually elapsed from the Closing Date to such applicable date of determination.

"Fixed Charges" means, for any period of Holdings and its Subsidiaries on a consolidated basis the sum of the sum for such period of (i) cash Interest Expense plus (ii) scheduled

payments (other than payments scheduled to be made on the applicable maturity date) of principal of Funded Debt (including the Term Loans and Permitted Seller Debt but excluding the Revolving Loans and Permitted Earn-Outs) and (iii) management fees paid in cash to Sponsor. For the avoidance of doubt, Fixed Charges shall exclude any principal payments of the Revolving Loans.

"Franchise Agreement" means any contract between a Franchisor and any other Person pertaining to the establishment and operation of a business in connection with a Franchise and under the trade name or otherwise using the Franchise System of such Franchisor or such Subsidiary, including license agreements, option agreements, master franchise agreements, multi-unit or area development agreements, Area Representative Agreements, Development Agreements, Master Franchise Agreements, and any similar agreements that cover the development or franchising of Franchises, and including any addendum, amendment, extension or renewal thereof, and together with any guarantee or other instrument or agreement relating thereto.

"Franchise Law" means the FTC Franchise Rule and any other domestic or foreign law regulating the offer or sale of franchises, business opportunities, seller-assisted marketing plans, distributorships, independent marketing representative arrangements, or similar relationships, or governing the relationships between franchisors and franchisees, manufacturers and dealers, or grantors and distributors or independent marketing representatives, including those laws that address the default, termination, nonrenewal or transfer of franchises, dealerships, distributorships and independent marketing representative arrangements

"Franchise System" means any franchise system that any Company or any Subsidiary has developed and operates (or permits other Persons to operate) under the trade name of the applicable Company or the applicable Subsidiary and otherwise using such Company's or any Subsidiary's intellectual property and business system.

"Franchise" means any grant under a Franchise Agreement of the right to engage in or carry on a business, or to sell or offer to sell any product or service, under or in association with any trademark owned or licensed to any Company or any Subsidiary, which constitutes a "franchise," as that term is defined (a) in the U.S., under (i) the FTC Franchise Rule, regardless of the jurisdiction in which the franchised business is located or operates in the U.S. or (ii) the Franchise Law, if any, applicable in the jurisdiction or jurisdictions in which the franchised business is located or operates, or the Franchisee is located, or (b) under any law of a foreign country or jurisdiction.

"Franchisee" means a Person who is a party to a Franchise Agreement with any Company or one of its Subsidiaries.

"Franchisor" means each of AKTF, CBF, CPF, FCF, LBF, LBIP, LBP, Pure Barre, RHF, RHT, SLF, S415 and Yoga Six, or any other Subsidiary that is a franchisor for the operation of fitness studios, health and wellness facilities or shared space concepts.

"FRB" means the Board of Governors of the Federal Reserve System or any successor thereto.

"FTC Franchise Rule" means the FTC trade regulation rule entitled "Disclosure Requirements and Prohibitions Concerning Franchising," 16 C.F.R Section 436.1 et seq.

"Fueled Collective Build-Out" means the buildout construction of two floors of the Fueled Collective studio located at 3825 Edwards Road, Suite 103, Cincinnati, OH 45209 owned or managed by Coworking Cincinnati, LLC.

"Funded Debt" means, as to any Person, all Debt of such Person that matures more than one year from the date of its creation (or is renewable or extendible, at the option of such Person, to a date more than one year from such date). Notwithstanding the foregoing, "Funded Debt" shall not include Letters of Credit.

"GAAP" means generally accepted accounting principles set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the U.S. accounting profession) and the Securities and Exchange Commission, which are applicable to the circumstances as of the date of determination.

"GAAP Compliant Financial Statements" has the meaning specified in Section 10.1.2.

"Governing Body" shall mean the board of directors or other body having the power to direct or cause the direction of the management and policies of a person that is a corporation, partnership, trust, limited liability company, association, joint venture or other business entity.

"Guarantor" means, collectively, each Person that guarantees payment or performance of any of the Obligations under this Agreement or otherwise.

"Guaranty and Collateral Agreement" means the Guaranty and Collateral Agreement dated as of the Closing Date executed and delivered by the Loan Parties, together with any joinders thereto and any other guaranty and collateral agreement executed by a Loan Party, in each case in form and substance satisfactory to Administrative Agent.

"Hazardous Substances" means hazardous waste, hazardous substance, pollutant, contaminant, toxic substance, oil, hazardous material, chemical or other substance regulated by any Environmental Law due to its toxic or hazardous characteristics.

"Hedging Agreement" means any bank underwritten cash and/or derivative financial instrument including, but not limited to, any interest rate, currency or commodity swap agreement, cap agreement, collar agreement, spot foreign exchange, forward foreign exchange, foreign exchange option (or series of options) and any other agreement or arrangement designed to protect a Person against fluctuations in interest rates, currency exchange rates or commodity prices.

"Hedging Obligation" means, with respect to any Person, any liability of such Person under any Hedging Agreement determined (a) for any date on or after the date that Hedging Agreement has been closed out and termination value determined in accordance therewith, using that termination value; and (b) for any date prior to the date referenced in clause (a), using the

amount determined as the mark-to-market value for that Hedging Agreement, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in that Hedging Agreement (which may include a Lender or any Affiliate of a Lender).

"Holdings" means H&W Franchise Holdings LLC, a Delaware limited liability company.

"Holdings LLC Agreement" means that certain Fourth Amended and Restated Limited Liability Company Operating Agreement of Holdings, dated as of October 25, 2018 (and as amended or modified from time to time in accordance with the terms hereof).

"Increase Effective Date" is defined in Section 2.7.1.

"Increase Notice" is defined in Section 2.7.1.

"Increased Fiscal Quarter" is defined in Section 13.4.

"Incremental Loan Commitment" means individually or collectively as the context may so require, any Incremental Revolving Loan Commitment or Incremental Term Loan Commitment provided hereunder in accordance with the terms and conditions set forth in Section 2.7.1.

"Incremental Loan Joinder Agreement" means a joinder agreement executed and delivered in accordance with the provisions of Section 2.7.

"Incremental Loans" means individually or collectively as the context may so require, any Incremental Revolving Loan or Incremental Term Loan made pursuant to the terms and conditions hereof.

"Incremental Revolving Loan" is defined in Section 2.7.1.

"Incremental Revolving Loan Commitment" is defined in Section 2.7.1 and equal to the amount set forth in more detail pursuant to an Incremental Loan Joinder Agreement.

"Incremental Term Loan" is defined in Section 2.7.1.

"Incremental Term Loan Commitment" is defined in Section 2.7.1 and equal to the amount set forth in more detail pursuant to an Incremental Loan Joinder Agreement; provided that, at any time after the funding of an Incremental Term Loan, determination of "Required Lenders" shall include the outstanding amount of such Incremental Term Loan.

"Indemnified Liabilities" is defined in Section 15.18.

"Insolvency Proceeding" means any case or proceeding commenced by or against a Person under any state, federal or foreign law for, or any agreement of such Person to, (a) the entry of an order for relief under the Bankruptcy Code, or any other insolvency, debtor relief or debt adjustment law; (b) the appointment of a receiver, trustee, liquidator, administrator,

conservator or other custodian for such Person or any part of its property; or (c) a general assignment for the benefit of creditors.

"Insurance Assignments" means, collectively, (i) that certain Collateral Assignment of Buyer's Representation and Warranty Insurance Policy as Collateral Security, dated as of the date hereof, by and among the Loan Parties party thereto, the Underwriting Representative (as defined therein) and the Administrative Agent and (ii) that certain Collateral Assignment of Rights Under Business Interruption Insurance Policy, dated as of the date hereof, by and among the Loan Parties party thereto, the Insurer (as defined therein) and the Administrative Agent.

"Interest Expense" means for any period the consolidated interest expense of Borrower and its Subsidiaries for such period, including all interest on Capital Leases, all commissions, discounts and other fees and charges with respect to letters of credit, surety bonds and costs under any derivative or hedging instruments.

"Interest Period" means, as to any LIBOR Loan, a period of one (1) month initially commencing on the date such Loan is borrowed and thereafter commencing on the day on which the immediately preceding period expires; provided that:

(a) if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the following Business Day unless the result of such extension would be to carry such Interest Period into another calendar month, in which event such Interest Period shall end on the preceding Business Day; and

(b) any Interest Period that begins on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period shall end on the last Business Day of the calendar month at the end of such Interest Period.

"Intermediate Holdings" means H&W Franchise Intermediate Holdings LLC, a Delaware limited liability company.

"Intermediate Holdings LLC Agreement" means that certain Limited Liability Company Agreement of Intermediate Holdings dated as of September 29, 2017 (and as amended or modified from time to time in accordance with the terms hereof).

"Inventory" is defined in the Guaranty and Collateral Agreement.

"Investment" means, with respect to any Person, any investment in another Person, whether by acquisition of any debt or Capital Security, by making any loan or advance, by becoming obligated with respect to a Contingent Liability in respect of obligations of such other Person including any statutory division of a Person (other than travel and similar advances to employees in the ordinary course of business) or by making an Acquisition. For purposes of calculating the amount of any Investment, the amount of such Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

"Issuing Lender" means any financial institution that Administrative Agent and Borrower may approve to issue Letters of Credit for the account of Borrower, and their successors and

assigns in such capacity. As of the Closing Date, there is no Issuing Lender. For the avoidance of doubt, no Letters of Credit will be available to be issued hereunder until an Issuing Lender is agreed upon as set forth above.

"ITA" means the Income Tax Act (Canada) and the regulations promulgated thereunder, all as amended from time to time.

"Joint Liability Payment" is defined in Section 16.6.

"LBF" means LB Franchising LLC, an Ohio limited liability company.

"LBIP" means LB IP, LLC, an Ohio limited liability company.

"LBP" means LB Product, LLC, an Ohio limited liability company.

"L/C Application" means, with respect to any request for the issuance of a Letter of Credit, a letter of credit application in the form being used by an Issuing Lender at the time of such request for the type of letter of credit requested.

"L/C Fee Rate" means a per annum rate reasonably acceptable to the Borrower, Required Lenders and Issuing Lender.

"Lender" is defined in the preamble of this Agreement. References to the "Lenders" shall include the Issuing Lenders; for purposes of clarification only, to the extent that any Issuing Lender may have any rights or obligations in addition to those of the other Lenders due to its status as Issuing Lender, its status as such will be specifically referenced. In addition to the foregoing, for the purpose of identifying the Persons entitled to share in the Collateral and the proceeds thereof under, and in accordance with the provisions of, this Agreement and the Collateral Documents, the term "Lender" shall include Affiliates of a Lender providing a Bank Product.

"Lender Party" is defined in Section 15.17.

"Letter of Credit" is defined in Section 2.1.3.

"LIBOR Loan" means any Loan which bears interest at a rate determined by reference to the LIBOR Rate.

"LIBOR Office" means with respect to any Lender the office or offices of such Lender which shall be making or maintaining the LIBOR Loans of such Lender hereunder. A LIBOR Office of any Lender may be, at the option of such Lender, either a domestic or foreign office.

"LIBOR Rate" means the rate per annum equal to LIBOR for a period equal to one month as reported in *The Wall Street Journal* (or other authoritative source selected by Administrative Agent in its sole discretion) on each date of determination divided by (ii) a number determined by subtracting from 1.00 the then-stated maximum reserve percentage for determining reserves to be maintained by member banks of the Federal Reserve System for Eurocurrency funding or liabilities as defined in Regulation D (or any successor category of

liabilities under Regulation D), or as LIBOR is otherwise determined by Administrative Agent in its sole and absolute discretion (including by way of substituting an alternative interest rate benchmark in the event that the LIBOR Rate is no longer available). Notwithstanding anything contained in this Agreement to the contrary, LIBOR Rate shall not be less than 1.00% per annum.

"Lien" means, with respect to any Person, any interest granted by such Person in any real or personal property, asset or other right owned or being purchased or acquired by such Person (including an interest in respect of a Capital Lease) which secures payment or performance of any obligation and shall include any mortgage, lien, encumbrance, title retention lien, hypothec, charge or other security interest of any kind, whether arising by contract, as a matter of law, by judicial process or otherwise.

"Liquidity" means the sum of (i) the amount of unrestricted cash and Cash Equivalent Investments of the Loan Parties on deposit in accounts for which a tri-party agreement in favor of the Administrative Agent has been executed and is in effect at such time plus (ii) Revolving Loan Availability.

"Loan Account" means an account maintained under this Agreement by Administrative Agent on its books of account, and with respect to Borrower, in which Borrower will be charged with all Loans made to, and all other Obligations incurred by, any of the Loan Parties.

"Loan Documents" means this Agreement, the Notes, the Letters of Credit, the Master Letter of Credit Agreement, the L/C Applications, the Agent Fee Letter, each Perfection Certificate, the Collateral Documents, any Incremental Loan Joinder Agreement, the Sponsor Side Letter, and all documents, instruments and agreements in favor of the Administrative Agent and Lenders delivered in connection with the foregoing.

"Loan Party" means Holdings, Intermediate Holdings, Borrower and each Subsidiary that is not a CFC that has executed a the Guarantee and Collateral Agreement or otherwise guaranteed the Obligations.

"Loan or Loans" means, as the context may require, Revolving Loans and/or Term Loans (including any Incremental Term Loans, if any).

"Management Agreement" means that certain Management Services Agreement, dated as of September 29, 2017, by and among Holdings and TPG Growth III Management, LLC, which was assigned to Sponsor pursuant to the Management Agreement Assignment Agreement.

"Management Agreement Assignment Agreement" means that certain Assignment, Assumption, Waiver and Release Agreement, dated as of June 28, 2018, among TPG Growth III Management, LLC, Holdings and Purchaser

"Mandatory Prepayment Event" is defined in Section 6.2.2(a).

"Margin Stock" means any "margin stock" as defined in Regulation U.

"Marketing Fund" means a fund administered by one or more of the Franchisors that receives mandatory contributions from Franchisees and uses the amounts collected to promote its respective brand on a national level through advertising.

"Marketing Fund Contribution Rate" means the percentage of gross sales that Franchisees contribute to a Marketing Fund.

"Master Franchise Agreement" means an agreement between any Company or any Subsidiary and a Franchisee under which the Franchisee has been granted the right to open, and sublicense third-party subfranchisees to open, more than one Franchise under the trade name of such Company or such Subsidiary within a designated geographical area and within a defined period of time, including any addendum, amendment, extension or renewal thereof, and together with any guarantee or other instrument or agreement relating thereto.

"Master Letter of Credit Agreement" means, at any time, with respect to the issuance of Letters of Credit, a master letter of credit agreement or reimbursement agreement in the form, if any, being used by an Issuing Lender at such time.

"Material Adverse Effect" means (a) a material adverse change in, or a material adverse effect upon, the financial condition, operations, assets or business of the Loan Parties taken as a whole, (b) a material impairment of the ability of the Loan Parties taken as a whole to perform any of the payment Obligations under any Loan Document after giving effect to contribution or intercompany loans made in accordance with this Agreement or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against any Loan Party of any Loan Document.

"Material Contract" means, with respect to any Person, (a) the Related Agreements; (b) each contract or agreement to which that Person or any of its Subsidiaries is a party involving aggregate consideration payable to or by that Person or that Subsidiary of $500,000 or more in any Fiscal Year; and (c) all other contracts or agreements as to which the breach, nonperformance, cancellation, or failure to renew (without contemporaneous replacement of substantially equivalent value) by any party could reasonably be expected to have a Material Adverse Effect.

"Merger Sub" means Pure Barre Acquisition Company, LLC, a Delaware limited liability company.

"Monroe Capital" is defined in the preamble of this Agreement.

"Mortgage" means a mortgage, deed of trust or similar instrument granting Administrative Agent a Lien on real property owned by any Loan Party.

"Mortgage-Related Documents" means with respect to any real property subject to a Mortgage, the following, in form and substance satisfactory to Administrative Agent: (a) a mortgagee title policy (or binder therefor) covering Administrative Agent's interest under the Mortgage, in a form and amount and by an insurer acceptable to Administrative Agent, which must be fully paid on that effective date; (b) all assignments of leases, estoppel letters, attornment agreements, consents, waivers, and releases as Administrative Agent reasonably

requires with respect to other Persons having an interest in the real estate; (c) a current, as-built survey of the real estate, containing a metes-and-bounds property description and certified by a licensed surveyor acceptable to Administrative Agent; (d) a life-of-loan flood hazard determination and, if the real estate is located in a flood plain, an acknowledged notice to borrower and flood insurance in an amount, with endorsements and by an insurer acceptable to Administrative Agent; (e) a current appraisal of the real estate, prepared by an appraiser acceptable to Administrative Agent, and in form and substance satisfactory to Required Lenders; (f) an environmental assessment, prepared by environmental engineers acceptable to Administrative Agent, and accompanied by all reports, certificates, studies, or data as Administrative Agent reasonably requires, which must all be in form and substance satisfactory to Required Lenders; and (g) an Environmental Agreement and all other documents, instruments, or agreements as Administrative Agent reasonably requires with respect to any environmental risks regarding the real estate.

"Multiemployer Pension Plan" means a multiemployer plan, as defined in Section 4001(a)(3) of ERISA, to which Borrower contributes or has an obligation to contribute, or has within the past six (6) years contributed or had an obligation to contribute, or with respect to which Borrower has any liability as a result of being considered a single employer with any other member of the Controlled Group.

"Net Cash Proceeds" means:

(a) with respect to any Asset Disposition, the aggregate cash proceeds (including cash proceeds received pursuant to policies of insurance (including 50% of the proceeds of business interruption insurance in excess of $1,500,000) or by way of deferred payment of principal pursuant to a note, installment receivable or otherwise, but only as and when received) received by any Loan Party pursuant to such Asset Disposition net of (i) the direct costs relating to such sale, transfer or other disposition (including sales commissions and legal, accounting and investment banking fees), (ii) taxes paid or reasonably estimated by Borrower to be payable as a result thereof (after taking into account any available tax credits or deductions and any tax sharing arrangements), including any Tax Distributions as a result thereof, (iii) principal amount, premium (whether due at maturity, or upon acceleration of maturity for any reason including automatic acceleration triggered by a bankruptcy filing) or penalty, if any, interest and other amounts on any Debt secured by a Lien on the asset subject to such Asset Disposition (other than the Loans), (iv) amounts provided as a reserve, in accordance with GAAP, against any liabilities under any indemnification obligations or purchase price adjustment associated with such Asset Disposition (provided that, to the extent and at the time any such amounts are released from such reserve, such amounts shall constitute Net Cash Proceeds); provided, that (A) no net cash proceeds calculated in accordance with the foregoing realized in a transaction or series of related transactions shall constitute Net Cash Proceeds under this clause (a) unless such net cash proceeds shall exceed $500,000 in any Fiscal Year (and thereafter only net cash proceeds in excess of such amount shall constitute Net Cash Proceeds under this clause (a)) and (B) if the Borrower intends in good faith to use any portion of such proceeds to acquire, maintain, develop, construct, improve, upgrade or repair assets useful in the Loan Parties' business (so long as Administrative Agent has a first priority and perfected Lien on any newly-acquired asset, subject to Permitted Liens), in each case within 180 days of such receipt, such portion of such proceeds shall not constitute Net Cash Proceeds except to the extent

not, within 180 days of such receipt, so used or contractually committed to be so used (it being understood that if any portion of such proceeds are not so used within such 180 day period but within such 180 day period are contractually committed to be used, then upon the termination of such contract or if such Net Cash Proceeds are not so used within the later of such 180 day period and 180 days from the entry into such contractual commitment, such remaining portion shall constitute Net Cash Proceeds as of the date of such termination or expiry without giving effect to this proviso;

(b) with respect to any issuance of Capital Securities, the aggregate cash proceeds received by any Loan Party pursuant to such issuance, net of the direct fees, expenses, and costs relating to such issuance (including sales and underwriters' commissions); and

(c) with respect to any issuance of Debt, the aggregate cash proceeds received by any Loan Party pursuant to such issuance, net of the direct fees, expenses, and costs of such issuance (including up-front, underwriters' and placement fees).

"Non-Consenting Lender" is defined in Section 15.1.

"Non-Excluded Taxes" means any Taxes other than Excluded Taxes.

"Non-U.S. Lender" is defined in Section 7.6(d).

"Non-Use Fee Rate" means 0.50% per annum.

"Note" means a promissory note substantially in the form of Exhibit A.

"Notice of Borrowing" is defined in Section 2.2.2.

"Obligations" means all obligations (monetary (including post-petition interest, allowed or not) or otherwise) of any Loan Party under this Agreement and any other Loan Document including Attorney Costs and any reimbursement obligations of each Loan Party in respect of Letters of Credit, all Hedging Obligations permitted hereunder which are owed to any Lender (or its Affiliates) or Administrative Agent, and all other Bank Products Obligations, all in each case howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, now or hereafter existing, or due or to become due. Notwithstanding the foregoing, "Obligations" shall not include any Excluded Swap Obligations.

"OFAC" is defined in Section 9.22(b).

"Operating Lease" means any lease of (or other agreement conveying the right to use) any real or personal property by any Loan Party, as lessee, other than any Capital Lease.

"Original Closing Date" means September 29, 2017.

"Original Purchase Agreements" means that certain (i) Unit Purchase and Contribution Agreement, dated as of the Original Closing Date, by and among Holdings, as buyer, Montgomery Ventures Investments II, LLC, as seller, St. Gregory Holdco, LLC, a Delaware limited liability company, and the STG Principals (as defined therein) named therein, (ii) the CB

Purchase Agreement and (iii) Asset Purchase Agreement by and among AKT Franchise, LLC, Xponential Fitness, AKT inMotion Inc., and Anna Kaiser dated March 22, 2018, (iv) Asset Purchase Agreement by and among Row House Franchise, LLC, Row House Holdings, Inc., the persons identified therein as Equityholders, and Debra Strougo, as Selling Parties' Representative dated December 8, 2017, and (v) Asset Purchase Agreement by and among Stretch Lab Franchise, LLC, Stretch Lab, LLC, the persons identified therein as Equityholders, and Saul C. Janson, as Selling Parties' Representative (as defined therein), dated November 15, 2017.

"Original Related Agreements" means the Original Purchase Agreements, the Original Securities Purchase Agreement, the Club Pilates Purchase Agreement, the Management Agreement, the Assignment and Assumption Agreement, the Management Agreement Assignment Agreement and all agreements, instruments and documents executed or delivered in connection therewith and the Original Transactions.

"Original Related Transactions" means the acquisitions consummated pursuant to the Original Related Agreements.

"Original Securities Purchase Agreement" means that certain Securities Purchase Agreement dated as of June 28, 2018, by and among TPG Growth III Fitness, L.P., TPG Growth III BDH, L.P., H&W Investco BL Feeder LP and H&W Investco LP.

"Original Term A Loan Commitment" means, as to any Lender, such Lender's commitment to make the Existing Term Loan under the Existing Credit Agreement. The amount of each Lender's Original Term A Loan Commitment is set forth on Annex A.

"Original Transactions" means (a) the borrowing of the Loans on June 28, 2018, (b) the consummation of the acquisitions under the Original Purchase Agreements and the other transactions contemplated thereby and (c) the payment of any transaction costs in connection with the foregoing.

"Other Connection Taxes" is defined in the definition of Excluded Taxes.

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to any assignment by a Lender (other than an assignment made at the request of any Loan Party).

"Paid in Full" means, with respect to any Obligations, (a) the payment in full in cash of all Obligations (other than (x) Obligations arising pursuant to Letters of Credit, Hedging Obligations and Bank Product Obligations, and (y) contingent indemnification obligations not due and payable), (b) Hedging Obligations have been paid to the extent then due and payable and any continuing Hedging Obligation collateralized in a manner reasonably acceptable to the Lender to whom such Hedging Obligations are owed or terminated, (c) Bank Products Obligations have been paid in cash to the extent then due and payable, and arrangements reasonably satisfactory to the applicable Bank Product provider shall have been made or such

arrangements shall have been terminated), (d) the termination of all Commitments and (e) in connection with the termination of the Revolving Commitment, either (i) the cancellation and return to Administrative Agent of all Letters of Credit or (ii) the Cash Collateralization (or other credit support reasonably acceptable to Issuing Lender and Administrative Agent) of all Letters of Credit.

"Participant" is defined in Section 15.6.2.

"Participant Register" is defined in Section 15.6.2.

"Patriot Act" is defined in Section 15.16.

"PB Acquisition Agreement" means that certain Agreement and Plan of Merger, dated as of the date hereof, by and among Holdings, Merger Sub, Barre Holdco, the unitholders identified therein and CP Barre Holdings, Inc., a Delaware corporation.

"PBGC" means the Pension Benefit Guaranty Corporation and any entity succeeding to any or all of its functions under ERISA.

"Pension Plan" means a "pension plan", as such term is defined in Section 3(2) of ERISA, which is subject to Title IV of ERISA or the minimum funding standards of ERISA (other than a Multiemployer Pension Plan), and as to which Borrower has any current or contingent liability, including any liability by reason of being considered a single employer with any other member of the Controlled Group, by reason of having been a substantial employer within the meaning of Section 4063 of ERISA at any time during the preceding five years, or by reason of being deemed to be a contributing sponsor under Section 4069 of ERISA.

"Perfection Certificate" means a perfection certificate executed and delivered to Administrative Agent by a Loan Party.

"Permitted Acquisition" means any Acquisition of a health and wellness franchise by the Borrower or any other Loan Party if (a) unless Administrative Agent agrees otherwise, Administrative Agent shall have received written notice of a proposed Permitted Acquisition not less than ten (10) Business Days prior to the consummation thereof, together with each of the following: (A) a copy of the acquisition agreement (together with schedules and exhibits) and any other material related documents, (B) all financial statements of Target and auditors' opinions thereon, if any, made available to any Loan Party, (C) with respect to any Acquisition with an aggregate purchase price equal to or in excess of $350,000, pro forma financial statements of Holdings and its Subsidiaries after giving effect to the consummation of the proposed Permitted Acquisition, (D) a Compliance Certificate demonstrating on a pro forma basis, after giving effect to the consummation of the proposed Permitted Acquisition, (I) compliance with the covenant set forth in Section 11.14.1 hereof, (II) a Total Debt to EBITDA Ratio of not greater than the Total Debt to EBITDA Ratio required pursuant to Section 11.14.2 for the most recently ended measurement period, and (III) a Total Debt to EBITDA Ratio of not greater than 5.25:1.00, (E) upon request of Administrative Agent, such environmental audits with respect to the proposed Permitted Acquisition to the extent such materials have been made available to Loan Parties and (F) a quality of earnings report to the extent the aggregate purchase price for such proposed Acquisition exceeds $1,000,000; (b) upon

reasonable request of Administrative Agent, Loan Parties will make available to Administrative Agent all customary due diligence materials with respect to the proposed Permitted Acquisition to the extent such materials have been made available to Loan Parties, together with such other material diligence information as Administrative Agent may reasonably request; (c) such Permitted Acquisition shall be structured as (i) an asset acquisition by Borrower or another Loan Party, (ii) a merger or amalgamation of the Target with and into Borrower or another Loan Party, with Borrower or such Loan Party as the surviving entity in such merger or amalgamation, (iii) a purchase of no less than 50.1% of the Capital Securities (both economic and voting interests) of the Target by Borrower or another Loan Party provided 100% of the Capital Securities of Target shall be pledged as collateral security in favor of Administrative Agent or (iv) a purchase of no less than 80% but no more than 99.9% of the Capital Securities (both economic and voting interests) of the Target by Borrower or another Loan Party for which such Borrower or such Loan Party goes not pledge such Capital Securities as collateral security in favor of the Administrative Agent, provided that the aggregate amount payable in connection with such Permitted Acquisitions ((including all transaction costs, all Debt, liabilities and Contingent Obligations incurred or assumed and the maximum amount of any earn-out or comparable payment obligation in connection therewith (it being agreed that any such earn-out or comparable payment obligation shall be subject to a maximum amount), whether or not reflected on a consolidated balance sheet of Borrower and Target) shall not exceed $2,000,000 during the term of this Agreement (such Permitted Acquisition, a "Permitted JV Acquisition"); (d) such Permitted Acquisition shall involve assets principally located in the United States (and, in connection with the acquisition of the Capital Securities of a Target, such Target shall be organized under the laws of a state within the United States); provided that an aggregate of up to $750,000 of consideration may be paid in connection with (x) Permitted Acquisitions involving assets outside of the United States and (y) the acquisition of the Capital Securities of a Target organized under the laws of a jurisdiction other than the United States; (e) such proposed Permitted Acquisition shall be consensual, shall have been approved by the Target's board of directors (or comparable governing board) and shall be consummated in accordance in material compliance with all applicable Laws; (f) at or prior to the closing of any such proposed Permitted Acquisition (or such later date as to which Administrative Agent may agree in its reasonable discretion), all actions required to be taken with respect to such acquired Subsidiary or acquired assets under Section 10.9 shall have been taken in accordance therewith (to the extent required); (g) all amounts payable in connection with all Permitted Acquisitions ((including all transaction costs, all Debt, Contingent Liabilities incurred or assumed and the maximum amount of any earn-out or comparable payment obligation in connection therewith (it being agreed that any such earn-out or comparable payment obligation shall be subject to a maximum amount), whether or not reflected on a consolidated balance sheet of Borrower and Target) shall not exceed $6,500,000 with respect to all Permitted Acquisitions consummated by Loan Parties during any Fiscal Year, and shall not exceed $15,000,000 with respect to all Permitted Acquisitions consummated by Loan Parties during the term hereof (excluding amounts funded from the Available Amount); (h) the Target shall have for the trailing twelve (12) month period preceding the date of the applicable proposed Permitted Acquisition, EBITDA (as defined on the Compliance Certificate) of not less than zero, in each case as determined based upon the Target's financial statements for its most recently completed fiscal year and its most recent interim financial period completed within sixty (60) days prior to the date of consummation of such proposed Permitted Acquisition; (i) after giving effect to the consummation of such proposed

Permitted Acquisition, the Revolving Loan Availability minus the Revolving Outstandings is equal to or greater than $1,000,000; and (j) at the time of such Permitted Acquisition and after giving effect thereto, no Default or Event of Default has occurred and is continuing.

"Permitted Dividends" means any distribution permitted under Section 11.4(f).

"Permitted Earn-Out" means with respect to any Person, obligations of such Person arising from the Related Transactions, the Original Related Transactions or a Permitted Acquisition which are payable based on the achievement of specified financial results over time and are subject to subordination terms (or a subordination agreement in favor of Administrative Agent and Lenders) acceptable to Administrative Agent in its reasonable credit judgment. The amount of any Permitted Earn-Outs for purposes of the financial covenants set forth in this Agreement shall be the amount earned and due to be paid at such time, as determined in accordance with GAAP, and for the avoidance of doubt, shall not include any amounts, contingent or otherwise, that are not due and payable as of the date of determination.

"Permitted JV Acquisition" has the meaning ascribed to such term in the definition of Permitted Acquisition.

"Permitted Lien" means a Lien expressly permitted hereunder pursuant to Section 11.2.

"Permitted Securities Issuance" means any issuance of Capital Securities (a) to the Sponsor or any other existing holder of Capital Securities, (b) in connection with the Borrower's exercise of the Cure Right pursuant to Section 13.4, (c) pursuant to any employee or director option program, benefit plan or compensation program, plan or agreement, (d) issued pursuant to preemptive rights appertaining to any of the foregoing issuances, (e) any issuance by a Subsidiary to Borrower or another Subsidiary in accordance with Section 11.4 or (f) the Net Cash Proceeds of which are used to fund Permitted Acquisitions, Existing Earn-Out Obligations, working capital needs of Borrower and its Subsidiaries, Investments permitted hereunder and Capital Expenditures.

"Permitted Seller Debt" means unsecured debt incurred in accordance with Section 11.1(t) and in connection with a Permitted Acquisition, payable to the seller in connection therewith and containing subordination terms (or subject to a subordination agreement in favor of Administrative Agent and Lenders) and other terms and conditions acceptable to Administrative Agent in its reasonable credit judgment.

"Person" means any natural person, corporation, partnership, trust, limited liability company, unlimited liability company, association, governmental authority or unit, or any other entity, whether acting in an individual, fiduciary or other capacity.

"Post-Closing Cash Payments" means the Post-Closing Cash Payment as defined in that certain Asset Purchase Agreement, dated as of March 22, 2018, by and among AKT Franchise, LLC, as Purchaser, AKT inMotion Inc., as Seller and Anna Kaiser, as equityholder.

"PPSA" means the Personal Property Security Act, R.S.O. 1990, c.P.10, as now and hereafter in effect, or any successor statute, or any similar or equivalent legislation of any

Canadian province or territory the laws of which are required by such legislation to be applied in connection with the validity, perfection, enforcement or effect of security interests.

"Prime Rate" means, for any day, the rate of interest in effect for that day equal to the prime rate in the United States as reported from time to time in The Wall Street Journal (or other authoritative source selected by Administrative Agent in its sole discretion), or as Prime Rate is otherwise determined by Administrative Agent in its sole and absolute discretion. Administrative Agent's determination of the Prime Rate will be conclusive, absent manifest error. Any change in the Prime Rate will take effect at the opening of business on the day of that change. In the event The Wall Street Journal (or any other authoritative source) publishes a range of "prime rates," the Prime Rate will be the highest of the "prime rates."

"Pro Rata Share" means:

(a) with respect to a Lender's obligation to make Revolving Loans, participate in Letters of Credit, reimburse the Issuing Lenders, and receive payments of principal, interest, fees, costs, and expenses with respect thereto, (x) prior to the Revolving Commitment being terminated or reduced to zero, the percentage obtained by dividing (i) such Lender's Revolving Commitment, by (ii) the aggregate Revolving Commitment of all Lenders and (y) from and after the time the Revolving Commitment has been terminated or reduced to zero, the percentage obtained by dividing (i) the aggregate unpaid principal amount of such Lender's Revolving Outstandings by (ii) the aggregate unpaid principal amount of all Revolving Outstandings;

(b) with respect to a Lender's obligation to make a Term Loan and receive payments of interest, fees, and principal with respect thereto, (x) prior to the making of the Term Loans, the percentage obtained by dividing (i) such Lender's Term Loan Commitment, by (ii) the aggregate amount of all Lenders' Term Loan Commitments, and (y) from and after the making of the Term Loans, the percentage obtained by dividing (i) the principal amount of such Lender's Term Loan by (ii) the principal amount of all Term Loans of all Lenders;

(c) with respect to a Lender's obligation to make an Additional Term A Loan, the percentage obtained by dividing (i) such Lender's Additional Term A Loan Commitment, by (ii) the aggregate amount of all Lenders' Additional Term A Loan Commitments; and

(d) with respect to all other matters as to a particular Lender, the percentage obtained by dividing (i) such Lender's Revolving Commitment plus such Lender's Term Loan Commitment, by (ii) the aggregate amount of Revolving Commitment of all Lenders plus the Term Loan Commitment of all Lenders; provided that in the event all the Commitments have been terminated or reduced to zero, Pro Rata Share shall be the percentage obtained by dividing (a) the principal amount of such Lender's Revolving Outstandings plus the unpaid principal amount of such Lender's Term Loan by (b) the principal amount of all outstanding Revolving Outstandings plus the unpaid principal amount of all Term Loans of all Lenders.

"Purchaser" is defined in the recitals of this Agreement.

"Pure Barre" means, collectively, Barre Holdco, LLC, PB Franchising, LLC, Pure Barre, LLC (f/k/a PB Holdco, LLC), Barre Midco, LLC, PB 1001, LLC, PB 1002, LLC, PB 1005, LLC, PB 1006, LLC, PB 1007, LLC, PB 1012, LLC, PB 1016, LLC, PB 1018, LLC, PB 1020, LLC,

PB 1021, LLC, PB 1029, LLC, PB 1035, LLC, PB 1042, LLC, PB OPCO, LLC, PBH 1001, LLC, and PB Product, LLC, each a Delaware limited liability company.

"Qualified Cash" means cash of any Loan Party on deposit in a Deposit Account subject to a Deposit Account control agreement in favor of Administrative Agent and, in form and substance reasonably acceptable to Administrative Agent, but not to exceed $5,000,000.

"Qualified Equity Interests" means any Capital Securities that are not Disqualified Equity Interests.

"Reaffirmation Agreement" means that certain Reaffirmation Agreement dated as of the date hereof among Administrative Agent and the Loan Parties.

"Real Estate Documents" means, with respect to any owned real property not subject to a Permitted Lien of Borrower or any Loan Party, all of the following (except to the extent waived by Administrative Agent in its sole discretion): (a) a duly executed Mortgage providing for a first priority perfected Lien, in favor of Administrative Agent, in all right, title and interest of Borrower or such Subsidiary in such real property, subject to Permitted Liens; (b) an ALTA Loan Title Insurance Policy issued by an insurer reasonably acceptable to Administrative Agent, insuring Administrative Agent's first priority Lien (subject to Permitted Liens) on such real property and containing such endorsements as Administrative Agent may reasonably require (it being understood that the amount of coverage, exceptions to coverage and status of title set forth in such policy shall be reasonably acceptable to Administrative Agent); (c) copies of all documents of record concerning such real property as shown on the commitment for the title insurance policy referred to above; (d) original or certified copies of all insurance policies required to be maintained with respect to such real property by this Agreement, the applicable Mortgage or any other Loan Document; (e) a survey certified to Administrative Agent meeting such standards as Administrative Agent may reasonably establish and otherwise reasonably satisfactory to Administrative Agent; (f) a flood insurance policy concerning such real property, if required by the Flood Disaster Protection Act of 1973; and (g) an appraisal, prepared by an independent appraiser reasonably acceptable to Administrative Agent, of such parcel of real property or interest in real property, which appraisal shall satisfy the requirements of the Financial Institutions Reform, Recovery and Enforcement Act, if applicable, and shall evidence compliance with the supervisory loan-to-value limits set forth in the Federal Deposit Insurance Corporation Improvement Act of 1991, if applicable.

"Reference Date" is defined in the definition of Available Amount.

"Register" is defined in Section 15.7.

"Regulation D" means Regulation D of the FRB.

"Regulation U" means Regulation U of the FRB.

"Related Agreements" means the Original Purchase Agreements, the PB Acquisition Agreement, the Club Pilates Purchase Agreement, Management Agreement, the Assignment and Assumption Agreement, the Management Agreement Assignment Agreement and all

agreements, instruments and documents executed or delivered in connection therewith and the Transactions.

"Related Transactions" means the acquisitions to be consummated on the Closing Date pursuant to the Purchase Agreements.

"Reportable Event" means a reportable event as defined in Section 4043(c) of ERISA and the regulations issued thereunder as to which the PBGC has not waived the notification requirement of Section 4043(a) by applicable regulation.

"Required Lenders" means, at any time, Lenders whose Pro Rata Shares exceed 51% as determined pursuant to clause (d) of the definition of "Pro Rata Share"; provided that the Pro Rata Shares held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

"Restricted Payment" is defined in Section 11.4.

"Revolving Commitment" means, as to any Lender, such Lender's commitment to make Revolving Loans (including Incremental Revolving Loans, if any), and to issue or participate in Letters of Credit, under this Agreement. The initial amount of each Lender's Revolving Commitment is set forth on Annex A. The initial aggregate amount of the Revolving Commitments of all Lenders is $10,000,000.

"Revolving Loan" is defined in Section 2.1.1.

"Revolving Loan Availability" means the lesser of (i) the Revolving Commitments of all Lenders and (ii) Borrowing Availability.

"Revolving Outstandings" means, at any time, the sum of (a) the aggregate principal amount of all outstanding Revolving Loans, plus (b) the Stated Amount of all Letters of Credit.

"RHF" means Row House Franchise, LLC, a Delaware limited liability company.

"RHT" means Row House Tustin, LLC, a Delaware limited liability company.

"S415" means Shred415 Franchising LLC, a Delaware limited liability company.

"Seller" is defined in the recitals of this Agreement.

"Senior Officer" means, with respect to any Loan Party, any of the president, the chief executive officer, the chief or other senior financial officer or the treasurer of such Loan Party.

"SLF" means Stretch Lab Franchise, LLC, a Delaware limited liability company.

"Specified Event of Default" means an Event of Default arising under any of the following Sections hereof: (i) Section 13.1.1, (ii) Section 13.1.4 or (iii) Section 13.1.5 resulting solely from Borrower's failure to comply with Section 10.1.1, 10.1.2 or 11.14.

"Sponsor" means collectively, H&W Investco LP, any of its affiliated investment funds under their common control (excluding any of their portfolio companies) and any blocker corporations and splitter partnerships through which any of the foregoing hold their interest in Holdings.

"Sponsor Side Letter" means (i) that certain letter agreement between TPG Growth III Fitness, L.P., Holdings and Administrative Agent dated as of the Original Closing Date and (ii) that certain letter agreement between Sponsor and Administrative Agent dated as of June 28, 2018.

"Stated Amount" means, with respect to any Letter of Credit at any date of determination, (a) the maximum aggregate amount available for drawing thereunder under any and all circumstances plus (b) the aggregate amount of all unreimbursed payments and disbursements under such Letter of Credit.

"STGH" means St. Gregory Holdco, LLC, a Delaware limited liability company.

"Subsidiary" means, with respect to any Person, a corporation, partnership, limited liability company or other entity of which such Person owns, directly or indirectly, such number of outstanding Capital Securities as have more than 50% of the ordinary voting power for the election of directors or other managers of such corporation, partnership, limited liability company or other entity. Unless the context otherwise requires, each reference to Subsidiaries herein shall be a reference to Subsidiaries of Borrower.

"Swap Obligation" means any Hedging Obligation that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act, as amended from time to time.

"Target" means the Person, or business or substantially all of the assets of a Person, acquired in an Acquisition.

"Tax Distributions" means the tax distributions based on the operations of the Borrower and its Subsidiaries that are required to be made under the Holdings LLC Agreement (as in effect on the Original Closing Date) calculated using a tax rate equal to the lesser of the highest marginal rate of any member of Holdings and 50% (and, for the avoidance of doubt, taking into account the effect of any deduction under Section 199A of the Code).

"Taxes" means any and all present and future taxes, duties, levies, imposts, deductions, assessments, fees, charges or withholdings imposed by any governmental authority, and any and all liabilities (including interest and penalties and other additions to taxes) with respect to the foregoing.

"Term A Loan" is defined in Section 2.1.2.

"Term Loan Commitment" means, collectively, the Original Term A Loan Commitment and the Additional Term A Loan Commitment.

"Term Loan Maturity Date" means the earlier of (a) October 25, 2023 or (b) the Termination Date.

"Term Loans" means the Term A Loans and any Incremental Term Loans.

"Termination Date" means the earlier to occur of (a) October 25, 2023, or (b) such other date on which the Commitments terminate pursuant to Section 6 or Section 13.

"Termination Event" means, with respect to a Pension Plan, (a) a Reportable Event, (b) the withdrawal of Borrower or any other member of the Controlled Group from such Pension Plan during a plan year in which Borrower or any other member of the Controlled Group was a "substantial employer" as defined in Section 4001(a)(2) of ERISA, (c) the termination of such Pension Plan, the filing of a notice of intent to terminate the Pension Plan or the treatment of an amendment of such Pension Plan as a termination under Section 4041 of ERISA, (d) the institution by the PBGC of proceedings to terminate such Pension Plan or (e) any event or condition that would constitute grounds under Section 4042 of ERISA for the termination of, or appointment of a trustee to administer, such Pension Plan.

"Total Debt" means all Debt of Loan Parties, determined on a consolidated basis, excluding (a) contingent obligations in respect of Contingent Liabilities (except to the extent constituting (i) Contingent Liabilities in respect of Debt of a Person other than any Loan Party or (ii) Contingent Liabilities in respect of undrawn letters of credit), (b) Hedging Obligations, (c) Debt of Borrower to other Loan Parties and Debt of other Loan Parties to other Loan Parties or Borrower, (d) the Existing Earn-Out Obligations and Permitted Earn-Outs and (e) Contingent Liabilities set forth on Schedule 11.1 as of the Closing Date.

"Total Debt to EBITDA Ratio" means, as of the last day of any Fiscal Quarter, the ratio of (a) Total Debt as of such day minus Qualified Cash as of such day to (b) EBITDA for the Computation Period ending on such day.

"Total Plan Liability" means, at any time, the present value of all vested and unvested accrued benefits under all Pension Plans, determined as of the then most recent valuation date for each Pension Plan, using the plan's ongoing actuarial assumptions.

"Transactions" means (a) the borrowing of the Loans hereunder on the Closing Date, (b) the consummation of the acquisitions under the Purchase Agreements and the other transactions contemplated thereby and (c) the payment of any transaction costs in connection with any of the foregoing.

"UCC" is defined in the Guaranty and Collateral Agreement.

"Unfunded Liability" means the amount (if any) by which the present value of all vested and unvested accrued benefits under all Pension Plans exceeds the fair market value of all assets allocable to those benefits, all determined as of the then most recent valuation date for each Pension Plan, using the plan's ongoing actuarial assumptions.

"Wholly-Owned Subsidiary" means, as to any Person, a Subsidiary all of the Capital Securities of which (except directors' qualifying Capital Securities) are at the time directly or indirectly owned by such Person and/or another Wholly-Owned Subsidiary of such Person. Unless the context otherwise requires, each reference to Wholly-Owned Subsidiaries shall be a reference to Wholly-Owned Subsidiaries of Borrower.

"Withholding Certificate" is defined in Section 7.6(d).

"Working Capital" means as to Borrower and its Subsidiaries on a consolidated basis Current Assets less Current Liabilities.

"Working Capital Adjustment" means the excess or loss of Working Capital determined as at the end of the Fiscal Year over the Working Capital for the prior Fiscal Year.

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which writedown and conversion powers are described in the EU Bail-In Legislation Schedule.

"Yoga Six" means Yoga Six Franchise, LLC, a Delaware limited liability company.

1.2. Other Interpretive Provisions.

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) Section, Annex, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(c) The term "including" is not limiting and means "including without limitation."

(d) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including"; the words "to" and "until" each mean "to but excluding", and the word "through" means "to and including."

(e) In the determination or computation of dates for delivery or performance, if the date determined or calculated for delivery or performance as set forth in this Agreement is not a Business Day, then the date for performance or delivery shall be the next succeeding Business Day.

(f) Unless otherwise expressly provided herein, (i) references to agreements (including this Agreement and the other Loan Documents) and other contractual instruments shall be deemed to include all subsequent amendments, restatements, supplements and other modifications thereto, but only to the extent such amendments, restatements, supplements and other modifications are not prohibited by the terms of any Loan Document, and (ii) references to any statute or regulation shall be construed as including all statutory and regulatory provisions amending, replacing, supplementing or interpreting such statute or regulation.

(g) This Agreement and the other Loan Documents may use several different limitations, tests or measurements to regulate the same or similar matters. All such limitations, tests and measurements are cumulative and each shall be performed in accordance with its terms; provided that in the event of a conflict, the provisions of this Agreement control unless expressly stated otherwise in such other Loan Document.

(h) This Agreement and the other Loan Documents are the result of negotiations among and have been reviewed by counsel to Administrative Agent, Borrower, the Lenders and the other parties thereto and are the products of all parties. Accordingly, they shall not be construed against Administrative Agent or the Lenders merely because of Administrative Agent's or Lenders' involvement in their preparation.

(i) Any reference in any of the Loan Documents to a Permitted Lien is not intended to subordinate or postpone, and shall not be interpreted as subordinating or postponing, or as any agreement to subordinate or postpone, any Lien created by any of the Loan Documents to any Permitted Lien.

(j) A Default or Event of Default will be deemed to exist at all times during the period commencing on the date that Default or Event of Default occurs to the date on which that Default or Event of Default is waived in writing pursuant to this Agreement or, in the case of a Default, is cured within any period of cure expressly provided for in this Agreement, and an Event of Default will "continue" or be "continuing" until that Event of Default has been waived in writing by the Required Lenders.

(k) For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Capital Securities at such time.

1.3. Accountingand Other Terms.

(a) Unless otherwise expressly provided in this Agreement, each accounting term used in this Agreement has the meaning given it under GAAP applied on a basis consistent with those used in preparing the Financial Statements and using the same inventory valuation method as used in the financial statements, except for any change required or permitted by GAAP if Borrowers' certified public accountants concur in that change, the change is disclosed and consented to by Administrative Agent, and Section 11.14 is amended in a manner satisfactory to Administrative Agent to take into account the effects of the change. Notwithstanding the foregoing, it is understood and agreed that for all purposes hereunder the recognition of franchise fee income (including without limitation related income arising out of equipment sales the proceeds of which have been received by the Loan Parties) by the Loan Parties is not consistent with GAAP and it is agreed that franchise fee income will continue to be recognized at the time of signing of a new franchise agreement consistent with past practices until such time as consented to in writing by the Administrative Agent in its sole discretion. Following December 31, 2018 franchise fee income will be recognized as required by GAAP (including with respect to the guidance under ASC 606) for purposes of the GAAP Compliant Financial Statements although for all other purposes hereunder (including, without limitation, calculation of financial covenants) franchise fee income shall continue to be treated as specified in the foregoing sentence.

(b) All terms used in this Agreement which are defined in Article 8 or Article 9 of the UCC or the PPSA, as applicable, and which are not otherwise defined in this Agreement have the same meanings in this Agreement as set forth therein, except that terms used in this Agreement which are defined in the UCC as in effect in the New York on the date of this Agreement will continue to have the same meaning notwithstanding any replacement or amendment of that statute except as Administrative Agent may otherwise determine.

(c) Whenever pro forma effect is to be given to a Permitted Acquisition, the pro forma calculations shall be made in good faith by a Senior Officer of the Borrower and may include, for the avoidance of doubt, (i) the amount of "run-rate" cost savings, operating expense reductions and cost synergies projected by the Borrower in good faith to result from or relating to any Permitted Acquisition which is being given pro forma effect that have been realized or are expected to be realized and for which the actions necessary to realize such cost savings, operating expense reductions and cost synergies are taken, committed to be taken or with respect to which substantial steps have been taken or are expected to be taken (in the good faith determination of the Borrower) (calculated on a pro forma basis as though such cost savings, operating expense reductions and cost synergies had been realized on the first day of such period and as if such cost savings, operating expense reductions and cost synergies were realized during the entirety of such period and "run-rate" means the full recurring benefit for a period that is associated with any action taken, committed to be taken or with respect to which substantial steps have been taken or are expected to be taken (including any savings expected to result from the elimination of a public target's compliance costs with public company requirements) net of the amount of actual benefits realized during such period from such actions, and any such adjustments shall be included in the initial pro forma calculations of such financial ratios or tests and during any subsequent test period in which the effects thereof are expected to be realized) relating to such Transaction; *provided* that (A) such amounts are reasonably identifiable and factually supportable in the good faith judgment of the Borrower, (B) such actions are taken, committed to be taken or with respect to which substantial steps have been taken or are expected to be taken no later than twelve (12) months after the date of such Transaction, (C) recommended (in reasonable detail) by any due diligence quality of earnings report conducted by an unaffiliated nationally recognized independent financial advisor retained by Borrower and (D) no amounts shall be added to the extent duplicative of any amounts that are otherwise added back in computing EBITDA (or any other components thereof), whether through a pro forma adjustment or otherwise, with respect to such period, and (ii) pro forma adjustments which are directly attributable to such event or events that are factually supportable, and are reasonably expected to have a continuing impact on Holdings, Intermediate Holdings, Borrower and its Subsidiaries, and which are (x) recommended (in reasonable detail) by any due diligence quality of earnings report conducted by an unaffiliated nationally recognized independent financial advisor retained by Borrower, (y) determined on a basis consistent with Article 11 of Regulation S-X promulgated under the Exchange Act and as interpreted by the staff of the Securities and Exchange Commission (or any successor agency), or (z) otherwise determined in such other manner reasonably acceptable to the Administrative Agent); provided, all such amounts pursuant to this Section 1.3(c) shall be subject to the limitations set forth in clauses (a)(vii) and (viii) of the definition of EBITDA.

SECTION 2
COMMITMENTS OF THE LENDERS; BORROWING, CONVERSION AND LETTER OF CREDIT PROCEDURES.

2.1. Commitments. On and subject to the terms and conditions of this Agreement, each of the Lenders, severally and for itself alone, agrees to make loans to, and to issue or participate in letters of credit for the account of, Borrower as follows:

2.1.1. Revolving Commitment. Each Lender with a Revolving Commitment agrees to make loans on a revolving basis (including any Incremental Revolving Loans, "Revolving Loans") from time to time and Borrower may repay such Revolving Loans without prepayment or penalty from time to time until the Termination Date in such Lender's Pro Rata Share of such aggregate amounts as Borrower may request from all Lenders; provided that the Revolving Outstandings will not at any time exceed Revolving Loan Availability. The Commitments of the Lenders to make Revolving Loans will expire on the Termination Date.

2.1.2. Existing Term Loans; Additional Term A Loan Commitment.

(a) Prior to the date hereof, the Lenders made the Existing Term A Loans in the aggregate principal amount of $75,000,000, of which an aggregate principal amount of $69,667,893.77 was outstanding immediately prior to the Closing Date. Each Lender, as applicable, agrees to maintain outstanding to Borrower hereunder the Existing Term A Loans made by such Lender. Each Lender with an Additional Term A Loan Commitment as of the Closing Date agrees to make an additional term loan to Borrower (each such loan, individually and collectively, "Additional Term A Loan " and together with the Existing Term A Loans, individually and collectively " Term A Loan ") on the Closing Date in the aggregate amount of such Lender's Pro Rata Share of the aggregate amount of the Additional Term A Loan Commitments of all Lenders. The Commitments of the Lenders to make Additional Term A Loans shall expire concurrently with the making of such Additional Term A Loan on the Closing Date. Additional Term A Loans, whether or not repaid prior to the Term Loan Maturity Date, may not be re-borrowed. After giving effect to the Additional Term A Loan funded on the Closing Date, the parties hereto agree that the total outstanding principal amount of Term A Loan on the Closing Date is $135,000,000.

2.1.3. L/C Commitment. Subject to Section 2.3.1, each Issuing Lender agrees to issue letters of credit, in each case containing such terms and conditions as are permitted by this Agreement and are reasonably satisfactory to such Issuing Lender (each, a "Letter of Credit"), at the request of and for the account of Borrower from time to time before the scheduled Termination Date and, as more fully set forth in Section 2.3.2, each Lender with a Revolving Commitment agrees to purchase a participation in each such Letter of Credit; provided that (a) the aggregate Stated Amount of all Letters of Credit shall not at any time exceed $500,000 and (b) the Revolving Outstandings shall not at any time exceed Revolving Loan Availability.

2.2. Loan Procedures

2.2.1. Type of Loans. Each Revolving Loan shall be, and each Term Loan shall be, a LIBOR Loan, subject to Section 8 and Section 2.2.2(c). LIBOR Loans having the same

Interest Period which expire on the same day are sometimes called a "Group" or collectively "Groups". All borrowings and repayments of Loans shall be effected so that each Lender will have a ratable share (according to its Pro Rata Share) of all Groups of Loans.

2.2.2. Borrowing Procedures.

(a) Borrower Representative shall give written notice (each such written notice, a "Notice of Borrowing") substantially in the form of Exhibit D or telephonic notice (followed immediately by a Notice of Borrowing) to Administrative Agent and each Lender with a Revolving Commitment of each proposed borrowing not later than 12:00 P.M., Chicago time, at least three (3) Business Days (or such shorter period as is agreed by the Required Lenders) prior to the proposed date of such borrowing, or in the case of Term Loans, on the Closing Date. Each such notice shall be effective upon receipt by Administrative Agent, shall be irrevocable, and shall specify the date and amount of borrowing. On the requested borrowing date, each Lender with a Revolving Commitment shall provide Borrower with immediately available funds covering such Lender's Pro Rata Share of such borrowing so long as the applicable Lender has not received written notice that the conditions precedent set forth in Section 12 with respect to such borrowing have not been satisfied. After Administrative Agent's receipt of the proceeds of the applicable Loans from Lenders with applicable Commitments, Administrative Agent shall make the proceeds of those Loans available to Borrower on the applicable borrowing date by transferring to Borrower immediately available funds equal to the proceeds received by Administrative Agent. Each Base Rate borrowing must be on a Business Day. Each borrowing shall be in an aggregate amount of at least $100,000. Each Lender with a Revolving Commitment hereby agrees, upon request of Administrative Agent, to deliver to Administrative Agent a list of all Revolving Loans made by such Lender, together with such information related thereto as Administrative Agent may reasonably request. Borrower Representative may not deliver a Notice of Borrowing more than six (6) times in any month.

(b) Borrower Representative shall give a Notice of Borrowing or telephonic notice (followed immediately by a Notice of Borrowing) to Administrative Agent of each proposed Additional Term A Loan borrowing not later than 12:00 P.M., Chicago time, at least three (3) Business Days (or such later time as Administrative Agent may agree to) prior to the proposed date of such borrowing. Each such notice shall be effective upon receipt by Administrative Agent, shall be irrevocable, and shall specify the date and amount of borrowing. On the requested borrowing date, each Lender with an Additional Term A Loan Commitment shall provide Borrower with immediately available funds covering such Lender's Pro Rata Share of such borrowing so long as the applicable Lender has not received written notice from Administrative Agent that the conditions precedent set forth in Section 12 with respect to such borrowing have not been satisfied. Each borrowing shall be on a Business Day. Each borrowing shall be in an aggregate amount of at least $1,000,000 and an integral multiple of $100,000. Each Lender with an Additional Term A Loan Commitment hereby agrees, upon request of Administrative Agent, to deliver to Administrative Agent a list of all Additional Term A Loans made by such Lender, together with such information related thereto as Administrative Agent may reasonably request.

(c) Unless payment is otherwise timely made by Borrower, the becoming due of any Obligations (whether principal, interest, fees or other charges) will be deemed to be a

request for a Base Rate borrowing of a Revolving Loan on the due date, in the amount of those Obligations. The proceeds of those Revolving Loans will be disbursed as direct payment of the relevant Obligations. In addition, Administrative Agent may, at its option, charge when due any Obligations against any operating, investment or other account of any Borrower maintained with Administrative Agent or any of its Affiliates.

2.3. Letter of Credit Procedures.

2.3.1. L/C Applications. Borrower shall execute and deliver to each Issuing Lender each Master Letter of Credit Agreement from time to time in effect with respect to such Issuing Lender. Borrower Representative shall give notice to Administrative Agent and the applicable Issuing Lender of the proposed issuance of each Letter of Credit on a Business Day which is at least three Business Days (or such lesser number of days as Required Lenders and such Issuing Lender shall agree in any particular instance in their sole discretion) prior to the proposed date of issuance of such Letter of Credit. Each such notice shall be accompanied by an L/C Application, duly executed by Borrower and in all respects satisfactory to Administrative Agent and the applicable Issuing Lender, together with such other documentation as Administrative Agent or such Issuing Lender may request in support thereof, it being understood that each L/C Application shall specify, among other things, the date on which the proposed Letter of Credit is to be issued, the expiration date of such Letter of Credit (which shall not be later than the scheduled Termination Date (unless such Letter of Credit is Cash Collateralized)) and whether such Letter of Credit is to be transferable in whole or in part. Any Letter of Credit outstanding after the scheduled Termination Date which is Cash Collateralized for the benefit of an Issuing Lender shall be the sole responsibility of such Issuing Lender. So long as the applicable Issuing Lender has not received written notice that the conditions precedent set forth in Section 12 with respect to the issuance of such Letter of Credit have not been satisfied, such Issuing Lender shall issue such Letter of Credit on the requested issuance date. Each Issuing Lender shall promptly advise Administrative Agent of the issuance of each Letter of Credit and of any amendment thereto, extension thereof or event or circumstance changing the amount available for drawing thereunder. In the event of any inconsistency between the terms of any Master Letter of Credit Agreement, any L/C Application and the terms of this Agreement, the terms of this Agreement shall control.

2.3.2. Participations in Letters of Credit. Concurrently with the issuance of each Letter of Credit, the applicable Issuing Lender shall be deemed to have sold and transferred to each Lender with a Revolving Commitment, and each such Lender shall be deemed irrevocably and unconditionally to have purchased and received from such Issuing Lender, without recourse or warranty, an undivided interest and participation, to the extent of such Lender's Pro Rata Share, in such Letter of Credit and Borrower's reimbursement obligations with respect thereto. If Borrower does not pay any reimbursement obligation when due, Borrower shall be deemed to have immediately requested that the Lenders with Revolving Commitments make a Revolving Loan in a principal amount equal to such reimbursement obligations. Administrative Agent shall promptly notify such Lenders of such deemed request and, without the necessity of compliance with the requirements of Section 2.2.2, Section 12.2 or otherwise such Lender shall make available to the applicable Issuing Lender its Pro Rata Share of such Loan for the account of Borrower in satisfaction of such reimbursement obligations. For the purposes of this Agreement, the unparticipated portion of each Letter of Credit shall be deemed to be the applicable Issuing

Lender's "participation" therein. Each Issuing Lender hereby agrees, upon request of Administrative Agent or any Lender, to deliver to Administrative Agent or such Lender a list of all Letters of Credit issued by such Issuing Lender, together with such information related thereto as Administrative Agent or such Lender may reasonably request.

2.3.3. Reimbursement Obligations.

(a) Borrower hereby unconditionally and irrevocably agrees to reimburse each Issuing Lender for each payment or disbursement made by such Issuing Lender under any Letter of Credit honoring any demand for payment made by the beneficiary thereunder, in each case on the date that such payment or disbursement is made. Any amount not reimbursed on the date of such payment or disbursement shall bear interest from the date of such payment or disbursement to the date that the applicable Issuing Lender is reimbursed by Borrower therefor, payable on demand, at a rate per annum equal to the Base Rate from time to time in effect plus the Applicable Margin for Revolving Loans that are Base Rate Loans plus, beginning on the third Business Day after receipt of notice from such Issuing Lender of such payment or disbursement, 2%. Each Issuing Lender shall notify Borrower and Administrative Agent whenever any demand for payment is made under any Letter of Credit by the beneficiary thereunder; provided that the failure of an Issuing Lender to so notify Borrower or Administrative Agent shall not affect the rights of such Issuing Lender or the Lenders in any manner whatsoever.

(b) Borrower's reimbursement obligations hereunder shall be irrevocable and unconditional under all circumstances, including (a) any lack of validity or enforceability of any Letter of Credit, this Agreement or any other Loan Document, (b) the existence of any claim, set-off, defense or other right which any Loan Party may have at any time against a beneficiary named in a Letter of Credit, any transferee of any Letter of Credit (or any Person for whom any such transferee may be acting), Administrative Agent, the Issuing Lenders, any Lender or any other Person, whether in connection with any Letter of Credit, this Agreement, any other Loan Document, the transactions contemplated herein or any unrelated transactions (including any underlying transaction between any Loan Party and the beneficiary named in any Letter of Credit), (c) the validity, sufficiency or genuineness of any document which an Issuing Lender has determined complies on its face with the terms of the applicable Letter of Credit, even if such document should later prove to have been forged, fraudulent, invalid or insufficient in any respect or any statement therein shall have been untrue or inaccurate in any respect, or (d) the surrender or impairment of any security for the performance or observance of any of the terms hereof. Without limiting the foregoing, no action or omission whatsoever by Administrative Agent or any Lender (excluding any Lender in its capacity as an Issuing Lender) under or in connection with any Letter of Credit or any related matters shall result in any liability of Administrative Agent or any Lender to Borrower, or relieve Borrower of any of its obligations hereunder to any such Person.

2.3.4. Funding by Lenders to Issuing Lender. If any Issuing Lender makes any payment or disbursement under any Letter of Credit and (a) Borrower has not reimbursed such Issuing Lender in full for such payment or disbursement by 10:00 A.M., Chicago time, on the date of such payment or disbursement, (b) a Revolving Loan may not be made in accordance with Section 2.3.2 or (c) any reimbursement received by such Issuing Lender from Borrower is or must be returned or rescinded upon or during any bankruptcy or reorganization of Borrower or

otherwise, each other Lender with a Revolving Commitment shall be obligated to pay to the applicable Issuing Lender, in full or partial payment of the purchase price of its participation in such Letter of Credit, its Pro Rata Share of such payment or disbursement (but no such payment shall diminish the obligations of Borrower under Section 2.3.3), and, upon notice from such Issuing Lender, Administrative Agent shall promptly notify each other Lender thereof. Each other Lender with a Revolving Commitment irrevocably and unconditionally agrees to so pay the applicable Issuing Lender in immediately available funds the amount of such other Lender's Pro Rata Share of such payment or disbursement. If and to the extent any such Lender shall not have made such amount available to the applicable Issuing Lender by 2:00 P.M., Chicago time, on the Business Day on which such Lender receives notice from Administrative Agent of such payment or disbursement (it being understood that any such notice received after noon, Chicago time, on any Business Day shall be deemed to have been received on the next following Business Day), such Lender agrees to pay interest on such amount to the applicable Issuing Lender forthwith on demand, for each day from the date such amount was to have been delivered to the applicable Issuing Lender to the date such amount is paid, at a rate per annum equal to (a) for the first three days after demand, the Federal Funds Rate from time to time in effect and (b) thereafter, the Base Rate from time to time in effect. Any Lender's failure to make available to the applicable Issuing Lender its Pro Rata Share of any such payment or disbursement shall not relieve any other Lender of its obligation hereunder to make available to the applicable Issuing Lender such other Lender's Pro Rata Share of such payment, but no Lender shall be responsible for the failure of any other Lender to make available to the applicable Issuing Lender such other Lender's Pro Rata Share of any such payment or disbursement.

2.4. Commitments Several. The failure of any Lender to make a requested Loan on any date shall not relieve any other Lender of its obligation (if any) to make a Loan on such date, but no Lender shall be responsible for the failure of any other Lender to make any Loan to be made by such other Lender.

2.5. Certain Conditions. Except as otherwise provided in Section 2.3.4 of this Agreement, no Lender shall have an obligation to make any Loan, and no Issuing Lender shall have any obligation to issue any Letter of Credit, if an Event of Default or Default exists.

2.6. Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

2.6.1. Fees shall cease to accrue on the unfunded portion of the Revolving Commitment of such Defaulting Lender pursuant to Section 5.1.

2.6.2. If any Letters of Credit are outstanding at the time a Lender becomes a Defaulting Lender then:

(a) all or any part of the Defaulting Lender's obligation to participate in Letters of Credit shall be reallocated among the non-Defaulting Lenders with Revolving Commitments in accordance with their respective Pro Rata Shares as determined pursuant to clause (a) of the definition of "Pro Rata Share" but only to the extent (x) the sum of all non-Defaulting Lenders' Revolving Outstandings plus such Defaulting Lender's obligation to

participate in Letters of Credit does not exceed the total of all non-Defaulting Lenders' Commitments and (y) the conditions set forth in Section 12.2 are satisfied at such time; and

(b) if the reallocation described in clause (a) above cannot, or can only partially, be effected, Borrower shall within one Business Day following notice by Administrative Agent Cash Collateralize such Defaulting Lender's obligation to participate in Letters of Credit (after giving effect to any partial reallocation pursuant to clause (a) above) in accordance with the procedures set forth in Section 2.3.1 for so long as such obligation to participate in Letters of Credit is outstanding;

(c) if Borrower Cash Collateralizes any portion of such Defaulting Lender's obligation to participate in Letters of Credit pursuant to Section 2.6.2, Borrower shall not be required to pay any fees to such Defaulting Lender pursuant to Section 5.2 with respect to such Defaulting Lender's obligation to participate in Letters of Credit during the period such Defaulting Lender's obligation to participate in Letters of Credit is Cash Collateralized;

(d) if the obligation to participate in Letters of Credit of the non-Defaulting Lenders is reallocated pursuant to Section 2.6.2, then the fees payable to the Lenders pursuant to Section 5.1 and Section 5.2 shall be adjusted in accordance with such non-Defaulting Lenders' Pro Rata Shares (as determined pursuant to clause (a) of the definition of "Pro Rata Share");

(e) if any Defaulting Lender's obligation to participate in Letters of Credit is neither Cash Collateralized nor reallocated pursuant to Section 2.6.2, then, without prejudice to any rights or remedies of any Issuing Lender or any Lender hereunder, all letter of credit fees payable under Section 5.2 with respect to such Defaulting Lender's obligation to participate in Letters of Credit shall be payable to the applicable Issuing Lender until such obligation to participate in Letters of Credit is Cash Collateralized and/or reallocated; and

(f) Subject to Section 15.21, no reallocation under this Section 2.6.2 will constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a non-Defaulting Lender as a result of that non-Defaulting Lender's increased exposure following that reallocation.

2.6.3. So long as any Lender is a Defaulting Lender, no Issuing Lender shall be required to issue, amend or increase any Letter of Credit, unless it is satisfied that the related exposure will be 100% covered by the Commitments of the non-Defaulting Lenders with Revolving Commitments and/or cash collateral will be provided by Borrower in accordance with Section 2.6.2, and participating interests in any such newly issued or increased Letter of Credit shall be allocated among non-Defaulting Lenders in a manner consistent with Section 2.6.2(a) (and Defaulting Lenders shall not participate therein).

2.6.4. In the event that Administrative Agent, Borrower and the applicable Issuing Lender(s) each agree in writing that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the obligations to participate in Letters of Credit of the Lenders shall be readjusted to reflect the inclusion of such Lender's Commitment and on such date such Lender shall purchase at par such of the Loans of the other

Lenders as Administrative Agent determines is necessary in order for such Lender to hold such Loans in accordance with its Pro Rata Share (as determined pursuant to clause (a) of the definition of "Pro Rata Share").

2.6.5. Any amount payable to a Defaulting Lender hereunder (whether on account of principal, interest, fees or otherwise and including any amount that would otherwise be payable to such Defaulting Lender pursuant to Section 7.5 but excluding Section 8.7(b)) shall, in lieu of being distributed to such Defaulting Lender, be retained by Administrative Agent and, subject to any applicable requirements of law, be applied at such time or times as may be determined by Administrative Agent (i) first, to the payment of any amounts owing by such Defaulting Lender to Administrative Agent hereunder, (ii) second, pro rata, to the payment of any amounts owing by such Defaulting Lender to the Issuing Lender(s) hereunder, (iii) third, to the funding of any Revolving Loan or the funding or Cash Collateralization of any participating interest in any Letter of Credit in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by Administrative Agent, (iv) fourth, if so determined by Administrative Agent and Borrower, held as cash collateral for future funding obligations of the Defaulting Lender under this Agreement, (v) fifth, pro rata, to the payment of any amounts owing to Borrower or the Lenders as a result of any judgment of a court of competent jurisdiction obtained by Borrower or any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement, and (vi) sixth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided, that if such payment is (x) a prepayment of the principal amount of any Loans or reimbursement obligations in respect of draws under Letters of Credit with respect to which the Issuing Lender has funded its participation obligations and (y) made at a time when the conditions set forth in Section 12.2 are satisfied, such payment shall be applied solely to prepay the Loans of, and reimbursement obligations owed to, all Revolving Lenders that are not Defaulting Lenders pro rata prior to being applied to the prepayment of any Loans, or reimbursement obligations owed to, any Defaulting Lender.

2.6.6. No Defaulting Lender shall have any right to approve or disapprove any amendment, waiver, consent or any other action the Lenders or the Required Lenders have taken or may take hereunder (including any consent to any amendment or waiver pursuant to Section 15.1), provided that any waiver, amendment or modification requiring the consent of all Lenders or each directly affected Lender which affects such Defaulting Lender differently than other affected Lenders shall require the consent of such Defaulting Lender.

2.7. Increase in Commitments.

2.7.1. Borrower may by written notice to Administrative Agent (each, an "Increase Notice"), seek an increase to the existing (i) Term Loan Commitment (each an "Incremental Term Loan Commitment", and each Term Loan provided thereunder in accordance with the terms and conditions of this Section 2.7.1, an "Incremental Term Loan") or (ii) Revolving Commitment (each an "Incremental Revolving Loan Commitment", and each additional Revolving Loan provided thereunder in accordance with the terms of conditions of this Section 2.7.1, an "Incremental Revolving Loan") by an amount not in excess of $35,000,000 in the aggregate (of which not more than $5,000,000 may consist of increases to the Revolving Loan Commitment), so long as, on a pro forma basis on the date of incurrence, immediately after

giving effect to the incurrence of any such Incremental Loan Commitment (assuming the full amount of any such concurrently established Incremental Revolving Commitment is drawn) and after giving effect to any transactions consummated in connection therewith, (x) the Total Debt to EBITDA Ratio for the most recently completed fiscal quarter with respect to which the Administrative Agent has received financial statements pursuant to Section 10.1.2, shall be equal to or less than the lesser of (1)(A) 4.25 to 1.00 with respect to any Incremental Loan the proceeds of which will be used to fund a Permitted Dividend or (B) 5.25 with respect to any Incremental Loan the proceeds of which will be used for a purpose permitted by Section 2.7.2(iv) other than Permitted Dividends and (2) the applicable compliance level for the most recently ended Fiscal Quarter less 0.25 and (y) with respect to any Incremental Loan the proceeds of which will be used to fund a Permitted Dividend, EBITDA shall be at least $32,000,000 calculated for the trailing twelve (12)-month period ending on the last day of the most recently completed fiscal quarter with respect to which the Administrative Agent has received financial statements pursuant to Section 10.1.2. Administrative Agent shall promptly deliver a copy of such Increase Notice to each Lender. Each such Increase Notice shall specify (i) the amount of the requested Incremental Revolving Loan Commitment or Incremental Term Loan Commitment, as applicable, and (ii) the date on which the Incremental Loan Commitment is intended to be effective (each, an "Increase Effective Date"), which shall be a date not less than 10 Business Days after the date on which such Increase Notice is delivered to Administrative Agent (or such shorter time period as agreed to in writing by Administrative Agent).

2.7.2. Such Incremental Loan Commitment shall become effective as of such Increase Effective Date; so long as the following terms are satisfied:

(i) both immediately before and after giving effect to such Incremental Loan Commitment, no Event of Default shall have occurred and be continuing;

(ii) no Event of Default shall exist as of the date of funding of such Incremental Loan;

(iii) as certified by an authorized officer of the Borrower, all representations and warranties of Borrower and the other Loan Parties set forth in this Agreement and the other Loan Documents are true and correct in all material respects with the same effect as if then made, without duplication of any "materiality" or "Material Adverse Effect" qualifiers (except to the extent such representations and warranties expressly relate to a specific earlier date, in which case such representations and warranties shall be true and correct in all material respects (without duplication of any "materiality" or "Material Adverse Effect" qualifiers) as of such earlier date) as of the Increase Effective Date;

(iv) the proceeds of such Incremental Term Loans shall be used solely to fund Capital Expenditures, Investments, Permitted Acquisitions and Permitted Dividends, in each case to the extent permitted hereunder and the proceeds of such Incremental Revolving Loans shall be used for working capital and general corporate needs;

(v) the initial "yield" (including any original issue discount or similar yield-related discounts, deductions or payments, but excluding any customary arrangement, structuring, underwriting, amendment or similar fees in connection therewith that are not paid to all of the Lenders of such Incremental Loan Commitment) of the Incremental Loan Commitments shall be no greater than one-half percent (0.50%) per annum higher than the combined "yield" for the Term Loans (including any prior Incremental Term Loans), respectively, provided however, the Borrowers may request an increase of the "yield" on the Term Loans in order to comply with this clause (v), which Administrative Agent shall approve;

(vi) the maturity date of the Incremental Term Loans shall be as set forth in the Incremental Term Loan Joinder Agreement; provided that, such date shall not be earlier than the Term Loan Maturity Date;

(vii) the weighted average life to maturity of any Incremental Term Loan shall be equal to the weighted average life to maturity of the Term Loans (except to the extent of nominal amortization for periods where amortization has been eliminated as a result of prepayment of Term Loans prior to such date of determination);

(viii) the Incremental Term Loans shall rank pari passu in right of payment and rank pari passu in right of security with the Obligations;

(ix) the terms and provisions of additional Revolving Loans made under any Incremental Revolving Commitment shall be identical to those of the existing Revolving Loans;

(x) shall not be secured by property other than the Collateral or be incurred or guaranteed by any Person other than a Loan Party; and

(xi) Administrative Agent shall have provided its prior written consent with respect to any Incremental Loan Commitment, to be granted or denied in the Administrative Agent's sole discretion.

2.7.3. The Borrower agrees that no Lender shall have any obligation to provide an Incremental Loan Commitment. No Incremental Loan Commitment shall become effective until all existing and/or new Lenders committing to such Incremental Loan Commitment have delivered to Administrative Agent a writing in form reasonably satisfactory to Administrative Agent pursuant to which such existing Lenders and/or new Lenders state the amount of their Incremental Term Loan Commitment, or Incremental Revolving Loan Commitment, as applicable, and agree to assume and accept the obligations and rights of a Lender hereunder; provided that no new Lenders may become Lenders hereunder or commit to provide any of the Incremental Loan Commitment except with the prior written consent of the Administrative Agent, to be granted or denied in the Administrative Agent's sole discretion. Upon the Increase Effective Date, pursuant to this Section 2.7, Annex A shall be deemed amended and replaced with a new Annex A reflecting the new Commitments hereunder and, to the extent the pricing on the Term Loans is increased pursuant to this Section 2.7, the definition of Applicable Margin and any other relevant definitions shall be deemed amended to reflect such pricing increase.

2.7.4. At least five (5) Business Days prior to the applicable Increase Effective Date, the Borrower Representative shall provide Administrative Agent with a written offer to the Lenders (which offer Administrative Agent shall promptly deliver to the Lenders) to commit to the applicable Incremental Term Loan Commitment, (i) first on a pro rata basis to Lenders, which each Lender may in its sole and absolute discretion accept or decline (it being understood that any Lender not affirmatively committing in writing to its pro rata portion, within five (5) Business Days after the delivery thereof, shall be deemed to have declined) and (ii) second, if any Lender has declined its pro rata share or any part thereof, such remaining amounts on a non-pro rata basis to the Lenders accepting their pro rata share of such requested Incremental Term Loan Commitment. Within five (5) Business Days of Administrative Agent's receipt of such offer from Borrower, Administrative Agent shall deliver to Borrower written notice from any Lenders committing to the requested Incremental Loan Commitment pursuant to which such Lenders shall state the amount of their Incremental Term Loan Commitment or Incremental Revolving Loan Commitment, as applicable. If following the application of the two immediately preceding sentences, some or all of the Lenders do not agree to fund the entire requested Incremental Loan Commitment, Borrower may propose new lender(s), which new lender(s) must be a Person which would be an eligible assignee pursuant to Section 15.6 hereof, to which Borrower proposes to offer the remaining requested Incremental Term Loan Commitment and request Administrative Agent's consent (within three (3) Business Days following receipt of such request, Administrative Agent shall provide written notice to Borrower indicating that such proposed new lender(s) is or is not acceptable to Administrative Agent (which consent shall be provided or withheld at the sole discretion of the Administrative Agent).

2.7.5. Other than with respect to pricing, margins, interest rate floors, fees and original issue discount, amortization and maturity date (which may be later but not before), the terms and provisions of any Incremental Term Loans shall be identical to the Term Loans existing immediately prior to giving effect to any such Incremental Term Loan; provided that representations, warranties, covenants and events of default with respect to such Incremental Term Loan may be inconsistent with the Term Loans (including all prior Incremental Term Loans) so long as, if any such representation, warranty, covenant or event of default is in addition to, or more restrictive than, those applicable to the Term Loans (including all prior Incremental Term Loans), either (x) such Term Loans shall receive the benefit of any such additional or more restrictive representation, warranty, covenant or event of default or (y) such representations, warranties, covenants or events of default shall be effective after the maturity date applicable to the Term Loans (including all prior Incremental Term Loans).

2.7.6. Unless otherwise specifically provided herein, all references in the Loan Documents (a) to Term Loans shall be deemed, unless the context otherwise requires, to include references to Incremental Term Loans and (b) to Revolving Loans shall be deemed, unless the context otherwise requires, to include references to any additional Revolving Loans provided under any Incremental Revolving Commitment.

2.7.7. Any amendments to this Agreement or any other Loan Document to reflect the incurrence of and terms and conditions of any Incremental Loans in accordance with the terms and conditions hereof, shall require the approval of Administrative Agent and participating Lenders but shall not require the approval any Lenders not providing any such Incremental Revolving Loans or Incremental Term Loans, as applicable.

2.7.8. The Incremental Loan Commitments and Incremental Loans shall be entitled to all the benefits afforded by, this Agreement and the other Loan Documents, and shall, without limiting the foregoing, benefit equally and ratably from the Collateral Documents.

SECTION 3
EVIDENCING OF LOANS.

3 . 1 . Notes. At a Lender's request, the Loans of such Lender shall be evidenced by a Note, with appropriate insertions, payable to such Lender and its registered assigns in a face principal amount equal to the sum of such Lender's Revolving Commitment plus the principal amount of such Lender's Term Loans.

3.2. Recordkeeping. Administrative Agent, on behalf of each Lender, shall record in its records, the date and amount of each Loan made by each Lender, each repayment or conversion thereof and, in the case of each LIBOR Loan, the dates on which each Interest Period for such Loan shall begin and end. The aggregate unpaid principal amount so recorded shall be rebuttably presumptive evidence of the principal amount of the Loans owing and unpaid. The failure to so record any such amount or any error in so recording any such amount shall not, however, limit or otherwise affect the Obligations of Borrower hereunder or under any Note to repay the principal amount of the Loans hereunder, together with all interest accruing thereon.

SECTION 4
INTEREST.

4 . 1 . Interest Rates. Borrower agrees to pay interest on the unpaid principal amount of each Loan for the period commencing on the date of such Loan until such Loan is paid in full as follows:

(a) at all times while such Loan is a Base Rate Loan, at a rate per annum equal to the sum of the Base Rate from time to time in effect plus the Applicable Margin for Base Rate Loans; and

(b) at all times while such Loan is a LIBOR Loan, at a rate per annum equal to the sum of the LIBOR Rate applicable to each Interest Period for such Loan plus the Applicable Margin for LIBOR Loans;

provided that, upon the occurrence and during the continuance of an Event of Default, upon the election of the Required Lenders, the interest rate applicable to each Loan shall be increased by 2% (and, in the case of Obligations not bearing interest, such Obligations shall bear interest at 2% per annum), provided further that such increase may thereafter be rescinded by the Administrative Agent and Required Lenders, notwithstanding Section 15.1. Notwithstanding the foregoing, upon the occurrence of an Event of Default under Sections 13.1.1 or 13.1.4, such increase and such bearing of interest shall occur automatically. In no event shall interest payable by Borrower to any Lender hereunder exceed the maximum rate permitted under applicable law, and if any such provision of this Agreement is in contravention of any such law, such provision shall be deemed modified to limit such interest to the maximum rate permitted under such law.

4 . 2 . Interest Payment Dates. Accrued interest on each Base Rate Loan shall be payable in arrears on the last Business Day of each calendar month, upon a prepayment of such Loan and at maturity. Accrued interest on each LIBOR Loan shall be payable in arrears on the last Business Day of each calendar month and on the last day of the Interest Period with respect thereto, upon a prepayment of such Loan, and at maturity. After maturity, and at any time an Event of Default exists, overdue interest on all Loans shall be payable on demand. Borrower hereby authorizes Administrative Agent to, and Administrative Agent may, from time to time, charge the Loan Account pursuant to Section 7.1.2 with the amount of any interest payment due under this Agreement.

4.3. Setting and Notice of LIBOR Rates/Replacement of LIBOR Rate.

4.3.1. The applicable LIBOR Rate for each Interest Period shall be determined by Administrative Agent. Each determination of the applicable LIBOR Rate by Administrative Agent shall be conclusive and binding upon the parties hereto, in the absence of demonstrable error.

4.3.2. Replacement of LIBOR Rate. If at any time the Administrative Agent determines (which determination shall be conclusive absent manifest error) a specific date after which the LIBOR Rate shall no longer be used for determining interest rates for loans, then the Administrative Agent and the Borrower shall endeavor to establish an alternate rate of interest to the LIBOR Rate that gives due consideration to the then prevailing market convention for determining a rate of interest for loans similar to the Loans in the United States at such time, and shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable (but for the avoidance of doubt, such related changes shall not include a reduction of the Applicable Margin). Notwithstanding anything to the contrary in Section 15.1, such amendment shall become effective without any further action or consent of any other party to this Agreement so long as the Administrative Agent shall not have received, within five Business Days of the date notice of such alternate rate of interest is provided to the Lenders, a written notice from the Required Lenders stating that such Required Lenders object to such amendment.

4.4. Computation of Interest. Interest shall be computed for the actual number of days elapsed on the basis of a year of (a) 360 days for interest calculated at the LIBOR Rate and (b) 365/366 days for interest calculated at the Base Rate. The applicable interest rate for each Base Rate Loan shall change simultaneously with each change in the Base Rate and the applicable interest rate for each LIBOR Loan will change simultaneously with each change in the LIBOR Rate.

For purposes of the Interest Act (Canada), whenever any interest or fee under this Agreement is calculated using a rate based on a number of days less than a full year, such rate determined pursuant to such calculation, when expressed as an annual rate, is equivalent to (a) the applicable rate based on a year of 360 days, as the case may be, (b) multiplied by the actual number of days in the calendar year in which the period for which such interest or fee is payable (or compounded) ends, and (c) divided by the number of days based on which such rate is calculated.

If any provision of this Agreement or of any of the other Loan Documents would obligate any Loan Party to make any payment of interest or other amount payable to any Lender in an amount or calculated at a rate which would be prohibited by applicable law or would result in a receipt by such Lender of interest at a criminal rate (as such terms are construed under the Criminal Code (Canada)) then, notwithstanding such provisions, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by applicable law or so result in a receipt by such Lender of interest at a criminal rate, such adjustment to be effected, to the extent necessary, as follows: firstly, by reducing the amount or rate of interest required to be paid to such Lender and thereafter, by reducing any fees, commissions, premiums and other amounts required to be paid.

SECTION 5
FEES.

5.1. Non-Use Fee. Borrower agrees to pay to Administrative Agent for the account of each Lender with a Revolving Commitment (except as provided in Section 2.6) a non-use fee, for the period from the Closing Date to the Termination Date, at the Non-Use Fee Rate in effect from time to time of such Lender's Pro Rata Share (as adjusted from time to time) of the average daily unused amount of the Revolving Commitments. For purposes of calculating usage under this Section, the Revolving Commitments shall be deemed used to the extent of Revolving Outstandings. Such non-use fee shall be payable in arrears on the last Business Day of each calendar quarter and on the Termination Date for any period then ending for which such non-use fee shall not have previously been paid. The non-use fee shall be computed for the actual number of days elapsed on the basis of a year of 360 days.

5.2. Letter of Credit Fees.

(a) Except as provided in Section 2.6, Borrower agrees to pay to Administrative Agent for the account of each Lender with a Revolving Commitment (except as provided in Section 2.6) a letter of credit fee for each Letter of Credit equal to the L/C Fee Rate of such Lender's Pro Rata Share (as adjusted from time to time) of the undrawn amount of such Letter of Credit (computed for the actual number of days elapsed on the basis of a year of 360 days); provided that, upon the occurrence and during the continuance of an Event of Default, upon the election of the Required Lenders, the rate applicable to each Letter of Credit shall be increased by 2% per annum. Such letter of credit fee shall be payable in arrears on the last day of each calendar quarter and on the Termination Date (or such later date on which such Letter of Credit expires or is terminated) for the period from the date of the issuance of each Letter of Credit (or the last day on which the letter of credit fee was paid with respect thereto) to the date such payment is due or, if earlier, the date on which such Letter of Credit expired or was terminated.

(b) In addition, with respect to each Letter of Credit, except as provided in Section 2.6, Borrower agrees to pay to any Issuing Lender, for its own account, (i) such fees and expenses as such Issuing Lender customarily requires in connection with the issuance, negotiation, processing and/or administration of

letters of credit in similar situations and (ii) a letter of credit fronting fee in the amount and at the times agreed to by Borrower and such Issuing Lender.

5.3. Prepayment Fees. If Borrower shall pay or prepay all or any portion of the Term Loans pursuant to Section 6.2.1 prior to the second anniversary of the Closing Date, whether by voluntary prepayment by Borrower, by reason of a mandatory prepayment pursuant to Section 6.2.2 (excluding Section 6.2.2(a)(iv), (v) and (vi)), by reason of the occurrence of an Event of Default or the acceleration of the Term Loans and whether before or after acceleration of the Obligations, Borrower shall pay to Administrative Agent, for the benefit of Lenders as liquidated damages and compensation for the costs of being prepared to make funds available hereunder a fee (the "Prepayment Fee") in an amount equal to the Applicable Percentage (as defined below) multiplied by the principal amount of the Term Loans prepaid or paid after acceleration. As used herein, the term "Applicable Percentage" shall mean (x) two percent (2%), in the case of a prepayment on or prior to the first anniversary of the Closing Date; and (y) one percent (1%), in the case of a prepayment after the first anniversary of the Closing Date but on or prior to the second anniversary of the Closing Date. The Loan Parties agree that the Applicable Percentages are a reasonable calculation of Lenders' lost profits in view of the difficulties and impracticality of determining actual damages resulting from an early termination of the Term Loans. Notwithstanding the foregoing, in the event Borrower consummates an acquisition or investment involving a Target for cash consideration in excess of the greater of (i) 75% of the enterprise value of the Loan Parties as of the Closing Date and (ii) 75% of the enterprise value of the Loan Parties as of the date of such acquisition or investment prior to the first anniversary of the Closing Date, Borrower shall have the right to prepay the Term Loans (x) subject to an early termination fee of one percent (1%) multiplied by the principal amount of the Term Loans prepaid or paid after acceleration if Borrower has offered Agent and Lenders an opportunity to provide a new term loan facility for such acquisition or investment on terms not less favorable than the terms of this Agreement and Agent and Lenders shall have elected not to participate in such alternate financing and (y) without paying an early termination fee if the Agent and Lenders provide the alternate financing.

5.4. Administrative Agent's Fees. Borrower agrees to pay to Administrative Agent such agent's fees as are described herein and the fees set forth in the Agent Fee Letter.

SECTION 6
REDUCTION OR TERMINATION OF THE REVOLVING COMMITMENT; PREPAYMENTS.

6.1. Reduction or Termination of the Revolving Commitment.

6.1.1. Voluntary Reduction or Termination of the Revolving Commitment. Borrower may from time to time on at least five Business Days' prior written notice (which notice may be revocable and conditional), received by Administrative Agent (which shall promptly advise each Lender thereof) permanently reduce the Revolving Commitments to an amount not less than the Revolving Outstandings (after giving effect to any concurrent repayments of Loans and terminations or cash collateralizations or other backstop of any Letter of Credit). Any such reduction shall be in an amount not less than $250,000 or a higher integral multiple of $50,000. Concurrently with any reduction of the Revolving Commitments to zero,

Borrower shall pay all interest on the Revolving Loans, all non-use fees and all letter of credit fees and shall Cash Collateralize in full or otherwise backstop in a manner satisfactory to Administrative Agent all obligations arising with respect to the outstanding Letters of Credit, if any.

6.1.2. Mandatory Reductions of Revolving Commitment. On the date of any Mandatory Prepayment Event, the Revolving Commitments shall be permanently reduced by an amount (if any) equal to the Designated Proceeds of such Mandatory Prepayment Event over the amount (if any) applied to prepay Term Loans pursuant to Section 6.2.2.

6.1.3. All Reductions of the Revolving Commitment. All reductions of the Revolving Commitments shall reduce the Revolving Commitments ratably among the Lenders according to their respective Pro Rata Shares.

6.2. Prepayments.

6.2.1. Voluntary Prepayments. Subject to Section 5.3, Borrower may from time to time prepay any or all of the Loans in whole or in part, either Term Loans and/or Revolving Loans, as selected by Borrower, without penalty or premium except as otherwise provided in Section 8.4 or any other Loan Document; provided that Borrower Representative shall give Administrative Agent (which shall promptly advise each Lender) notice thereof, which may be revocable and conditional, not later than 10:00 A.M., Chicago time, on the day of such prepayment (which shall be a Business Day), specifying the Loans to be prepaid and the date and amount of prepayment. Any such partial prepayment of the Term Loans shall be in an amount equal to $250,000 or a higher integral multiple of $50,000.

6.2.2. Mandatory Prepayments.

(a) Borrower shall make a prepayment of the Term Loans until paid in full upon the occurrence of any of the following (each a "Mandatory Prepayment Event") at the following times and in the following amounts (such applicable amounts being referred to as "Designated Proceeds"):

(i) Promptly after, and in no event more than five (5) Business Days after, the receipt by any Loan Party of any Net Cash Proceeds from any Asset Disposition made pursuant to Section 11.5(b)(ii) or (xiii), in an amount equal to 100% of such Net Cash Proceeds.

(ii) Promptly after, and in no event more than five (5) Business Days after, the receipt by any Loan Party of any Net Cash Proceeds from any issuance of Capital Securities of any Loan Party other than a Permitted Securities Issuance, in an amount equal to 100% of such Net Cash Proceeds.

(iii) Promptly after, and in no event more than five (5) Business Days after, the receipt by any Loan Party of any Net Cash Proceeds from any issuance of any Debt of any Loan Party (excluding Debt permitted by Section 11.1), in an amount equal to 100% of such Net Cash Proceeds.

(iv) Within the earlier of (x) one hundred twenty-five (125) days after the end of each Fiscal Year (commencing with the Fiscal Year ending on December 31, 2018) and (y) five (5) Business Days after Borrower's delivery of the Fiscal Year-end audited financial statements delivered pursuant to Section 10.1.1 (commencing with the Fiscal Year ending on December 31, 2018), in an amount equal to the ECF Percentage of Excess Cash Flow for such Fiscal Year minus (x) the amount of any voluntary prepayments of the revolving loans to the extent accompanied by a permanent reduction of the Commitments pursuant to Section 6.1.1 and (y) the amount of any voluntary prepayments of the Term Loans pursuant to Section 6.2.1 (excluding payments funded from the Available Amount), in each case, made during such Fiscal Year;

(v) Concurrently with the receipt by any Loan Party of any Cure Amounts pursuant to Section 13.4, in an amount equal to 100% of such Cure Amounts; and

(vi) Promptly after, and in no event more than five (5) Business Days after the receipt by any Loan Party of any Extraordinary Receipts, in an amount equal to 100% of those Extraordinary Receipts.

(b) If on any date the Revolving Outstandings exceed Revolving Loan Availability, Borrower shall promptly (and in any event within two (2) Business Days) first prepay Revolving Loans and second Cash Collateralize the outstanding Letters of Credit, in an aggregate amount sufficient to eliminate such excess; provided that any Letter of Credit that is Cash Collateralized in order to comply with this provision shall not be included in the calculation of Revolving Outstandings for purposes of determining whether Revolving Outstandings exceed Revolving Loan Availability.

(c) If on any day on which the Revolving Commitments are reduced pursuant to Section 6.1.2 the Revolving Outstandings exceeds Revolving Loan Availability, Borrower shall immediately first prepay Revolving Loans and second Cash Collateralize the outstanding Letters of Credit, in an aggregate amount sufficient to eliminate such excess; provided that any Letter of Credit that is Cash Collateralized in order to comply with this provision shall not be included in the calculation of Revolving Outstandings for purposes of determining whether Revolving Outstandings exceed Revolving Loan Availability.

6.3. Manner of Prepayments.

6.3.1. All Prepayments. Any prepayment of a LIBOR Loan on a day other than the last day of an Interest Period therefor shall include interest on the principal amount being repaid and shall be subject to Section 8.4. All prepayments of Term Loans shall be applied pro rata among the Term Loans according to the principal amounts thereof and, as to each Term Loan, voluntary prepayments shall be applied as directed by the Borrower and mandatory prepayments shall be applied pro rata to the first four installments thereof and thereafter to the remaining installments thereof (including, without limitation, the final installment thereof) on a pro rata basis.

6.4. Repayments.

6.4.1. Revolving Loans. The Revolving Loans of each Lender shall be paid in full and the Revolving Commitments shall terminate on the Termination Date.

6.4.2. Payment of Principal. On the last day of each fiscal quarter, commencing with the fiscal quarter ending December 31, 2018, the Term A Loan shall be repaid to Administrative Agent, for the benefit of the Lenders in accordance with each Lender's Pro Rata Share of the aggregate principal amount of funded Term A Loans, in an amount equal to: (a) with respect to each of the first seven full fiscal quarters after the Closing Date, one-quarter of one percent (1/4%) of the aggregate amount of Term A Loans made hereunder and (b) with respect to each fiscal quarter ending thereafter, one and one-quarter of one percent (1 1/4%) of the aggregate amount of Term A Loans made hereunder (as such amounts shall be reduced in connection with prepayments in accordance with Section 6.3.1). Unless sooner paid in full, the outstanding principal balance of the Term A Loans shall be paid in full on the Term Loan Maturity Date. The principal amounts of any Incremental Term Loan shall be repaid in installments as set forth in the applicable Incremental Term Loan Joinder Agreement.

SECTION 7
MAKING AND PRORATION OF PAYMENTS; SETOFF; TAXES.

7.1. Making of Payments.

7.1.1. All payments of principal or interest on the Note(s), and of all fees, shall be made by Borrower to Administrative Agent in immediately available funds at the office specified by Administrative Agent not later than 12:00 P.M., Chicago time, on the date due; and funds received after that hour shall be deemed to have been received by Administrative Agent on the following Business Day. Subject to Section 2.6, Administrative Agent shall promptly remit to each Lender its share of all such payments received in collected funds by Administrative Agent for the account of such Lender. All payments under Section 8.1 shall be made by Borrower directly to the Lender entitled thereto without setoff, counterclaim or other defense.

7.1.2. The Lenders and the Borrower hereby authorize Administrative Agent to, and Administrative Agent may, from time to time, charge the Loan Account of Borrower with any amount due and payable by Borrower under any Loan Document. Each of the Lenders and the Borrower agrees that Administrative Agent may make any such charges regardless of whether any Default or Event of Default has occurred and is continuing or whether any of the conditions precedent in Section 12.2 have been satisfied. Any amount charged to the Loan Account of the Borrower will be deemed a Revolving Loan under this Agreement made by the applicable Lenders to the Borrower, funded by Administrative Agent on behalf of the applicable Lenders, and subject to Section 2.1. The Lenders and the Borrower confirm that any charges that Administrative Agent may so make to the Loan Account of the Borrower as provided in this Agreement will be made as an accommodation to the Borrower and solely at Administrative Agent's discretion. Administrative Agent shall from time to time upon the request of any Lender charge the Loan Account of the Borrower with any amount due and payable under any Loan Document to that Person.

7.2. Application of Certain Payments. So long as no Event of Default has occurred and is continuing, (a) payments matching specific scheduled payments then due shall be applied

to those scheduled payments and (b) voluntary and mandatory prepayments shall be applied as set forth in Sections 6.2 and 6.3. After the occurrence and during the continuance of an Event of Default, all amounts collected or received by Administrative Agent or any Lender as proceeds from the sale of, or other realization upon, all or any part of the Collateral shall be applied as Administrative Agent shall determine in its discretion or, in the absence of a specific determination by Administrative Agent, as set forth in the Guaranty and Collateral Agreement.

7.3. Due Date Extension. If any payment of principal or interest with respect to any of the Loans, or of any fees, falls due on a day which is not a Business Day, then such due date shall be extended to the immediately following Business Day (unless, in the case of a LIBOR Loan, such immediately following Business Day is the first Business Day of a calendar month, in which case such due date shall be the immediately preceding Business Day) and, in the case of principal, additional interest shall accrue and be payable for the period of any such extension.

7.4. Setoff. All payments made by Borrower hereunder or under any Loan Documents shall be made without setoff, counterclaim, or other defense. Borrower, for itself and each other Loan Party, agrees that Administrative Agent and each Lender have all rights of set-off and bankers' lien provided by applicable law, except with respect to Excluded Accounts and the Administrative Agent and each Lender hereby waive any such rights in respect of Excluded Accounts, and in addition thereto, Borrower, for itself and each other Loan Party, agrees that at any time any Event of Default exists, Administrative Agent and each Lender may apply to the payment of any Obligations of Borrower and each other Loan Party hereunder, to the extent then due, any and all balances, credits, deposits, accounts or moneys of Borrower and each other Loan Party then or thereafter with Administrative Agent or such Lender to the extent not constituting Excluded Accounts.

7.5. Proration of Payments. Except as provided in Section 2.6, if any Lender shall obtain any payment or other recovery (whether voluntary, involuntary, by application of offset or otherwise), on account of (a) principal of or interest on any Loan (but excluding (i) any payment pursuant to Section 8 or 15.6 and (ii) payments of interest on any Affected Loan) or (b) its participation in any Letter of Credit in excess of its applicable Pro Rata Share of payments and other recoveries obtained by all Lenders on account of principal of and interest on the Loans (or such participation) then held by them, then such Lender shall purchase from the other Lenders such participations in the Loans (or sub-participations in Letters of Credit) held by them as shall be necessary to cause such purchasing Lender to share the excess payment or other recovery ratably with each of them; provided that if all or any portion of the excess payment or other recovery is thereafter recovered from such purchasing Lender, the purchase shall be rescinded and the purchase price restored to the extent of such recovery.

7.6. Taxes.

(a) All payments hereunder or under the Loan Documents (including any payment of principal, interest, or fees) to, or for the benefit, of any person shall be made by the Loan Parties free and clear of and without deduction or withholding for, or on account of, any Taxes now or hereinafter imposed by any taxing authority, except as required by applicable laws.

(b) If a Loan Party makes any payment hereunder or under any Loan Document in respect of which it is required by applicable law to deduct or withhold any Non-Excluded Taxes, such Loan Party shall increase the payment hereunder or under any such Loan Document such that after the reduction for the amount of Non-Excluded Taxes deducted or withheld (including any Non-Excluded Taxes withheld or imposed with respect to the additional payments required under this Section 7.6(b)), the amount paid to the Lenders or Administrative Agent equals the amount that was payable hereunder or under any such Loan Document had such deduction or withholding not been made. To the extent any Loan Party deducts or withholds any Taxes on payments hereunder or under any Loan Document, such Loan Party shall pay the full amount deducted or withheld to the relevant taxing authority within the time allowed for payment under applicable law and shall deliver to Administrative Agent within 30 days after it has made payment to such authority a receipt issued by such taxing authority (or other evidence satisfactory to Administrative Agent) evidencing the payment of all amounts so required to be deducted or withheld from such payment.

(c) If any Lender or Administrative Agent is required by law to make any payments of any Non-Excluded Taxes on or in relation to any amounts received or receivable hereunder or under any other Loan Document, or any Non-Excluded Tax is assessed against a Lender or Administrative Agent with respect to its activities hereunder or any other Loan Document or against amounts received or receivable hereunder or under any other Loan Document, the Loan Parties will indemnify such person, within 10 days after demand therefor, against (i) such Non-Excluded Tax, (ii) any Non-Excluded Taxes imposed as a result of the receipt of the payment under this Section 7.6(c), and (iii) any reasonable expenses arising therefrom or with respect thereto, whether or not such Non-Excluded Taxes were correctly or legally imposed or asserted by the relevant taxing authority. A certificate prepared in good faith as to the amount of such payment by such Lender or Administrative Agent shall, absent manifest error, be final, conclusive, and binding on all parties.

(d) (i) To the extent permitted by applicable law, each Lender that is not a United States person within the meaning of Code Section 7701(a)(30) (a "Non-U.S. Lender") shall deliver to Borrower and Administrative Agent on or prior to the Closing Date (or in the case of a Lender that is an Assignee, on the date of such assignment to such Lender) two accurate and complete original signed copies of IRS Form W-8BEN, W-8BEN-E, W-8ECI, W-8IMY (accompanied by appropriate attachments) or any successor or other applicable form prescribed by the IRS certifying, to the extent applicable, to such Lender's entitlement to a complete exemption from, or a reduced rate in, United States withholding tax on interest payments or other withholdable payments to be made hereunder or any Loan Document. If a Lender that is a Non-U.S. Lender is claiming a complete exemption from withholding on interest pursuant to Sections 871(h) or 881(c) of the Code, the Lender shall deliver (along with two accurate and complete original signed copies of IRS Form W-8BEN or W-8BEN-E, or, to the extent such Lender is not the beneficial owner, IRS W-8IMY, accompanied by appropriate attachments) a certificate in form and substance reasonably acceptable to Administrative Agent certifying that such Non-U.S. Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code (any such certificate, a "Withholding Certificate"). In addition, each Lender that is a Non-U.S. Lender agrees that from time to time after the

Closing Date, (or in the case of a Lender that is an Assignee, after the date of the assignment to such Lender), when a lapse in time (or change in circumstances occurs) renders the prior certificates hereunder obsolete or inaccurate in any material respect, such Lender shall, to the extent permitted under applicable law, deliver to Borrower and Administrative Agent two new and accurate and complete original signed copies of an IRS Form W-8BEN, W-8BEN-E, W-8ECI, or W-8IMY (or any successor or other applicable forms prescribed by the IRS), and if applicable, a new Withholding Certificate, to confirm or establish the entitlement of such Lender or Administrative Agent, to the extent applicable, to an exemption from, or reduction in, United States withholding tax on interest payments or other withholdable payments to be made hereunder on any Loan.

(ii) Each Lender that is not a Non-U.S. Lender shall provide two properly completed and duly executed copies of IRS Form W-9 (or any successor or other applicable form) to Borrower and Administrative Agent certifying that such Lender is exempt from United States backup withholding tax. To the extent that a form provided pursuant to this Section 7.6(d)(ii) is rendered obsolete or inaccurate in any material respect as result of expiration or a change in circumstances with respect to the status of a Lender, such Lender shall, to the extent permitted by applicable law, deliver to Borrower and Administrative Agent revised forms necessary to confirm or establish the entitlement to such Lender's or Administrative Agent's exemption from United States backup withholding tax. The Administrative Agent shall comply with this Section 7.6(d)(ii) (and be subject to Section 7.6(d)(iii)) as if it were a Lender.

(iii) Notwithstanding any provision in this Agreement to the contrary, Borrower shall not be required to pay additional amounts to a Lender, or indemnify any Lender, under this Section 7.6 to the extent that such obligations would not have arisen but for the failure of such Lender to comply with Section 7.6(d).

(iv) If a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (iv), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(e) Each Lender agrees to indemnify Administrative Agent and hold Administrative Agent harmless for the full amount of any and all present or future Taxes and related liabilities (including penalties, interest, additions to tax and expenses, and any Taxes imposed by any jurisdiction on amounts payable to Administrative Agent under this

Section 7.6) which are imposed on or with respect to principal, interest or fees payable to such Lender hereunder and which are not paid by Borrower pursuant to this Section 7.6, whether or not such Taxes or related liabilities were correctly or legally asserted. This indemnification shall be made within 10 days from the date Administrative Agent makes written demand therefor. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) If any Lender determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified by a Loan Party or with respect to which a Loan Party has paid additional amounts pursuant to this Section 7.6, it shall pay to the Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 7.6 with respect to the Taxes giving rise to such refund), net of all reasonable out-of-pocket expenses (including Taxes) incurred by such Lender, and without interest (other than any interest paid by the relevant taxing authority with respect to such refund), provided that the Loan Party, upon the request of the Lender, agrees to repay the amount paid over to the Loan Party (plus any penalties, interest or other charges imposed by the relevant Tax authority) to the Lender in the event the Lender is required to repay such refund to such Tax authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Lender be required to pay any amount to the Loan Party pursuant to this subsection the payment of which would place the Lender in a less favorable net after-Tax position than such Lender would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed to require any Lender to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to any Loan Party or any other Person.

(g) The Loan Parties shall timely pay to the relevant taxing authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(h) As soon as practicable after any payment of any Taxes by any Loan Party to a taxing authority pursuant to this Section 7.6, such Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such taxing authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(i) For purposes of this Section 7.6, the term "Lender" includes any Issuing Lender and the term "applicable law" includes FATCA.

(j) Each party's obligations under this Section 7.6 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the

replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

SECTION 8
INCREASED COSTS; SPECIAL PROVISIONS FOR LIBOR LOANS.

8.1. Increased Costs.

(a) If any Change in Law (i) imposes, modifies or deems applicable any reserve (including any reserve imposed by the FRB, but excluding any reserve included in the determination of the LIBOR Rate pursuant to Section 4), special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by any Lender; or (ii) shall impose on any Lender any other condition (excluding Taxes, which for the avoidance of doubt are addressed in Section 7.6) affecting its LIBOR Loans, its Note or its obligation to make LIBOR Loans; and the result of anything described in clauses (i) and (ii) above is to increase the cost to (or to impose a cost on) such Lender (or any LIBOR Office of such Lender) of making or maintaining any LIBOR Loan, or to reduce the amount of any sum received or receivable by such Lender (or its LIBOR Office) under this Agreement or under its Note with respect thereto, then upon demand by such Lender (which demand shall be accompanied by a statement setting forth the basis for such demand and a calculation of the amount thereof in reasonable detail, a copy of which shall be furnished to Administrative Agent), Borrower shall pay directly to such Lender such additional amount as will compensate such Lender for such increased cost or such reduction, so long as such amounts have accrued on or after the day which is 180 days prior to the date on which such Lender first made demand therefor.

(b) If any Lender shall reasonably determine that any Change in Law has or would have the effect of reducing the rate of return on any Lender's or any Person controlling such Lender's capital as a consequence of such Lender's obligations hereunder or under any Letter of Credit to a level below that which such Lender or such controlling Person could have achieved but for such change, adoption, phase-in or compliance (taking into consideration such Lender's or such controlling Person's policies with respect to capital adequacy) by an amount deemed by such Lender or such controlling Person to be material, then from time to time, upon demand by such Lender (which demand shall be accompanied by a statement setting forth the basis for such demand and a calculation of the amount thereof in reasonable detail, a copy of which shall be furnished to Administrative Agent), Borrower shall pay to such Lender such additional amount as will compensate such Lender or such controlling Person for such reduction so long as such amounts have accrued on or after the day which is 180 days prior to the date on which such Lender first made demand therefor.

8.2. Basis for Determining Interest Rate Inadequate or Unfair. If:

(a) Administrative Agent reasonably determines (which determination shall be binding and conclusive on Borrower) that by reason of circumstances affecting the interbank LIBOR market adequate and reasonable means do not exist for ascertaining the applicable LIBOR Rate; or

(b) the Required Lenders advise Administrative Agent that the LIBOR Rate as determined by Administrative Agent will not adequately and fairly reflect the cost to such Lenders of maintaining or funding LIBOR Loans for such Interest Period (taking into account any amount to which such Lenders may be entitled under Section 8.1) or that the making or funding of LIBOR Loans has become impracticable as a result of an event occurring after the date of this Agreement which in the opinion of such Lenders materially affects such Loans;

then Administrative Agent shall promptly notify the other parties thereof and, so long as such circumstances shall continue, (i) no Lender shall be under any obligation to make LIBOR Loans and (ii) on the last day of the current Interest Period for each LIBOR Loan, such Loan shall, unless then repaid in full, automatically convert to a Base Rate Loan.

8.3. Changes in Law Rendering LIBOR Loans Unlawful. If any change in, or the adoption of any new, law or regulation, or any change in the interpretation of any applicable law or regulation by any governmental or other regulatory body charged with the administration thereof, should make it (or in the good faith judgment of any Lender cause a substantial question as to whether it is) unlawful for any Lender to make, maintain or fund LIBOR Loans, then such Lender shall promptly notify each of the other parties hereto and, so long as such circumstances shall continue, (a) such Lender shall have no obligation to make a LIBOR Loan (but shall make Base Rate Loans concurrently with the making of LIBOR Loans by the Lenders which are not so affected, in each case in an amount equal to the amount of LIBOR Loans which would be made by such Lender at such time in the absence of such circumstances) and (b) on the last day of the current Interest Period for each LIBOR Loan of such Lender (or, in any event, on such earlier date as may be required by the relevant law, regulation or interpretation), such LIBOR Loan shall, unless then repaid in full, automatically convert to a Base Rate Loan. Each Base Rate Loan made by a Lender which, but for the circumstances described in the foregoing sentence, would be a LIBOR Loan (an "Affected Loan") shall remain outstanding for the period corresponding to the Group of LIBOR Loans of which such Affected Loan would be a part absent such circumstances.

8.4. Funding Losses. Borrower hereby agrees that within 30 days after demand by any Lender (which demand shall be accompanied by a statement setting forth the basis for the amount being claimed, a copy of which shall be furnished to Administrative Agent), Borrower will indemnify such Lender against any net loss or expense (other than loss of profit) which such Lender may sustain or incur (including any net loss or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund or maintain any LIBOR Loan), as reasonably determined by such Lender, as a result of (a) any payment, prepayment or conversion of any LIBOR Loan of such Lender on a date other than the last day of an Interest Period for such Loan (including any conversion pursuant to Section 8.3) or (b) any failure of Borrower to borrow, prepay, convert or continue any Loan on a date specified therefor in a notice of borrowing, prepayment, conversion or continuation pursuant to this Agreement. For this purpose, all notices to Administrative Agent pursuant to this Agreement shall be deemed to be irrevocable.

8.5. Right of Lenders to Fund through Other Offices. Each Lender may, if it so elects, fulfill its commitment as to any LIBOR Loan by causing a foreign branch or Affiliate of such Lender to make such Loan; provided that in such event for the purposes of this Agreement such

Loan shall be deemed to have been made by such Lender and the obligation of Borrower to repay such Loan shall nevertheless be to such Lender and shall be deemed held by it, to the extent of such Loan, for the account of such branch or Affiliate.

8 . 6 . Discretion of Lenders as to Manner of Funding. Notwithstanding any provision of this Agreement to the contrary, each Lender shall be entitled to fund and maintain its funding of all or any part of its Loans in any manner it sees fit, it being understood, however, that for the purposes of this Agreement all determinations hereunder shall be made as if such Lender had actually funded and maintained each LIBOR Loan during each Interest Period for such Loan through the purchase of deposits having a maturity corresponding to such Interest Period and bearing an interest rate equal to the LIBOR Rate for such Interest Period.

8.7. Mitigation of Circumstances; Replacement of Lenders.

(a) Each Lender shall promptly notify Borrower and Administrative Agent of any event of which it has knowledge which will result in, and will use reasonable commercial efforts available to it (and not, in such Lender's sole judgment, otherwise disadvantageous to such Lender) to mitigate or avoid, (i) any obligation by Borrower to pay any amount pursuant to Sections 7.6 or 8.1 or (ii) the occurrence of any circumstances described in Sections 8.2 or 8.3 (and, if any Lender has given notice of any such event described in clause (i) or (ii) above and thereafter such event ceases to exist, such Lender shall promptly so notify Borrower and Administrative Agent). Without limiting the foregoing, each Lender will designate a different funding office if such designation will avoid (or reduce the cost to Borrower of) any event described in clause (i) or (ii) above and such designation will not, in such Lender's sole judgment, be otherwise disadvantageous to such Lender.

(b) If Borrower becomes obligated to pay additional amounts to any Lender pursuant to Sections 7.6 or 8.1, or any Lender gives notice of the occurrence of any circumstances described in Sections 8.2 or 8.3, or any Lender becomes a Defaulting Lender, Borrower may designate another bank which is acceptable to Administrative Agent and the Issuing Lender in their reasonable discretion (such other bank being called a "Replacement Lender") to purchase the Loans of such Lender and such Lender's rights hereunder, without recourse to or warranty by, or expense to, such Lender, for a purchase price equal to the outstanding principal amount of the Loans payable to such Lender plus any accrued but unpaid interest on such Loans and all accrued but unpaid fees owed to such Lender and any other amounts payable to such Lender under this Agreement and any other Loan Document, and to assume all the obligations of such Lender hereunder, and, upon such purchase and assumption (pursuant to an Assignment Agreement), such Lender shall no longer be a party hereto or have any rights hereunder (other than rights with respect to indemnities and similar rights applicable to such Lender prior to the date of such purchase and assumption) and shall be relieved from all obligations to Borrower hereunder, and the Replacement Lender shall succeed to the rights and obligations of such Lender hereunder.

8.8. Conclusiveness of Statements; Survival of Provisions. Determinations and statements of any Lender pursuant to Sections 8.1, 8.2, 8.3 or 8.4 shall be conclusive absent demonstrable error. Lenders may use reasonable averaging and attribution methods in determining compensation under Sections 8.1 and 8.4, and the provisions of such Sections shall

survive repayment of the Obligations, cancellation of any Note(s), expiration or termination or Cash Collateralization of the Letters of Credit and termination of this Agreement.

SECTION 9
REPRESENTATIONS AND WARRANTIES.

To induce Administrative Agent and the Lenders to enter into this Agreement and to induce the Lenders to make Loans and participate in Letters of Credit hereunder and the Issuing Lenders to issue Letters of Credit hereunder, Borrower represents and warrants to Administrative Agent and the Lenders that on the Closing Date and on each date required by Section 12.2.1(a) of the Credit Agreement and on any other date required in any Loan Document:

9.1. Organization. Each Loan Party and its Subsidiaries is validly existing and in good standing under the laws of its jurisdiction of organization; and each Loan Party and its Subsidiaries is duly qualified to do business in each jurisdiction where, because of the nature of its activities or properties, such qualification is required, except for such jurisdictions where the failure to so qualify would not have a Material Adverse Effect.

9.2. Authorization; No Conflict. Each Loan Party is duly authorized to execute and deliver each Loan Document to which it is a party, Borrower is duly authorized to borrow monies hereunder and each Loan Party is duly authorized to perform its Obligations under each Loan Document to which it is a party. The execution, delivery and performance by each Loan Party of each Loan Document to which it is a party, and the borrowings by Borrower hereunder, do not and will not (a) require any consent or approval of any governmental agency or authority (other than any consent or approval which has been obtained and is in full force and effect), (b) conflict with (i) any provision of law, (ii) the charter, by-laws or other organizational documents of any Loan Party or (iii) any agreement, indenture, instrument or other document, or any judgment, order or decree, which is binding upon any Loan Party or any of their respective properties, except, in the case of clauses (i) and (iii), to the extent such violations would not reasonably be expected to result in a Material Adverse Effect or (c) require, or result in, the creation or imposition of any Lien on any asset of any Loan Party (other than Liens in favor of Administrative Agent created pursuant to the Collateral Documents or permitted by Section 11.2).

9.3. Validity and Binding Nature . Each of this Agreement and each other Loan Document to which any Loan Party is a party is the legal, valid and binding obligation of such Person, enforceable against such Person in accordance with its terms, subject to bankruptcy, insolvency and similar laws affecting the enforceability of creditors' rights generally and to general principles of equity.

9.4. Financial Condition. The audited consolidated financial statements of each of (i) Club Pilates Franchise, LLC and its Subsidiaries, Cycle Bar Holdco LLC and its Subsidiaries, St. Gregory Holdco, LLC and its Subsidiaries, AKTF and its Subsidiaries, SLF and its Subsidiaries and RHF and its Subsidiaries for the Fiscal Year ended December 31, 2017, (ii) the unaudited consolidated financial statements of such Persons for the four month period ended April 30, 2018, and (iii) the audited consolidated financial statements for Pure Barre and its Subsidiaries

for the Fiscal Year ended December 31, 2017 and the unaudited consolidated financial statements for such Persons for the eight month-period ended September 30, 2018, copies of each of which have been delivered to each Lender, were prepared in accordance with GAAP (subject, in the case of such unaudited statements, to GAAP to cash adjustment, to the absence of footnotes and to normal year-end adjustments and with franchise fee revenue recognition as permitted by Section 1.3(a) hereof) and present fairly in all material respects the financial condition of Borrower and its Subsidiaries as at such dates and the results of their operations for the periods then ended.

9.5. No Material Adverse Change. Since December 31, 2017, there has been no material adverse change in the financial condition, operations, assets or business of the Loan Parties taken as a whole.

9.6. Litigation and Contingent Liabilities. No litigation (including derivative actions), arbitration proceeding or governmental investigation or proceeding is pending or, to any Loan Party's knowledge, threatened against any of the Loan Parties and its Subsidiaries which could reasonably be expected to have a Material Adverse Effect, except as set forth in Schedule 9.6. As of the Closing Date, other than any liability incident to such litigation or proceedings, none of the Loan Parties and their Subsidiaries has any material contingent liabilities which would reasonably be expected to have a Material Adverse Effect not listed on Schedule 9.6 or permitted by Section 11.1.

9.7. Ownership of Properties; Liens. As of the Closing Date, except as would not reasonably be expected to result in a Material Adverse Effect, each of the Loan Parties and its Subsidiaries owns good and, in the case of real property, marketable title to, and in the case of leased real property, a valid leasehold interest in, all of its properties and assets, real and personal, tangible and intangible, of any nature whatsoever (including any registered or issued patents, trademarks, trade names, service marks and copyrights), free and clear of all Liens, charges, and claims (including infringement claims with respect to any registered or issued patents, trademarks, service marks, and copyrights owned by that Loan Party and/or that Subsidiary), except as permitted by Section 11.2. No effective financing statement or other public notice effective to create or perfect a security interest with respect to all or any part of the Collateral is on file or of record in any public office, except filings (i) evidencing Permitted Liens and filings for which termination statements have been delivered to Administrative Agent, and (ii) with respect to terminated security interests in intellectual property at the United States Patent and Trademark Office or United States Copyright Office, or any similar office or agency of the United States, any State thereof, or any other country or any political subdivision thereof including, without limitation, the Canadian Intellectual Property Office.

9.8. Equity Ownership; Subsidiaries. All issued and outstanding Capital Securities of each Loan Party and its Subsidiaries (other than Holdings) are duly authorized and validly issued, fully paid and to the extent such Loan Party is a corporation, non-assessable and free and clear of all Liens other than those in favor of Administrative Agent, and such securities were issued in compliance in all material respects with all applicable state, provincial and federal laws, as the case may be, concerning the issuance of securities. Schedule 9.8 sets forth the authorized Capital Securities of each of the Loan Parties and its Subsidiaries as of the Closing Date. All of the issued and outstanding Capital Securities of each of the Loan Parties and its Subsidiaries are

owned as set forth on Schedule 9.8 as of the Closing Date, and all of the issued and outstanding Capital Securities of each Wholly-Owned Subsidiary are, directly or indirectly, owned by Borrower. As of the Closing Date, except as set forth on Schedule 9.8, there are no pre-emptive or other outstanding rights, options, warrants, conversion rights or other similar agreements or understandings for the purchase or acquisition of any Capital Securities of any of the Loan Parties and its Subsidiaries.

9.9. Pension Plans.

(a) Except as would not reasonably be expected to have a Material Adverse Effect: (i) the Unfunded Liability of all Pension Plans does not in the aggregate exceed twenty percent of the Total Plan Liability for all such Pension Plans; (ii) except as would not reasonably be expected to have a Material Adverse Effect, each Pension Plan complies in all material respects with all applicable requirements of law and regulations; (iii) no contribution failure under Section 430 of the Code, Section 303 of ERISA or the terms of any Pension Plan has occurred with respect to any Pension Plan, that will give rise to a Lien under Section 303(k) of ERISA; (iv) there are no pending or, to the knowledge of any Loan Party, threatened, claims, actions, investigations or lawsuits against any Pension Plan, any fiduciary of any Pension Plan, or Borrower or other member of the Controlled Group with respect to a Pension Plan or a Multiemployer Pension Plan which could reasonably be expected to result in material liability to Borrower or any other Loan Party; (v) neither Borrower nor any other member of the Controlled Group has engaged in any prohibited transaction (as defined in Section 4975 of the Code or Section 406 of ERISA) in connection with any Pension Plan or Multiemployer Pension Plan; (vi) within the past five years, neither Borrower nor any other member of the Controlled Group has engaged in a transaction that resulted in a Pension Plan with an Unfunded Liability being transferred out of the Controlled Group; and (vii) no Termination Event has occurred or is reasonably expected to occur with respect to any Pension Plan.

(b) Except as would not reasonably be expected to have a Material Adverse Effect: (a) all contributions (if any) have been made to any Multiemployer Pension Plan that are required to be made by Borrower or any other member of the Controlled Group under the terms of the plan or of any collective bargaining agreement or by applicable law; (b) neither Borrower nor any other member of the Controlled Group has withdrawn or partially withdrawn from any Multiemployer Pension Plan, incurred any withdrawal liability with respect to any such plan that remains outstanding or received notice of any claim or demand for withdrawal liability or partial withdrawal liability from any such plan that remains outstanding, and no condition has occurred which, if continued, could reasonably be expected to result in a withdrawal or partial withdrawal from any such plan; and (c) neither Borrower nor any other member of the Controlled Group has received any notice that any Multiemployer Pension Plan is in reorganization, that increased contributions are reasonably expected to be required to avoid a reduction in plan benefits or the imposition of any excise tax, that any such plan is or has been funded at a rate less than that required under Section 412 of the Code, that any such plan is or is reasonably expected to be terminated, or that any such plan is insolvent.

(c) No Loan Party maintains or contributes to any Canadian Defined Benefit Plan.

9.10. Investment Company Act. No Loan Party is required to be registered as an "investment company" or a company "controlled" by an "investment company" or a "subsidiary" of an "investment company," within the meaning of the Investment Company Act of 1940.

9.11. Compliance with Laws. Each Loan Party and each Subsidiary thereof is in compliance with the requirements of all laws and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (a) such requirement of law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

9.12. Regulation U. Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying Margin Stock.

9.13. Taxes. Each Loan Party and its Subsidiaries has filed all federal, state and local income tax returns and reports and all other material tax returns and reports required by law to have been filed by it (after giving effect to filing extensions) and has paid all federal, state and local income and other material taxes and governmental charges due and payable with respect to such return, except any such taxes or charges which are being diligently contested in good faith by appropriate proceedings and for which adequate reserves in accordance with past custom and practice shall have been set aside on its books. The Loan Parties and their Subsidiaries have made adequate reserves on their books and records in accordance with their past custom and practice for all unpaid Federal and other material taxes of the Loan Parties and their Subsidiaries for operations and transactions that have accrued but which are not yet due and payable. Except as set forth on Schedule 9.13, no Loan Party has participated in any transaction that relates to a year of the taxpayer (which is still open under the applicable statute of limitations) which is a "reportable transaction" within the meaning of Treasury Regulation Section 1.6011-4(b)(2) (irrespective of the date when the transaction was entered into).

9.14. Solvency, etc. As of the Closing Date and immediately after giving effect to the issuance of each Letter of Credit and making of each Loan hereunder and the after giving effect to the application of the proceeds of each Loan, with respect to the Loan Parties (taken as a whole), (a) the fair value of their assets on a going concern basis is greater than the amount of its liabilities (including disputed, contingent and unliquidated liabilities) as such value is established and liabilities evaluated in accordance with GAAP, (b) the present fair saleable value of their assets on a going concern basis is not less than the amount that will be required to pay the probable liability on its debts as they become absolute and matured, (c) they are able to realize upon its assets and pay its debts and other liabilities (including disputed, contingent and unliquidated liabilities) as they mature in the normal course of business, and (d) they do not have unreasonably small capital to conduct the business in which they are now engaged as such business is now conducted and proposed to be conducted following the Closing Date. In computing the amount of contingent or unliquidated liabilities at any time, such liabilities shall be computed at the amount that, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

9.15. Environmental Matters. The on-going operations of each of the Loan Parties and its Subsidiaries comply in all respects with all Environmental Laws, except for such non-compliance which would not (if enforced in accordance with applicable law) reasonably be expected to result, either individually or in the aggregate, in a Material Adverse Effect. Each of the Loan Parties and its Subsidiaries has obtained, and maintained in good standing, all licenses, permits, authorizations, registrations and other approvals required under any Environmental Law and required for their respective ordinary course operations, and for their reasonably anticipated future operations, and each of the Loan Parties and its Subsidiaries is in compliance with all terms and conditions thereof, except where the failure to obtain, maintain or comply would not reasonably be expected to result, either individually or in the aggregate, in a Material Adverse Effect. None of the Loan Parties or their Subsidiaries and none of their properties or operations is subject to, or reasonably anticipates the issuance of, any written order from or agreement with any federal, state, provincial or local governmental authority, nor subject to any judicial or docketed administrative or other proceeding, respecting any Environmental Law, Environmental Claim or Hazardous Substance, except as would not reasonably be expected to result, either individually or in the aggregate, in a Material Adverse Effect. There are no conditions of contamination by Hazardous Substances or other environmental conditions or circumstances existing with respect to any property, arising from operations prior to the Closing Date, or relating to any waste disposal, of any Loan Party or any Subsidiary thereof that would reasonably be expected to result, either individually or in the aggregate, in a Material Adverse Effect. No Loan Party nor any Subsidiary has any underground storage tanks that are not properly registered or permitted under applicable Environmental Laws or that at any time have released, leaked, disposed of or otherwise discharged Hazardous Substances that would reasonably be expected to result, either individually or in the aggregate, in a Material Adverse Effect.

9.16. Insurance. Each Loan Party and its Subsidiaries and their respective properties are insured with what are reasonably believed by the Borrower to be financially sound and reputable insurance companies which are not Affiliates of the Loan Parties, in such amounts, with such deductibles and covering such risks as are customarily carried by companies of similar size, engaged in similar businesses and owning similar properties in localities where such Loan Parties and Subsidiaries operate.Real Property. Set forth on Schedule 9.17 is a complete and accurate list, as of the Closing Date, of the address of all material real property owned or leased by any of the Loan Parties and their Subsidiaries, together with, in the case of leased property, the name and mailing address of the lessor of such property. Each of the Loan Parties and their respective Subsidiaries enjoys peaceful and undisturbed possession under all real property leases, space sharing agreements or similar arrangements to which such Loan Party or Subsidiary is a party or under which such Loan Party or Subsidiary is operating its businesses, except to the extent the failure to do so would not reasonably be expected to result in a Material Adverse Effect. Each of the Loan Party's and their respective Subsidiaries' real property leases, space sharing agreements or similar arrangements are valid and subsisting and no Loan Party or Subsidiary has knowledge of a default by such Loan Party or Subsidiary under any such lease, agreement or arrangement, except to the extent the failure to do so or such default would not reasonably be expected to result in a Material Adverse Effect.Information. All factual information concerning the Loan Parties and their Subsidiaries (other than projections, budgets, estimates, other forward looking information and any general industry or market data) heretofore or contemporaneously herewith furnished in writing by any Loan Party to Administrative Agent or any Lender for purposes of or in connection with this Agreement and the transactions

contemplated hereby is, and all written information hereafter furnished by or on behalf of any Loan Party to Administrative Agent or any Lender pursuant hereto or in connection herewith will be, when taken as a whole, true and accurate in every material respect on the date as of which such information is dated or certified, and none of such information, taken as a whole, is or will be incomplete by omitting to state any material fact necessary to make such information not materially misleading when taken as a whole and in light of the circumstances under which made and as of the time at which made (it being recognized by Administrative Agent and the Lenders that any projections and forecasts provided by Borrower are based on good faith estimates and assumptions believed by Borrower to be reasonable as of the date of the applicable projections or assumptions and that actual results during the period or periods covered by any such projections and forecasts may differ materially from projected or forecasted results).

9.19. Intellectual Property. Except as set forth on Schedule 9.19, as of the Closing Date, each of the Loan Parties and its Subsidiaries owns and possesses or has a license or other right to use or exploit all rights in patents trademarks, trade names, service marks, copyrights, and all other intellectual property rights as are necessary for the conduct of the business of such Loan Party or Subsidiary as currently conducted by such Loan Party or Subsidiary, without any infringement upon rights of others which could reasonably be expected to have a Material Adverse Effect.

9.20. Burdensome Obligations. None of the Loan Parties or their Subsidiaries is a party to any agreement or contract or subject to any restriction contained in its organizational documents which could reasonably be expected to have a Material Adverse Effect.

9.21. Labor Matters. Except as set forth on Schedule 9.21, no Loan Party is subject to any labor or collective bargaining agreement. There are no existing or threatened strikes, lockouts or other labor disputes involving any Loan Party that singly or in the aggregate could reasonably be expected to have a Material Adverse Effect. Hours worked by and payment made to employees of the Loan Parties are not in violation of the Fair Labor Standards Act or any other applicable law, rule or regulation dealing with such matters, except as could not reasonably be expected to have a Material Adverse Effect.

9.22. Anti-Terrorism Laws.

(a) No Loan Party (and, to the knowledge of each Loan Party, no joint venture or subsidiary thereof) is in violation in any material respects of any applicable United States or Canada requirements of law relating to counter-terrorism, economic sanctions or anti-money laundering (the "Anti-Terrorism Laws"), including the United States Executive Order No. 13224 on Terrorist Financing (the "Anti-Terrorism Order"), the Patriot Act and Canadian AML Laws.

(b) No Loan Party (and, to the knowledge of each Loan Party, no joint venture or subsidiary thereof) (i) is listed in the annex to, or is otherwise subject to the provisions of, the Anti-Terrorism Order, (ii) is owned or controlled by, or acting for or on behalf of, any person listed in the annex to, or is otherwise targeted under the provisions of, the Anti-Terrorism Order, (iii) commits, threatens or conspires to commit or supports "terrorism" as defined in the Anti-Terrorism Order or (iv) is named as a "specially designated national and blocked person" in the

most current list (the "SDN List") published by the U.S. Treasury Department's Office of Foreign Asset Control ("OFAC").

(c) No Loan Party (and, to the knowledge of each Loan Party, no joint venture or Affiliate thereof) (i) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any person described in clauses (b)(i), (b)(ii) and (b)(iv) above, (ii) deals in, or otherwise engages in any transactions relating to, any property or interests in property blocked pursuant to the Anti-Terrorism Order or any Canadian AML Laws or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

9.23. No Default. No Default or Event of Default exists or would result from the incurrence by any Loan Party of any Debt hereunder or under any other Loan Document.

9.24. Economic Sanctions and AML. Borrower and each Subsidiary of Borrower is and will remain in compliance in all material respects with all applicable U.S. and Canada economic sanctions and related international trade laws, Executive Orders and implementing regulations including as promulgated by OFAC, and all applicable anti-money laundering and counter-terrorism financing provisions of the Bank Secrecy Act ("BSA") and all regulations issued pursuant to it. Neither Borrower nor any Subsidiary of Borrower (i) is a Person designated on the SDN List with which a U.S. Person cannot deal with or otherwise engage in business transactions, (ii) is a Person who is otherwise the target of U.S. economic sanctions laws such that a U.S. Person cannot deal or otherwise engage in business transactions with such Person or (iii) is controlled by (including without limitation by virtue of such person being a director or owning voting shares or interests), or acts, directly or indirectly, for or on behalf of, any person or entity on the SDN List or a foreign government that is the target of U.S. economic sanctions prohibitions such that the entry into, or performance under, this Agreement or any other Loan Document would be prohibited under U.S. law. If Borrower is required to file annual or quarterly reports under Section 13(a) of the Securities and Exchange Act of 1934 the foregoing sentence shall apply to Affiliates of Borrower as well.

9.25. Patriot Act and Anti-Bribery. Borrower and each Subsidiary of Borrower are in compliance to the extent applicable with (a) the Trading with the Enemy Act, and each of the OFAC regulations (31 CFR, Subtitle B Chapter V, as amended) and any other enabling legislation or executive order relating thereto, (b) the Patriot Act and (c) other federal or state laws relating to "know your customer" and anti-money laundering rules and regulations including Canadian AML Laws. No part of the proceeds of any Loan will be used directly or indirectly for any payments to any government official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977 or any Canadian AML Laws.

9.26. Related Agreements, etc.

(a) Borrower has heretofore furnished Administrative Agent a true and correct copy of the Related Agreements.

(b) Each Loan Party has duly taken all necessary corporate, partnership or other organizational action to authorize the execution, delivery and performance of the Related Agreements and the consummation of transactions contemplated thereby.

(c) The Related Transactions will comply with all applicable legal requirements, and all necessary governmental, regulatory, creditor, shareholder, partner, and other material consents, approvals, and exemptions required to be obtained by the Loan Parties and, to each Loan Party's knowledge, each other party to the Related Agreements in connection with the Related Transactions will be, prior to consummation of the Related Transactions, duly obtained and will be in full force and effect. As of the date of the Related Agreements, all applicable waiting periods with respect to the Related Transactions will have expired without any action being taken by any competent governmental authority which restrains, prevents or imposes material adverse conditions upon the consummation of the Related Transactions.

(d) The execution and delivery of the Related Agreements did not, and the consummation of the Related Transactions will not, violate any statute or regulation of the United States (including any securities law) or of any state or other applicable jurisdiction, or any order, judgment, or decree of any court or governmental body binding on any Loan Party or, to any Loan Party's knowledge, any other party to the Related Agreements, or result in a breach of, or constitute a default under, any material agreement, indenture, instrument, or other document, or any judgment, order, or decree, to which any Loan Party is a party or by which any Loan Party is bound or, to any Loan Party's knowledge, to which any other party to the Related Agreements is a party or by which any such party is bound.

(e) As of the Closing Date, no statement or representation made in the Related Agreements by any Loan Party or, to any Loan Party's knowledge, any other Person, contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they are made, not misleading in any material respect.

9.27. Franchise Matters. Since September 1, 2016, LBF is the only Person that has operated an "@ the LB" Franchise System or offered or sold "@ the LB" Franchises, and S415 is the only Person that has operated a "Shred415" Franchise System or offered "Shred415" Franchises. The "@ the LB" Franchise System is the only Franchise System that LBF has operated, and "Shred415" is the only Franchise System that S415 has operated. Except as set forth on Schedule 9.27(a), neither the Company nor any Subsidiary of the Company has offered or sold or otherwise granted rights to any Person conferring upon that Person area development, area representative, master franchise, sub-franchise or other multi-unit or multilevel rights with respect to the "Shred415" and "@ the LB" brands.

(b) Since April 1, 2014, CBF and its Subsidiaries are the only Persons that have operated the "CycleBar" Franchise System or offered or sold "CycleBar" Franchises. The "CycleBar" Franchise System is the only franchise network or system that CBF and its Subsidiaries have operated. Except as set forth on Schedule 9.27(b), neither CBF nor any Subsidiary of any of the Companies has offered or sold or otherwise granted rights to any Person conferring upon that Person area development, area representative, master franchise, sub-franchise or other multi-unit or multilevel rights with respect to the "CycleBar" brand.

(c) Since March 2, 2015, CPF is the only Person that has operated a "Club Pilates" franchise system or offered or sold "Club Pilates" franchises. The "Club Pilates" Franchise System is the only franchise system that CPF has operated. Except as set forth on Schedule 9.27(c), neither CPF nor any other Subsidiary of any of the Companies has offered or sold or otherwise granted rights to any Person conferring upon that Person area development, area representative, master franchise, sub-franchise or other multi-unit or multilevel rights with respect to the "Club Pilates" brand. Only CPF has entered into the Franchise Agreements. Except as set forth on Schedule 9.27(c), all Franchise Agreements entered into by CP Global, LLC were validly assigned to CPF on March 12, 2015 and all such Franchise Agreements remain binding on the parties and their assignee(s).

(d) (i) The Franchisors are the only Subsidiaries of any of the Companies that have offered Franchises or entered into Franchise Agreements. Except as set forth on Schedule 9.27(d), all Franchise Agreements entered into by the Franchisors remain binding on the parties and their assignee(s). (ii) AKTF is the only Person that has operated an "AKT in Motion" franchise system or offered or sold "AKT in Motion" franchises. The "AKT in Motion" Franchise System is the only franchise system that AKTF has operated. RHF is the only Person that has operated a "Row House" franchise system or offered or sold "Row House" franchises. The "Row House" Franchise System is the only franchise system that RHF has operated. SLF is the only Person that has operated a "Stretch Lab" franchise system or offered or sold "Stretch Lab" franchises. The "Stretch Lab" Franchise System is the only franchise system that SLF has operated. The "Pure Barre" Franchise System is the only franchise system that Pure Barre has operated.

(e) Schedule 9.27(e) contains, as of the date set forth in such Schedule, a complete and accurate list of all currently effective Franchise Agreements (excluding Area Representative Agreements, Development Agreements and Master Franchise Agreements, which are disclosed in Schedule 9.27(p)) between any of the Franchisors and any Franchisee, including the following information for each such Franchise Agreement, which information reflects the provisions of each such Franchise Agreement currently in effect after taking into account all waivers, alterations, amendments or other modifications thereof (including those responsive to clause (ix) below): (i) the Franchise System licensed, (ii) the business address of each franchised location operated by such Franchisee, (iii) the name, address and telephone number of the Franchisee, (iv) the royalty rate required to be paid by the Franchisee, (v) the required Marketing Fund Contribution Rate, (vi) the required minimum monthly royalty, (vii) the stated effective date or the effective date reflected by the Franchisor's date of signature, (viii) the renewal date if such date is not 10 years after the effective date, and (ix) whether or not there have been any material waivers, alterations, amendments or other material modifications of any Franchise Agreement (including changes related to any fees, costs, expenses, defaults, covenants, term, termination, renewal or transfer rights, or other material obligations of a Franchisee) since the execution of such Franchise Agreement that a Franchisor has agreed to, entered into or acquiesced to.

(f) Except as set forth on Schedule 9.27(f), to the Companies' Knowledge, no Franchisee is in, or has received written notice of, any material violation or material default of (including any condition that with the passage of time or the giving of notice, or both, would cause such a material violation or material default under) any Franchise Agreement. None of the

Franchisors are in, nor have any of them received written notice of any, violation of or default under (including any condition that with the passage of time or the giving of notice, or both, would cause such a violation or default under) any Franchise Agreement or that would permit termination or rescission of any such Franchise Agreement. None of the Franchisors have received any written demand by any Franchisee for rescission of any Franchise Agreement. To the Companies' Knowledge, (i) there is no basis for any claim by any Franchisee for rescission of any Franchise Agreement, and (ii) no Franchisee is entitled to any set-off or reduction in any payment required under any Franchise Agreement. Each Franchise Agreement is a valid and binding agreement between the applicable Franchisor and such Franchisee, and is in full force and effect, subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other Laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(g) Schedule 9.27(g) sets forth a list of all forms of FDDs that the Franchisors have used to offer or sell Franchises. The Companies have made available to the Administrative Agent accurate and complete copies of each such form of FDD.

(h) Except as set forth on Schedule 9.27(h) and except for such noncompliance as would not either individually or in the aggregate reasonably be expected to be material, the Franchisors are and since their formation have been, in compliance with all applicable Franchise Laws in connection with the offer and sale of Franchises, the ongoing relationships with current and former Franchisees, the termination, non-renewal and transfers of Franchises, and the operation and administration of their Franchise Systems.

(i) To the Companies' Knowledge, no current or former Franchisee, or any governmental authority, has delivered written notice to any of the Franchisors alleging that any of the Franchisors failed to comply with any applicable Laws during the offer and sale of a Franchise or the operation of either of their Franchise Systems.

(j) Schedule 9.27(j) contains a summary of all (i) Franchise-related or Franchisee-related proceedings, orders, material complaints or material disputes raised since formation, (ii) proceedings or orders required to be disclosed in FDDs under applicable Franchise Laws, or (iii) other proceedings or complaints that are pending or, to the Companies' Knowledge, have been threatened against any of the Companies or any other Subsidiary of any of the Companies (including any of the Franchisors) since formation, (A) from any existing or former Franchisee, or (B) any association purporting to represent a group of Franchisees, except where such proceeding, either individually or in the aggregate, would not be expected to be material. There are no stop orders or other proceedings in effect or, to the Companies' Knowledge, threatened that would inhibit any of the Franchisors' ability to offer or sell Franchises or enter into Franchise Agreements immediately following the Closing Date, except for (x) any pending renewal filings and (y) any amendment filings and changes to their respective FDDs that might be required to describe the Related Transaction.

(k) To the Companies' Knowledge, since formation, all collections and contributions to the Marketing Funds have been undertaken in accordance with the terms and conditions of each Franchise Agreement, and the use and administration of the Marketing Fund contributions have at all times materially complied with all Franchise Agreements, FDDs and

Franchise Laws. The use of the Marketing Funds has not and does not violate any Franchise Law. There are no loans owed to, or owing from, the advertising program. To the Companies' Knowledge, there are no, and none of the Companies (including the Franchisors) have received written notice of, allegations that any of the expenditures from the advertising program have been improperly collected, accounted for, maintained, used or applied.

(l) Except as set forth on Schedule 9.27(l), none of the Companies or its Subsidiaries (including the Franchisors) have engaged or hired an agent, broker, third party, Franchisee or licensee to provide material services, assistance or support to any Franchisee or to identify, offer or sell to potential Franchisees.

(m) To the Companies' Knowledge, no franchise association or other organization is acting as a representative of any group of two or more Franchisees. Any franchise council or advisory group presently in place (whether independently formed or sponsored by a Franchisor) is purely advisory in nature. Except as set forth on Schedule 9.27(m), none of the Franchisors have granted any enforceable right of first refusal, option or other right or arrangement to sign any Franchise Agreement or acquire any Franchise Agreement.

(n) Except as set forth on Schedule 9.27(n), none of the Companies or any other Subsidiary of any of the Companies (including any of the Franchisors) has received, or been a party to any agreement, contract, obligation or commitment, whether oral or written, under which any of such entities has the right to receive, material rebates, other material payments or material consideration from suppliers or other third parties, including the ability to purchase products, goods and services at lower prices than those charged to Franchisees, on account of direct or indirect Franchisees' purchases from those suppliers or third parties. None of the Companies or any other Subsidiary of any of the Companies (including any of the Franchisors) has made any offer, promise, agreement, contract, obligation or commitment, whether oral or written, with respect to any future or contingent rebates or other payments from suppliers or other third parties to or for the benefit of a Franchisee or another Person. There are no agreements, contracts, obligations, commitment or special arrangements, whether oral or written, with any Franchisee that are prohibited by the applicable Franchise Agreement or that have not been properly disclosed in accordance with applicable Franchise Laws.

(o) Neither the execution of this Agreement nor the consummation of the Related Transaction requires the consent of any party to a Franchise Agreement or will result in a violation of or a default under, or give rise to a right of termination, modification, cancellation, rescission or acceleration of any material obligation or loss of material benefits under, any Franchise Agreement.

(p) Schedule 9.27(p) contains, as of the date set forth in such schedule, a complete and accurate list of all currently effective Area Representative Agreements, Development Agreements and Master Franchise Agreements between any of the Franchisors and any Franchisee, including the following information for each such Area Representative Agreements, Development Agreements and Master Franchise Agreements which information reflects the provisions of each such Area Representative Agreements, Development Agreements and Master Franchise Agreements currently in effect after taking into account all waivers, alterations, amendments or other modifications thereof: (i) the name, address and telephone

number of the Franchisee, (ii) the geographical area covered by such Area Representative Agreements, Development Agreements and Master Franchise Agreements, (iii) the number of Franchises currently open and operated by such Franchisee pursuant to the Area Representative Agreements, Development Agreements and Master Franchise Agreements including the business address of each; (iv) the development schedule showing the number of Franchises and the number and scheduled date of openings for each additional Franchise to be opened by such Franchisee; (v) the status as to whether the Franchisee is in compliance with the development schedule and the support services that are required under the Area Representative Agreements, Development Agreements and Master Franchise Agreements; (vi) the amount of the initial area representative fee, development fee or master franchise fee paid and number of Franchises remaining to be opened with the associated initial franchise fee required to be paid for those scheduled to be opened; (vii) the stated effective date of the Area Representative Agreements, Development Agreements and Master Franchise Agreements, term of the development schedule and stated expiration date of the Area Representative Agreements, Development Agreements and Master Franchise Agreements; (viii) whether or not there have been any material waivers, alterations, amendments or other material modifications of any Area Representative Agreements, Development Agreements and Master Franchise Agreements (including changes related to any fees, costs, expenses, defaults, covenants, term, development schedule, territory or development area, termination, renewal or transfer rights, or other material obligations of an area representative or Franchisee) since the execution of such Area Representative Agreements, Development Agreements and Master Franchise Agreements that the Franchisor has agreed to, entered into or acquiesced to; and (iv) the number of third-party Franchises supported by each Franchisee in its territory pursuant to the Area Representative Agreement.

(q) Each franchisee of the Franchisors is in compliance with the requirements of their Franchise Agreements to maintain coverage under such insurance policies, except to the extent such non-compliance could not reasonable be expected to result in material liability to the applicable Franchisor.

(r) Each Franchisor has appropriate data privacy and cyber liability policies and procedures in place that are customary for companies engaged in similar businesses as the Loan Parties.

(s) Each Franchisor has obtained an acknowledgment of receipt of the FDD from each of its renewing franchisees and new franchisees.

(t) Each Franchisor will review its FDD, Franchise Agreement, Operations Manuals, and standards and procedures no less frequently than on an annual basis and make any reasonably necessary revisions to minimize risks that its franchise relationship with its franchisees or franchisee personnel will be characterized as a joint employer relationship or expose the franchisor to claims of vicarious liability, and otherwise conform their FDD, Franchise Agreement, Operations Manuals, and standards and procedures with then-current customary practices for franchisors providing similar goods and services.

9.28. Holdings and Intermediate Holdings. Except as otherwise permitted under Section 10.12, (a) Holdings has not engaged in any activities other than acquiring all of the Capital Securities of Intermediate Holdings, acting as a holding company and transactions

incidental thereto, entering into and performing its obligations under the Loan Documents and the other Related Agreements and agreements permitted hereunder and does not hold any assets other than all of the issued and outstanding Capital Securities of Intermediate Holdings, and contractual rights and obligations pursuant to the Loan Documents, the Related Agreements, the Holdings LLC Agreement and any other agreement governing equity related matters and other documents incidental thereto and (b) Intermediate Holdings has not engaged in any activities other than acquiring all of the Capital Securities of Borrower, acting as a holding company and transactions incidental thereto, entering into and performing its obligations under the Loan Documents and the other Related Agreements and agreements permitted hereunder and does not hold any assets other than all of the issued and outstanding Capital Securities of Borrower, and contractual rights and obligations pursuant to the Loan Documents, the Related Agreements, the Purchase Agreement, the Intermediate Holdings LLC Agreement and any other agreement governing equity related matters and other documents incidental thereto. Location of Bank Accounts. Schedule 9.29 sets forth a complete and accurate list as of the Closing Date of all deposit, checking, and other bank accounts, all securities and other accounts maintained with any broker dealer or other securities intermediary, and all other similar accounts maintained by each Loan Party, together with a description thereof (including the bank, broker dealer, or securities intermediary at which each such account is maintained and the account number and the purpose thereof).

9.30. Material Contracts. Set forth on Schedule 9.30 is a complete and accurate list as of the Closing Date of all Material Contracts of each of the Loan Parties and their Subsidiaries, showing the parties and subject matter thereof and amendments and modifications thereto. Each such Material Contract (a) is in full force and effect and is binding upon and enforceable against each of the Loan Parties and their Subsidiaries that is a party thereto and, to each Loan Party's knowledge, all other parties thereto in accordance with its terms; (b) has not been otherwise amended or modified; and (c) is not in default due to the action of any of the Loan Parties and their Subsidiaries or, to the knowledge of any Loan Party, any other party thereto.

9.31. Employee and Labor Matters. There is (a) no unfair labor practice complaint pending or, to the knowledge of any Loan Party, threatened against any Loan Party or any Subsidiary thereof before any governmental authority and no grievance or arbitration proceeding pending or threatened against any of the Loan Parties and their Subsidiaries that arises out of or under any collective bargaining agreement; (b) no strike, labor dispute, slowdown, stoppage or similar action or grievance pending or threatened against any of the Loan Parties and their Subsidiaries; or (c) to the knowledge of each Loan Party, no union representation question existing with respect to the employees of any of the Loan Parties and their Subsidiaries and no union organizing activity taking place with respect to any of the employees of any of the Loan Parties and their Subsidiaries. None of the Loan Parties and their ERISA Affiliates has incurred any liability or obligation under the Worker Adjustment and Retraining Notification Act ("WARN") or similar state law that remains unpaid or unsatisfied. The hours worked and payments made to employees of each of the Loan Parties and their Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable legal requirements, except to the extent any such violations could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. All material payments due from any of the Loan Parties and their Subsidiaries on account of wages and employee health and welfare insurance and other benefits have been paid or accrued as a liability on the books of that Loan Party or that

Subsidiary, except where the failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

9.32. No Bankruptcy Filing. None of the Loan Parties and their Subsidiaries is contemplating either an Insolvency Proceeding or the liquidation of all or a major portion of that Loan Party's or that Subsidiary's assets or property, and no Loan Party has any knowledge of any Person contemplating an Insolvency Proceeding against any of the Loan Parties and their Subsidiaries.

9.33. Name; Jurisdiction of Organization; Organizational ID Number; Chief Place of Business; Chief Executive Office; FEIN. Schedule 9.33 sets forth a complete and accurate list as of the Closing Date of (a) the exact legal name of each of the Loan Parties and their Subsidiaries; (b) the jurisdiction of organization of each of the Loan Parties and their Subsidiaries; (c) the organizational identification number of each Loan Party (or indicates that that Loan Party has no organizational identification number); (d) each place of business of each of the Loan Parties and their Subsidiaries; (e) the chief executive office of each of the Loan Parties and their Subsidiaries; and (f) the federal employer identification number of each Loan Party.

9.34. Hedging Agreements. None of the Loan Parties and their Subsidiaries is a party to, nor will it be a party to, any Hedging Agreement other than a bona fide (not speculative) unsecured Hedging Agreement, in form and substance reasonably acceptable to Administrative Agent.

SECTION 10
AFFIRMATIVE COVENANTS.

Until the expiration or termination of the Commitments and thereafter until all Obligations hereunder and under the other Loan Documents are Paid in Full, Borrower agrees that, unless at any time the Required Lenders shall otherwise expressly consent in writing, it will:

10.1. Reports, Certificates and Other Information. Furnish to Administrative Agent:

10.1.1. Annual Report. Within 120 days after the close of each Fiscal Year: (a) a copy of the annual audit report of Holdings and its Subsidiaries for such Fiscal Year, including therein consolidated balance sheets and statements of earnings and cash flows of Holdings and its Subsidiaries as at the end of such Fiscal Year, certified without adverse reference to going concern qualification by independent auditors of recognized standing selected by Borrower and reasonably acceptable to Administrative Agent (except to the extent such qualification is due to the scheduled maturity date of any Debt), together with a comparison with the budget for such Fiscal Year and a comparison with the previous Fiscal Year, (b) an internally prepared annual report of Holdings and its Subsidiaries for such Fiscal Year which internally prepared report shall reconcile the statements of earnings and cash flows of Holdings and its Subsidiaries as at the end of such Fiscal Year to the audit report solely to address the recognition of franchise fee income by Holdings and its Subsidiaries which recognition shall be as permitted pursuant to Section 1.3(a) hereof and (c) commencing with the Fiscal Year 2019, a balance sheet of Holdings and its Subsidiaries as of the end of that Fiscal Year and statement of earnings and cash

flows for Holdings and its Subsidiaries for that Fiscal Year, certified by a Senior Officer of Holdings.

10.1.2. Interim Reports. (a) Within 30 days after the end of each month, consolidated balance sheets of Holdings and its Subsidiaries as of the end of such month, together with consolidated statements of earnings and a consolidated statement of cash flows for such month and for the period beginning with the first day of such Fiscal Year and ending on the last day of such month, together with a comparison with the corresponding period of the previous Fiscal Year and a comparison with the budget for such period of the current Fiscal Year for the twelve month period ending on the last day of such month, certified by a Senior Officer of Borrower (which financial statements shall be in substantially the same form, and include substantially the same reporting items as the financial statements delivered to Administrative Agent prior to the Closing Date); and (b) within 30 days after the end of each Fiscal Quarter, consolidated balance sheets of Holdings and its Subsidiaries as of the end of such Fiscal Quarter, together with consolidated statements of earnings and a consolidated statement of cash flows for such Fiscal Quarter and for the period beginning with the first day of such Fiscal Year and ending on the last day of such Fiscal Quarter, together with a comparison with the corresponding period of the previous Fiscal Year and a comparison with the budget for such period of the current Fiscal Year for the twelve month period ending on the last day of such Fiscal Quarter, certified by a Senior Officer of Borrower (which financial statements shall be in substantially the same form, and include substantially the same reporting items as the financial statements delivered to Administrative Agent prior to the Closing Date); provided that for any comparison required pursuant to either clause (a) or (b) above for any period ending on or prior to September 30, 2018, such comparison does not need to include a cash flow statement. For any monthly period following December 31, 2018, Borrower shall deliver two sets of monthly or quarterly financial statements hereunder one which complies with GAAP (without giving effect to the carveout for franchise fee income in Section 1.3(a) hereof) (the "GAAP Compliant Financial Statements") and the other set reflecting the recognition of franchise fee income as required by Section 1.3(a) hereof; provided if the Administrative Agent has in its sole discretion agreed to permit Holdings and its Subsidiaries to utilize GAAP compliant reporting for purposes of the financial covenants and other provisions hereof only GAAP Compliance Financial Statements will be required to be delivered hereunder.

10.1.3. Compliance Certificates. Contemporaneously with the furnishing of a copy of each annual audit report pursuant to Section 10.1.1 and each set of annual and quarterly statements pursuant to Section 10.1.2 for each month ending on the last day of a Fiscal Quarter, (i) a duly completed compliance certificate in the form of Exhibit B, with appropriate insertions, dated the date of such annual report or such statements and signed by a Senior Officer of Borrower, containing a computation of each of the financial ratios set forth in Section 11.14 and to the effect that such officer has not become aware of any Default or Event of Default that has occurred and is continuing or, if there is any such event, describing it and the steps, if any, being taken to cure it and (ii) a written statement of Holdings' management setting forth a discussion of Holdings' and its Subsidiaries' financial condition, changes in financial condition and results of operations.

10.1.4. Notice of Default, Litigation and ERISA Matters. Promptly upon a Senior Officer becoming aware of any of the following, written notice describing the same and the steps being taken by Borrower or the Subsidiary affected thereby with respect thereto:

(a) the occurrence of a Default or an Event of Default;

(b) any litigation, arbitration or governmental investigation or proceeding not previously disclosed by any Loan Party to the Lenders which has been instituted or, to the knowledge of a Senior Officer of the Borrower, is threatened against any Loan Party or Subsidiary of any Loan Party or to which any of the properties of any thereof is subject which, in each case, would reasonably be expected to have a Material Adverse Effect;

(c) to the extent a Senior Officer has knowledge that a Material Adverse Effect or Lien in excess of $1,000,000 on the assets of any Loan Party, would reasonably be expected to result therefrom, (i) the institution of any steps by any member of the Controlled Group or any other Person to terminate any Pension Plan, (ii) the failure of any member of the Controlled Group to make a required contribution to any Pension Plan (if such failure is sufficient to give rise to a Lien under Section 303(k) of ERISA) or to any Multiemployer Pension Plan, (iii) the taking of any action with respect to a Pension Plan which could reasonably be expected to result in the requirement that Borrower furnish a bond or other security to the PBGC or such Pension Plan, (iv) the occurrence of any event with respect to any Pension Plan or Multiemployer Pension Plan which could reasonably be expected to result in the incurrence by any member of the Controlled Group of any liability, fine or penalty (including any claim or demand for withdrawal liability from any Multiemployer Pension Plan), or (v) any notice that any Multiemployer Pension Plan is in reorganization, that increased contributions are reasonably expected to be required to avoid a reduction in plan benefits or the imposition of an excise tax, that any such plan is or is reasonably expected to been funded at a rate less than that required under Section 412 of the Code, that any such plan is or will be terminated, or that any such plan is or is reasonably expected to become insolvent; or

(d) any cancellation (other than pursuant to a replacement or renewal thereof) or material adverse change in any insurance maintained by any Loan Party.

10.1.5. Management Reports. Promptly upon receipt thereof, copies of all detailed financial and management reports submitted to Holdings, Borrower or any Loan Party by independent auditors in connection with each annual or interim audit made by such auditors of the books of Holdings, Borrower or such Loan Party.

10.1.6. Projections. Not later than 60 days after the commencement of each Fiscal Year, financial projections for Holdings and its Subsidiaries for such Fiscal Year (including a business plan, monthly operating and cash flow budgets and a capital expenditures budget) prepared in a manner consistent with the projections delivered by Borrower to the Lenders prior to the Closing Date or otherwise in a manner reasonably satisfactory to Administrative Agent, accompanied by a certificate of a Senior Officer of Borrower to the effect that (a) the projections were prepared by Holdings in good faith; (b) Holdings has a reasonable basis for the assumptions contained in the projections, as of the date of delivery; and (c) the projections have been prepared in accordance with those assumptions (it being recognized by

Administrative Agent and the Lenders that any projections and forecasts provided by Holdings are based on good-faith estimates and assumptions believed by Holdings to be reasonable as of the date of the applicable projections or assumptions and that actual results during the period or periods covered by any such projections and forecasts may differ materially from projected or forecasted results).

10.1.7. Updated Schedule. Contemporaneously with the furnishing of each annual audit report pursuant to Section 10.1.1, an updated version of Schedule 9.17 showing information as of the date of such audit report (it being agreed and understood that this requirement shall be in addition to the other notice and delivery requirements set forth herein).

10.1.8. Related Transactions Notices. Promptly following receipt, copies of any material notices (including notices of default or acceleration) received in connection with the Related Transactions.

10.1.9. Material Contract Notices. Promptly following receipt, copies of any material notices (including notices of default) received in connection with any Material Contract that is a Franchise Agreement.

10.1.10. Other Information. Promptly from time to time, such other information reasonably related to the business or financial data, reports, appraisals and projections of the Loan Parties, their properties, collateral or business, as Administrative Agent may reasonably request; provided the Loan Parties shall not be obligated to provide such information to the extent such disclosure would, in the good faith determination of the Loan Parties, violate attorney-client privilege or applicable confidentiality requirements, constitute disclosure of attorney work product or otherwise be prohibited by law or fiduciary duty from disclosing.

10.2. Books, Records and Inspections. Keep, and cause each other Loan Party and their Subsidiaries to keep, its books and records in accordance with sound business practices sufficient to allow the preparation of financial statements in accordance with GAAP; permit, and cause each other Loan Party to permit, Administrative Agent or any representative thereof to inspect the corporate properties and operations (or any properties and operations if an Event of Default exists) of the Loan Parties; and permit, and cause each other Loan Party to permit, at any reasonable time and with reasonable notice (or at any time without notice if an Event of Default exists), Administrative Agent or any representative thereof to visit any or all of its offices, to discuss its financial matters with its officers and its independent auditors (and Borrower hereby authorizes such independent auditors to discuss such financial matters with Administrative Agent or any representative thereof so long as it has been afforded an opportunity to be present), and to examine (and, at the expense of the Loan Parties, photocopy extracts from) any of its books or other records; and permit, and cause each other Loan Party to permit, Administrative Agent and its representatives to inspect the Inventory and other tangible assets of the Loan Parties, to perform appraisals of the equipment of the Loan Parties, and to inspect, audit, check and make copies of and extracts from the books, records, computer data, computer programs, journals, orders, receipts, correspondence and other data relating to Inventory, Accounts and any other collateral, provided the Loan Parties shall not be obligated to provide such information to the extent such disclosure would, in the good faith determination of the Loan Parties, violate attorney-client privilege or applicable confidentiality requirements, constitute disclosure of

attorney work product or otherwise be prohibited by law or fiduciary duty from disclosing. All such inspections or audits by Administrative Agent shall be at Borrower's expense; provided that so long as no Default or Event of Default exists, Borrower shall not be required to reimburse any Lender or the Administrative Agent for inspections, audits or appraisals (x) for amounts in excess of $50,000 and (y) more frequently than twice each Fiscal Year.

10.3. Maintenance of Property; Insurance.

(a) Keep, and cause each of the Loan Parties and their Subsidiaries to keep, all property (other than intellectual property) useful and necessary in the business of the Loan Parties in good working order and condition, ordinary wear and tear, casualty loss and condemnation excepted, except (i) as permitted by Section 11.5, (ii) to the extent that any such properties are obsolete, are being replaced or, in the good faith judgment of such Loan Party or Subsidiary, are no longer useful or desirable in the conduct of the business of the Loan Parties and their Subsidiaries or (iii) where the failure to do so would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

(b) Maintain, and cause each of the Loan Parties and their Subsidiaries to maintain, with responsible insurance companies, such insurance coverage as may be required by any law or governmental regulation or court decree or order applicable to it and such other insurance, to such extent and against such hazards and liabilities, as is customarily maintained by companies similarly situated (including, without limitation, business interruption insurance), but which shall insure against all risks and liabilities as are customarily carried by companies engaged in similar businesses; and, upon reasonable request of Administrative Agent, furnish to Administrative Agent original or electronic copies of policies evidencing such insurance, and a certificate setting forth in reasonable detail the nature and extent of all insurance maintained by the Loan Parties. Borrower shall cause each issuer of an insurance policy in respect of any Loan Party to provide Administrative Agent with an endorsement (i) showing Administrative Agent as lender's loss payee with respect to each policy of property or casualty insurance with respect to the Collateral and naming Administrative Agent as an additional insured with respect to each policy of liability insurance, (ii) providing that 30 days' notice will be given to Administrative Agent prior to any cancellation of, material reduction or change in coverage provided by or other material modification to such policy and (iii) reasonably acceptable in all other respects to Administrative Agent. Each Loan Party shall execute and deliver to Administrative Agent a collateral assignment, in form and substance satisfactory to Administrative Agent, of each business interruption insurance policy and representation and warranty insurance policy maintained by that Loan Party.

(c) UNLESS BORROWER PROVIDES ADMINISTRATIVE AGENT WITH EVIDENCE OF THE INSURANCE COVERAGE REQUIRED BY THIS AGREEMENT, ADMINISTRATIVE AGENT MAY PURCHASE INSURANCE AT BORROWER'S EXPENSE, AFTER NOTICE TO BORROWER OF SUCH INTENT, TO PROTECT ADMINISTRATIVE AGENT'S AND THE LENDERS' INTERESTS IN THE COLLATERAL. THIS INSURANCE MAY, BUT NEED NOT, PROTECT ANY LOAN PARTY'S INTERESTS. THE COVERAGE THAT ADMINISTRATIVE AGENT PURCHASES MAY NOT PAY ANY CLAIM THAT IS MADE AGAINST ANY LOAN PARTY IN CONNECTION WITH THE COLLATERAL. BORROWER MAY LATER

CANCEL ANY INSURANCE PURCHASED BY ADMINISTRATIVE AGENT, AND ADMINISTRATIVE AGENT SHALL COOPERATE WITH BORROWER IN THIS REGARD, BUT ONLY AFTER PROVIDING ADMINISTRATIVE AGENT WITH EVIDENCE THAT BORROWER HAS OBTAINED INSURANCE AS REQUIRED BY THIS AGREEMENT. IF ADMINISTRATIVE AGENT PURCHASES INSURANCE FOR THE COLLATERAL, BORROWER WILL BE RESPONSIBLE FOR THE COSTS OF THAT INSURANCE, INCLUDING INTEREST AND ANY OTHER CHARGES THAT MAY BE IMPOSED WITH THE PLACEMENT OF THE INSURANCE, UNTIL THE EFFECTIVE DATE OF THE CANCELLATION OR EXPIRATION OF THE INSURANCE. THE COSTS OF THE INSURANCE MAY BE ADDED TO THE PRINCIPAL AMOUNT OF THE LOANS OWING HEREUNDER. THE COSTS OF THE INSURANCE MAY BE MORE THAN THE COST OF THE INSURANCE THE LOAN PARTIES MAY BE ABLE TO OBTAIN ON THEIR OWN.

10.4. Compliance with Laws; Payment of Taxes and Liabilities. (a) Comply, and cause each of the Loan Parties and their Subsidiaries to comply, with all applicable laws, rules, regulations, decrees, orders, judgments, licenses and permits, except where failure to comply would not reasonably be expected to have a Material Adverse Effect; (b) without limiting clause (a) above, ensure, and cause each of the Loan Parties and their Subsidiaries to ensure, that no Person who owns a controlling interest in or otherwise controls any of the Loan Parties and their Subsidiaries is or shall be (i) listed on the SDN List, Department of the Treasury, and/or any other similar lists maintained by OFAC pursuant to any authorizing statute, Executive Order or regulation or (ii) a person designated under Section 1(b), (c) or (d) of Executive Order No. 13224 (September 23, 2001), any related enabling legislation or any other similar Executive Orders, (c) without limiting clause (a) above, comply, and cause each of the Loan Parties and their Subsidiaries to comply, with all applicable BSA and anti-money laundering laws and regulations and (d) pay, and cause each of the Loan Parties and their Subsidiaries to pay, prior to delinquency, all Taxes and other governmental charges against it or any of its property, as well as claims of any kind which, if unpaid, could become a Lien on any of its property (other than Permitted Liens); provided that the foregoing shall not require any Loan Party or Subsidiary to pay any such Tax or charge so long as it shall contest the validity thereof in good faith by appropriate proceedings and shall set aside on its books adequate reserves with respect thereto in accordance with GAAP or would not reasonably be expected to result in a Material Adverse Effect, and, in the case of a claim which could become a Lien (other than a Permitted Lien) on any collateral, such contest proceedings shall stay the foreclosure of such Lien or the sale of any portion of the collateral to satisfy such claim.

10.5. Maintenance of Existence, etc. Maintain and preserve, and (subject to Section 11.5) cause each of the Loan Parties and their Subsidiaries to maintain and preserve, (a) its existence and good standing in the jurisdiction of its organization and (b) its qualification to do business and good standing in each jurisdiction where the nature of its business makes such qualification necessary (other than such jurisdictions in which the failure to be qualified or in good standing would not reasonably be expected to have a Material Adverse Effect).

10.6. Use of Proceeds. (i) Use the proceeds of the Loans, and the Letters of Credit under the Existing Credit Agreement, solely to finance the Related Transactions (as defined in the Existing Credit Agreement) and any related earn-outs, to finance the Club Pilates Royalty Buyout and transaction fees relating to the Club Pilates acquisition, to repay the Debt to be

Repaid (as defined in the Existing Credit Agreement), to pay fees and expenses related to the transactions contemplated hereby, for working capital purposes, for Permitted Acquisitions, and other Investments and Restricted Payments permitted hereunder, for Capital Expenditures and for other general business purposes; (ii) use the proceeds of the Additional Term A Loans, the Revolving Loans and the Letters of Credit to finance the Related Transaction, the Closing Date Acquisition and Permitted Acquisitions and associated fees and expenses, for working capital purposes, for the payment of costs and expenses associated with the credit facility hereunder, for Capital Expenditures, and for other general business purposes; and (iii) not use or permit any proceeds of any Loan to be used, either directly or indirectly, for the purpose, whether immediate, incidental or ultimate, of "purchasing or carrying" any Margin Stock.

10.7. Employee Benefit Plans.

Except as would not reasonably be expected to result in a Material Adverse Effect:

(a) Maintain, and cause each other member of the Controlled Group to maintain, each Pension Plan and each Canadian Pension Plan in substantial compliance with all applicable requirements of law and regulations.

(b) Make, and cause each other member of the Controlled Group to make, on a timely basis, all required contributions to any Multiemployer Pension Plan.

(c) Not, and not permit any other member of the Controlled Group to (i) terminate or withdraw from any Pension Plan or Multiemployer Pension Plan or (ii) take any other action with respect to any Pension Plan that would reasonably be expected to entitle the PBGC or other applicable authority to terminate, impose liability in respect of, or cause a trustee to be appointed to administer, any Pension Plan.

10.8. Environmental Matters. If any release or threatened release or other disposal of Hazardous Substances shall occur or shall have occurred on any real property or any other assets of any of the Loan Parties and their Subsidiaries that could reasonably be expected to result in a Material Adverse Effect, Borrower shall, or shall cause the applicable Loan Party or applicable Subsidiary of a Loan Party to, cause the prompt containment and removal of such Hazardous Substances and the remediation of such real property or other assets to the extent required by all Environmental Laws. Without limiting the generality of the foregoing, Borrower shall, and shall cause each of the Loan Parties and their Subsidiaries to, comply with any Federal or state judicial or administrative order requiring the performance at any real property of any Loan Party of activities in response to the release or threatened release of a Hazardous Substance that could reasonably be expected to result in a Material Adverse Effect. To the extent that the transportation of Hazardous Substances is permitted by this Agreement, Borrower shall, and shall cause its Subsidiaries to, dispose of such Hazardous Substances, or of any other wastes, only at licensed disposal facilities operating in compliance with Environmental Laws, except as could not reasonably be expected to result in a Material Adverse Effect.

10.9. Further Assurances. Take, and cause each other Loan Party to take, such actions as are reasonably necessary or as Administrative Agent or the Required Lenders may reasonably request from time to time to ensure that the Obligations of each Loan Party under the Loan

Documents are secured by a first priority perfected (subject to Permitted Liens and, with respect to intellectual property, if and to the extent contemplated under the Guaranty and Collateral Agreement) Lien in favor of Administrative Agent (subject to Permitted Liens) on substantially all of the assets of Borrower and each Loan Party constituting Collateral (as well as all Capital Securities of each first-tier Subsidiary of a Loan Party that is not a CFC (excluding (i) any non-Wholly Owned Subsidiary owned by the Loan Parties on the Closing Date following the use of commercially reasonable efforts by such Loan Party to cause such non-Wholly Owned Subsidiary to consent to the lien in favor of Administrative Agent on such Capital Securities and (ii) any Subsidiary acquired pursuant to a Permitted JV Acquisition) and 65% of all voting Capital Securities and 100% of all non-voting Capital Securities of each first-tier Subsidiary) of a Loan Party that is a CFC (excluding (i) any non-Wholly Owned Subsidiary owned by the Loan Parties on the Closing Date following the use of commercially reasonable efforts by such Loan Party to cause such non-Wholly Owned Subsidiary to consent to the lien in favor of Administrative Agent on such Capital Securities and (ii) any Subsidiary acquired pursuant to a Permitted JV Acquisition) and guaranteed by each Loan Party (including, immediately upon the acquisition or creation thereof (or such longer period as the Administrative Agent may provide in its sole discretion), any Subsidiary that is not a CFC acquired or created after the Closing Date), in each case as Administrative Agent may reasonably determine, including (a) the execution and delivery of guaranties, security agreements, pledge agreements, mortgages, deeds of trust, financing statements, opinions of counsel and other documents, in each case in form and substance reasonably satisfactory to Administrative Agent, and the filing or recording of any of the foregoing, (b) the prompt delivery of certificated securities and other Collateral with respect to which perfection is obtained by possession, and (c) with respect to any owned real property with a fair market value in excess of $1,000,000, acquired by any Loan Party after the Closing Date, the delivery within sixty (60) days after the date such real property was acquired (or such longer period as the Administrative Agent may provide in its sole discretion) of each of the Real Estate Documents with respect to such real property; provided, however, that notwithstanding any provision set forth hereunder or under any Loan Document to the contrary, in no event shall (x) the assets of any CFC constitute security or secure, or such assets or the proceeds of such assets be available for, payment of the obligations of the Borrower, or (y) more than 65% of the total combined voting power of all classes of stock of any first-tier CFC of any Loan Party be required to be pledged to secure the obligations of the Borrower.

10.10. Deposit Accounts. Unless Administrative Agent otherwise consents in writing, and subject to Section 10.11, in order to facilitate Administrative Agent's and the Lenders' maintenance and monitoring of their security interests in the collateral, maintain, and cause each other Loan Party to maintain, all of their deposit accounts that are not Excluded Accounts with an institution that has entered into a control agreement with the Administrative Agent and the applicable Loan Party granting control of such account to the Administrative Agent.

10.11. Post Closing Covenants. Borrower shall satisfy the requirements and/or provide to the Administrative Agent each of the documents, instruments, agreements and information set forth on Schedule 10.11, in form and substance reasonably acceptable to the Administrative Agent, on or before the date specified for such requirement in such Schedule or such later date to be determined by the Administrative Agent in its sole discretion, each of which shall be completed or provided in form and substance reasonably satisfactory to the Administrative Agent. Until the expiration and passage of the date so stipulated, no breach of any warranty,

condition or covenant shall be deemed to have occurred as a result of the failure to deliver or perform such requirements.

10.12. Holdings Covenant. Holdings and Intermediate Holdings shall not (i) enter into any agreement outside the ordinary course of business (including any agreement for incurrence or assumption of Debt (except to the extent permitted by this Agreement), any purchase, sale, lease or exchange of any property or the rendering of any service), between itself and any other Person, other than the Loan Documents to which it is a party, the Original Related Agreements and the Related Agreements, any agreement related to any Debt, Contingent Liability, Investment or Liens permitted hereunder, any agreements with other Loan Parties and Sponsor to the extent permitted hereunder, any agreements with respect to cash and cash equivalents or bank accounts or other ordinary course agreements, any agreements with any equityholders, agreements entered into in connection with the issuance, sale, repurchase or redemption of any equity securities, the Holding LLC Agreement or Intermediate Holding LLC Agreement, as applicable, agreements incidental to permitted activities, such as agreements with employees, officers, directors, accountants, attorneys, advisors, landlords and similar activities and any other agreements required by law or otherwise (collectively, the "Holdings Documents"), (ii) engage in any business or conduct any business activity or transfer any of its assets (except as otherwise permitted hereunder), other than activities relating to the agreements set forth in clause (i), the making of Investments in Intermediate Holdings or Borrower, as applicable, existing on the Original Closing Date or permitted or required by this Agreement, the performance of its obligations under the Holdings Documents in accordance with the terms thereof, the making of Restricted Payments permitted hereunder and the performance of ministerial activities and the payment of taxes and administrative fees and the maintenance of its state law existence or (iii) consolidate, merge or amalgamate with or into any other Person. Holdings and Intermediate Holdings shall each preserve, renew and keep in full force and effect its existence.

10.13. STGH Covenant. STGH shall not (i) enter into any agreement (including any agreement for incurrence or assumption of Debt (excluding Debt consisting of the Obligations under this Agreement), any purchase, sale, lease or exchange of any property or the rendering of any service), between itself and any other Person, other than the Loan Documents to which it is a party and the Original Related Agreements, any agreements with respect to cash and cash equivalents or bank accounts, any agreements with equityholders, or other ordinary course agreements necessary in connection with its business as a holding company, (ii) engage in any business or conduct any business activity or transfer any of its assets, other than activities relating to the agreements set forth in clause (i), the making of Investments in its Subsidiaries that are Loan Parties, existing on the Original Closing Date or permitted or required by this Agreement, the performance of its obligations under the agreements set forth in clause (i) in accordance with the terms thereof, the making of Restricted Payments permitted hereunder and the performance of ministerial activities and the payment of taxes and administrative fees and the maintenance of its state law existence or (iii) consolidate, merge or amalgamate with or into any other Person. STGH shall preserve, renew and keep in full force and effect its existence.

10.14. Real Property.

10.14.1. Each Loan Party and its Subsidiaries shall comply in all material respects at all times with the provisions of all real property leases, space sharing agreements or

similar arrangements to which such Loan Party or Subsidiary is a party, except where such non-compliance would not reasonably be expected to result in a Material Adverse Effect. Except to the extent that would not reasonably be expected to result in a Material Adverse Effect, each Loan Party and its Subsidiaries shall pay when due (giving effect to all applicable grace periods) all rents and other amounts payable under any real property lease, space sharing agreements or similar arrangements to which such Loan Party is a party.

10.14.2. Each Loan Party and its Subsidiaries shall use commercially reasonable efforts to cause each lease, space sharing agreement or similar arrangement entered into after the Original Closing Date (including each lease, space sharing agreement or similar arrangement that is amended, restated, supplemented, renewed, extended or otherwise modified after the Original Closing Date) to not contain (a) any provisions that could result in such lease, space sharing agreement or similar arrangement (including each lease, space sharing agreement or similar arrangement that is amended, restated, supplemented, renewed, extended or otherwise modified after the Original Closing Date) to be breached, violated, defaulted, voided or terminated (or could result in a Loan Party's rights to be reduced or a lessor's rights to be expanded) due to a change of control or ownership or similar event of such Loan Party, or (b) any provisions that otherwise restrict or prohibit a change of control or ownership or similar event of a Loan Party. The requirements of this Section 10.14.2 may be waived by the Administrative Agent in its sole discretion.

10.15. Fueled Collective Covenant. Promptly (and in any event within two (2) Business Days) of the Companies' Knowledge that FCF or any of its Subsidiaries have achieved the lesser of (i) $750,000 of EBITDA for the fiscal quarter most recently ended and (ii) EBITDA for the fiscal quarter most recently ended in an amount equal to or greater than an amount equal to five percent (5%) of the EBITDA of Holdings and its Subsidiaries for the fiscal quarter most recently ended, then either case of the foregoing clauses (i) or (ii), Holdings shall notify the Administrative Agent in writing of such information and Holdings shall take, and cause each other Loan Party to take, such actions as are reasonably necessary or as Administrative Agent or the Required Lenders may reasonably request from time to time to ensure that the Obligations of each Loan Party under the Loan Documents are secured by a first priority perfected (subject to Permitted Liens and, with respect to intellectual property, if and to the extent contemplated under the Guaranty and Collateral Agreement) Lien in favor of Administrative Agent (subject to Permitted Liens) on substantially all of the assets of FCF and its Subsidiaries, including, without limitation, causing FCF and its Subsidiaries to become Loan Parties hereunder.

SECTION 11
NEGATIVE COVENANTS

Until the expiration or termination of the Commitments and thereafter until all Obligations hereunder and under the other Loan Documents are Paid in Full, Borrower agrees that, unless at any time the Required Lenders shall otherwise expressly consent in writing, it will:

11.1. Debt. Not, and not permit any other Loan Party or any Subsidiary of any Loan Party to, create, incur, assume or suffer to exist any Debt, except:

(a) Obligations under this Agreement and the other Loan Documents;

(b) Debt of any of the Loan Parties (other than Holdings and Intermediate Holdings) and their Subsidiaries secured by Liens permitted by Section 11.2(d), and extensions, renewals and refinancings thereof; provided that the aggregate amount of all such Debt at any time outstanding shall not exceed $750,000;

(c) (i) Debt of Borrower to any other Borrower, (ii) Debt of any Loan Party to Borrower or (iii) Debt of Borrower to any Loan Party, (iv) Debt of Holdings or Intermediate Holdings to Borrower to the extent such Debt could otherwise be made as a restricted payment permitted by Section 11.4 and (v) Debt of any Subsidiary that is not a Guarantor to any Loan Party and Debt of any Loan Party to any Subsidiary that is not a Guarantor in an aggregate amount outstanding not to exceed $1,000,000 less that amount of Investments made pursuant to Section 11.11(c); provided that if such Debt shall be evidenced by a note, it shall be a demand note in form and substance reasonably satisfactory to Administrative Agent and pledged and delivered to Administrative Agent pursuant to the Collateral Documents as additional collateral security for the Obligations, and the obligations under such demand note shall be subordinated to the obligations of the Loan Parties under the Loan Documents (including the Obligations of Borrower under this Agreement) in a manner reasonably satisfactory to Administrative Agent;

(d) Debt in respect of surety or appeal bonds, workers' compensation claims, self-insurance obligations and bankers acceptances issued for the account of any Loan Party in the ordinary course of business, including guarantees or obligations of any Loan Party with respect to letters of credit supporting such surety or appeal bonds, workers' compensation claims, self-insurance obligations and bankers acceptances (in each case other than for an obligation for money borrowed);

(e) Debt arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently (except in the case of daylight overdrafts) drawn against insufficient funds in the ordinary course of business;

(f) Debt arising in connection with endorsement of instruments for deposit in the ordinary course of business;

(g) Contingent Liabilities to financial institutions, in each case to the extent in the ordinary course of business and on terms and conditions which are within the general parameters customary in the banking industry, entered into to obtain cash management services or deposit account overdraft protection services (in amount similar to those offered for comparable services in the financial industry) or other services in connection with the management or opening of deposit accounts or incurred as a result of endorsement of negotiable instruments for deposit or collection purposes and other customary, Contingent Liabilities of the Loan Parties incurred in the ordinary course of business;

(h) Debt consisting of accrued and unpaid management fees, operator costs or expenses under the Management Agreement;

(i) Debt consisting of any final judgment rendered against any Loan Party that has not been paid, discharged or vacated or had execution thereof stayed pending appeal prior to such final judgment constituting an Event of Default in accordance with Section 13.1.8;

(j) Hedging Obligations incurred for bona fide hedging purposes and not for speculation in form and substance reasonably satisfactory to Administrative Agent;

(k) Debt described on Schedule 11.1(a) and any extension, renewal or refinancing thereof so long as the principal amount thereof is not increased;

(l) the Debt to be Repaid (so long as such Debt is repaid on the Closing Date with the proceeds of the initial Loans hereunder);

(m) Contingent Liabilities arising with respect to (i) customary indemnification obligations in favor of purchasers in connection with dispositions permitted under Section 11.5, and (ii) the guaranty by a Loan Party of a lease, sublease, license or sublicense entered into in the ordinary course of business by another Loan Party;

(n) Debt incurred solely to finance Borrower's insurance premiums under insurance policies maintained by Borrower in the ordinary course of business for insurance required under this Agreement in an aggregate amount at any time outstanding not to exceed the premiums owed under such policy;

(o) Debt arising out of judgments, attachments or awards not resulting in an Event of Default;

(p) Accretion of interest paid in kind on Debt permitted hereunder;

(q) any guarantee by Holdings or Intermediate Holdings of Debt or other obligations of the Borrower otherwise permitted under this Agreement;

(r) unsecured Debt of Holdings or its Subsidiaries subordinated to the Obligations on terms and conditions reasonably satisfactory to the Administrative Agent in its reasonable discretion owing to any former director, officer or employee of Holdings, the Borrower or its Subsidiaries, in connection with the termination of their employment or appointment, or their respective assigns, estates, heirs or their current or former spouses for the repurchase, redemption or other acquisition or retirement for value of any Capital Securities of Holdings held by them;

(s) the Existing Earn-Out Obligations;

(t) Permitted Earn-Outs and Permitted Seller Debt in an aggregate outstanding amount not at any time exceeding $6,500,000 (excluding Permitted Earn-Outs in connection with the Original Related Agreements in an amount not to exceed $15,000,000); provided, that (x) the aggregate outstanding amount of any Permitted Earn-Outs shall not exceed $3,500,000 at any time and (y) for purposes of this Section 11.1(s) the amount of Permitted Earn-Outs shall be deemed to be equal to the maximum amount payable under such obligation;

(u) other unsecured Debt in an aggregate amount not to exceed $1,500,000 at any time outstanding;

(v) all premium (if any, whether due at maturity, or upon acceleration of maturity for any reason including automatic acceleration triggered by a bankruptcy filing), interest, fees, expenses, charges and additional or contingent interest on obligations described in paragraphs (a) through (u) above;

(w) Debt consisting of obligations of Holdings or any Subsidiary under deferred compensation or other similar arrangements with employees incurred by such Person in connection with the Transactions, any Permitted Acquisition or any other Investment or other acquisition permitted hereunder;

(x) Debt representing deferred compensation to employees of Borrower, Holdings or any Subsidiary incurred in the ordinary course of business; and

(y) Guarantee by Holdings or its Subsidiaries of certain lease obligations existing as of the Closing Date and set forth on Schedule 11.1(b) in an aggregate amount not to exceed $2,500,000.

Notwithstanding anything contained in this Section 11.1 to the contrary, STGH may not incur any Debt or liabilities of any sort other than the Obligations.

11.2. Liens. Not, and not permit any other Loan Party and their Subsidiaries to, create or permit to exist any Lien on any of its real or personal properties, assets or rights of whatsoever nature (whether now owned or hereafter acquired), except:

(a) Liens for taxes or other governmental charges not at the time delinquent or thereafter payable without penalty or being diligently contested in good faith by appropriate proceedings and, in each case, for which it maintains adequate reserves in accordance with GAAP and the execution or other enforcement of which is effectively stayed;

(b) Liens arising in the ordinary course of business (such as (i) Liens of carriers, warehousemen, mechanics and materialmen and other similar Liens imposed by law and (ii) Liens in the form of deposits or pledges incurred in connection with worker's compensation, unemployment compensation and other types of social security (excluding Liens arising under ERISA) or in connection with surety bonds, bids, performance bonds and similar obligations) for sums not overdue more than 90 days or being diligently contested in good faith by appropriate proceedings and not involving any advances or borrowed money or the deferred purchase price of property or services and, in each case, for which it maintains adequate reserves in accordance with GAAP and the execution or other enforcement of which is effectively stayed or the failure to pay would not reasonably be expected to result in a Material Adverse Effect;

(c) Liens described on Schedule 11.2 as of the Closing;

(d) subject to the limitation set forth in Section 11.1(b), (i) Liens arising in connection with Capital Leases (and attaching only to the property being leased), (ii) Liens existing on property at the time of the acquisition thereof by any Loan Party or its Subsidiaries (and not created in contemplation of such acquisition) and (iii) Liens that constitute purchase money security interests on any property securing debt incurred for the purpose of financing all

or any part of the cost of acquiring such property, provided that any such Lien attaches to such property within 20 days of the acquisition thereof and attaches solely to the property so acquired;

(e) easements, rights of way, restrictions (including zoning restrictions), covenants, licenses, encroachments, protrusions and other similar real estate charges or encumbrances, minor defects or irregularities in title and other similar real estate Liens not interfering in any material respect with the ordinary conduct of the business of any Loan Party;

(f) Liens arising out of judgments, attachments or awards not resulting in an Event of Default;

(g) leases, subleases, licenses or sublicenses of the assets or properties of any of the Loan Parties or their Subsidiaries, in each case entered into in the ordinary course of business and not interfering in any material respect with the business of any of the Loan Parties and their Subsidiaries;

(h) bankers' Liens, rights of setoff and other similar Liens existing solely with respect to cash and cash equivalents on deposit in one or more accounts maintained by any Loan Party, in each case granted in the ordinary course of business in favor of the bank or banks with which such accounts are maintained, securing amounts owing to such bank with respect to cash management and operating account arrangements, including those involving pooled accounts and netting arrangements; provided that, unless such Liens are nonconsensual and arise by operation of law, in no case shall any such Liens secure (either directly or indirectly) the repayment of any Debt for borrowed money;

(i) licenses or sublicenses of intellectual property granted by any Loan Party or Subsidiary in the ordinary course of business;

(j) the filing of UCC or PPSA financing statements solely as a precautionary measure in connection with Operating Leases or consignment of goods;

(k) Liens incurred with respect to obligations (other than obligations for borrowed money) that do not in the aggregate exceed $1,250,000 at any time outstanding;

(l) Liens of a collection bank arising in the ordinary course of business under Section 4-210 of the UCC in effect in the relevant jurisdiction covering only the items being collected upon;

(m) Liens of sellers of goods to Borrower or any of its Subsidiaries arising under Article 2 of the UCC in effect in the relevant jurisdiction or the equivalent provision in the PPSA, as applicable, in the ordinary course of business, covering only the goods sold and covering only the unpaid purchase price for such goods and related expenses;

(n) Landlord liens arising by operation of law and/or contract and any interest or title of a lessor, sublessor, licensor or licensee under any lease or license entered into by Borrower or any Subsidiary in the ordinary course of business;

(o) Liens on an insurance policy of any Loan Party or any Subsidiary and the identifiable cash proceeds thereof in favor of the issuer of such policy and securing Debt permitted to finance the premiums of such policies;

(p) reasonable and necessary cash deposits made in the ordinary course of business to secure the performance of contracts, leases or bid obligations, or other such contracts entered into in the ordinary course of business for which pledges or deposits are customary;

(q) Liens arising under the Loan Documents;

(r) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(s) Liens given to a public or private utility or any other governmental authority in the ordinary course;

(t) Liens arising out of conditional sale, title retention, consignment or similar arrangements with vendors for the sale or purchase of goods entered into by Borrower, Holdings or any Subsidiary in the ordinary course of business; and

(u) Liens solely on any cash earnest money deposits made by Borrower, Holdings or any Subsidiary in connection with any letter of intent or purchase agreement entered into in connection with a Permitted Acquisition or other Investment permitted hereunder.

11.3. [**Reserved**].

11.4. Restricted Payments. Not, and not permit any other Loan Party to, (a) make any distribution to any holders of its Capital Securities including any distribution of assets pursuant to a plan of statutory division, (b) purchase or redeem any of its Capital Securities, (c) pay any management fees, transaction based fees or similar fees (other than payments of ordinary course compensation to employees) to any of its equity holders or any Affiliate thereof, (d) make any payment on account of Debt that has been contractually subordinated in right of payment to the Obligations if that payment is not permitted at that time under the applicable subordination terms and conditions; or (e) set aside funds for any of the foregoing (the foregoing in clauses (a) through (d), collectively, "Restricted Payments" and each a "Restricted Payment"). Notwithstanding the foregoing:

(a) any Subsidiary may pay dividends or make other distributions to Borrower or to a domestic Wholly-Owned Subsidiary and Borrower and its Subsidiaries may pay any intercompany debt permitted pursuant to Section 11.1(c);

(b) so long as (x) no Specified Event of Default exists or would result therefrom, (y) the Borrower is in compliance with the covenants set forth in Section 11.14 (as calculated on a pro forma basis after giving effect to such payment or portion thereof actually paid) for the twelve month period ending as of the calendar month then most recently ended for which financial statements pursuant to Section 10.1.2 have been delivered to Administrative Agent (such pro forma ratio to be determined as if such payment was made as of the first day of

such period covered thereby), and (z) Borrower shall have Liquidity of at least $1,000,000 before and after giving effect to the proposed payment, Borrower may pay or cause any other Loan Party to pay on a quarterly or monthly basis the annual management fees to Sponsor pursuant to the Management Agreement (or portion of such annual management fees as would allow the Borrower to comply with clauses (x), (y) and (z) above) in an aggregate amount not exceeding $750,000 in any Fiscal Year;

(c) so long as (x) no Event of Default or Default shall have occurred and be continuing or would result therefrom and (y) Borrower shall have Liquidity of at least $750,000 before and after giving effect to the proposed payment, the Borrower may, or may make distributions to Intermediate Holdings and Intermediate Holdings may, or may make distributions to Holdings so that Holdings may, in an amount not to exceed an aggregate of $750,000 per year, repurchase with cash its Capital Securities owned by employees of Holdings, the Borrower or the Subsidiaries or make cash payments to employees of Holdings, the Borrower or the Subsidiaries upon termination of employment in connection with the exercise of stock options, stock appreciation rights or similar equity incentives or equity based incentives pursuant to management incentive plans or in connection with the death or disability of such employees;

(d) Borrower may make Restricted Payments to Intermediate Holdings and Intermediate Holdings may make Restricted Payments to Holdings (and Holdings may make Restricted Payments to any direct or indirect equity holder thereof) (x) in an amount not to exceed an aggregate of $500,000 per year to the extent necessary to pay for the general corporate and overhead expenses incurred by Intermediate Holdings or Holdings (or to any direct or indirect parent thereof) in the ordinary course of business, and (y) in the amount of the Tax Distributions (at such times as provided in the Holdings LLC Agreement as in effect on the Closing Date); provided that with respect to any Tax Distribution in an amount in excess of the actual cash taxes in good faith estimated to be due by the members of Holdings and arising solely out of the taxable income of Borrower and its Subsidiaries for the current taxable year of Borrower and its Subsidiaries (net of losses distributed to such persons in respect of their ownership in Holdings and net of tax refunds in respect of any prior actual taxes paid in respect of prior Tax Distributions), such Restricted Payment may only be paid so long as (x) no Default or Event of Default exists or would result therefrom, (y) the Total Debt to EBITDA Ratio for the twelve month period ending as of the calendar month then most recently ended for which financial statements pursuant to Section 10.1.2 have been delivered to Administrative Agent (such pro forma ratio to be determined as if such payment was made as of the first day of such period covered thereby), is no greater than the applicable compliance level for the most recently ended Fiscal Quarter less 0.50, and (z) Borrower shall have Liquidity of at least $2,000,000 before and after giving effect to the proposed payment;

(e) the Loan Parties may make payments in connection with the Existing Earn-Out Obligations so long as (x) the Total Debt to EBITDA Ratio for the twelve month period ending as of the calendar month then most recently ended for which financial statements pursuant to Section 10.1.2 have been delivered to Administrative Agent (such pro forma ratio to be determined as if such payment was made as of the first day of such period covered thereby), is no greater than 4.50:1.00, (y) Borrower shall have Liquidity of at least $2,000,000 before and after giving effect to the proposed payment and (z) the Fixed Charge Coverage Ratio for the twelve month period ending as of the calendar month then most recently ended for which

financial statements pursuant to Section 10.1.2 have been delivered to Administrative Agent (such pro forma ratio to be determined as if such Existing Earn-Out Obligation was a Fixed Charge), is no less than 1.20:1.00; provided that if the conditions set forth in clauses (x) and (y) are not satisfied the Loan Parties may make payments in connection with the Existing Earn-Out Obligations to the extent funded with proceeds of Capital Securities so long as no Default or Event of Default exists or would result therefrom;

(f) solely on or after June 30, 2019, Borrower may make distributions to Intermediate Holdings and Intermediate Holdings may make distributions to Holdings (and Holdings may make distributions to any direct or indirect equity holder thereof) using the proceeds of any Incremental Term Loan so long as the Dividend Payment Conditions are satisfied; and

(g) in each case to the extent due and payable on a non-accelerated basis and permitted under the applicable subordination provisions thereof, Borrower and any applicable Subsidiary may make payments (i) in respect of Permitted Earn-Outs, so long as (x) the Total Debt to EBITDA Ratio for the twelve month period ending as of the calendar month then most recently ended for which financial statements pursuant to Section 10.1.1 or 10.1.2 of the Credit Agreement have been delivered to Administrative Agent (such pro forma ratio to be determined as if such payment was made as of the first day of such period covered thereby), is no greater than 4.25:1.00, (y) Borrower shall have Liquidity of at least $2,000,000 before and after giving effect to the proposed payment and (z) the Fixed Charge Coverage Ratio for the twelve month period ending as of the calendar month then most recently ended for which financial statements pursuant to Section 10.1.1 or 10.1.2 of the Credit Agreement have been delivered to Administrative Agent (such pro forma ratio to be determined as if such Existing Earn-Out Obligation was a Fixed Charge), is no less than 1.20:1.00, and (ii) in respect of Post-Closing Cash Payments, so long as (x) no Default or Event of Default exists or would result therefrom, (y) the Total Debt to EBITDA Ratio for the twelve month period ending as of the calendar month then most recently ended for which financial statements pursuant to Section 10.1.1 or 10.1.2 have been delivered to Administrative Agent (such pro forma ratio to be determined as if such payment was made as of the first day of such period covered thereby), is no greater than the applicable compliance level for the most recently ended Fiscal Quarter less 0.50, and (z) Borrower shall have Liquidity of at least $2,000,000 before and after giving effect to the proposed payment.

For the avoidance of doubt, any payment blocked by the restrictions in this Section 11.4 shall accrue and may be paid at any time the conditions for such payment in this Section 11.4 have been satisfied.

11.5. Mergers, Consolidations, Sales. Not, and not permit any of the Loan Parties and their Subsidiaries to, (a) be a party to any merger, amalgamation, statutory division, or consolidation, except (x) Permitted Acquisitions, (y) any such merger, amalgamation, statutory division, consolidation, sale, transfer, conveyance, lease or assignment of or by any Wholly-Owned Subsidiary into Borrower or into any other domestic Wholly-Owned Subsidiary or any Borrower into another Borrower and (z) any such merger of a non-Wholly Owned Subsidiary into Borrower or another Loan Party so long as both before and after giving effect to such merger the Loan Parties are in compliance with the negative covenants set forth in Section 11

(including the covenants in Section 11.14); or (b) sell, transfer, dispose of, convey or lease any of its assets or Capital Securities (including the sale of Capital Securities of any Subsidiary, but excluding Capital Securities of Intermediate Holdings or Holdings) except for (i) sales of inventory in the ordinary course of business, (ii) the disposition of any asset which is to be replaced and is in fact replaced, or a binding contract is in place to replace, within 180 days with another asset useful in the Loan Parties' business (so long as Administrative Agent has a first priority and perfected Lien on any newly-acquired asset, subject to Permitted Liens), (iii) a disposition of Collateral that is obsolete, unmerchantable or otherwise unsalable or unusable in the ordinary course of business (including the lapse, abandonment, or disposition of any intellectual property rights that are no longer material to the conduct of the business of the Loan Parties, or expiration of any patent or copyright in accordance with its statutory term), (iv) the discount, write-down, sale or other disposition in the ordinary course of business of trade or accounts receivable, (v) dividends, distributions and payments by Loan Parties, in each case solely to the extent permitted by Section 11.4 of this Agreement, (vi) sales, leases, licenses or other transfers of assets between or amongst the Loan Parties, (vii) dispositions of cash and Cash Equivalent Investments, (viii) termination, surrender or sublease of real estate in the ordinary course of business, (ix) the granting of leases, licenses, subleases or sublicenses of real property or intellectual property (as lessor or licensor) in the ordinary course of business the Net Cash Proceeds of which do not in the aggregate exceed $750,000, (x) dispositions constituting Permitted Acquisitions and Permitted Liens, (xi) transfers of property subject to any event that gives rise to the receipt by Borrower or any Subsidiary of any insurance proceeds or condemnation awards in respect of any equipment, fixed assets or real property (including any improvements thereon) to replace or repair such equipment, fixed assets or real property, (xii) the unwinding of any Hedging Obligations, (xiii) other dispositions in any Fiscal Year the Net Cash Proceeds of which do not in the aggregate exceed $1,500,000 or (c) sell or assign with or without recourse any receivables, except for the discount, write-down, sale or other disposition in the ordinary course of business of trade or accounts receivable.

To the extent any Collateral is disposed of as expressly permitted by this Section 11.5 to any Person other than a Loan Party, such Collateral shall be sold free and clear of the Liens created by the Loan Documents, and, if requested by the Administrative Agent, upon the certification by the Borrower that such disposition is permitted by this Agreement, the Administrative Agent shall be authorized to take any actions deemed appropriate in order to effect the foregoing.

11.6. Modification of Organizational Documents. Not permit the charter, articles, bylaws or other organizational documents of any Loan Party to be amended or modified in any way which could reasonably be expected to materially adversely affect the interests of the Lenders; not change, or allow any Loan Party to change, its state of formation or its organizational form without 30 days prior written notice to Administrative Agent.

11.7. Transactions with Affiliates. Not, and not permit any of the Loan Parties and their Subsidiaries to, enter into, or cause, suffer or permit to exist any transaction, arrangement or contract with any of its other Affiliates (other than another Loan Party) which is on terms which are less favorable than are obtainable from any Person which is not one of its Affiliates (and to the extent such transaction is between any Loan Party and any Affiliate that is not a Loan Party (including any Subsidiary that is not a Loan Party or any portfolio company or subsidiary

of the Sponsor) and such transaction involves an annual out-of-pocket costs by such Loan Party in excess of $500,000 the Administrative Agent shall have provided a written consent acknowledging that such transaction meets the arm's-length requirement of this Section) other than (a) Restricted Payments otherwise permitted under Section 11.4, (b) pursuant to the Management Agreement or the Holdings LLC Agreement, (c) employment and severance arrangements between the Loan Parties and their Subsidiaries and their respective officers and employees and transactions pursuant to stock option plans and employee benefit plans and similar arrangements in the ordinary course of business, (d) the payment of customary fees, compensation, independent contractor fees and reasonable out of pocket costs to, and indemnities provided on behalf of, directors, managers, officers and employees of the Loan Parties and their Subsidiaries in the ordinary course of business, (e) the existence of, or the performance by Borrower or any Subsidiary of its obligations under the terms of, any stockholders agreement (including any registration rights agreement or purchase agreement related thereto) to which it is a party as of the Closing Date, (f) the Transactions, and the payment of all fees and expenses related to the Transactions, and (g) payment of or reimbursement of indemnitees and reimbursement for reasonable, documented out-of-pocket costs and expenses to the Sponsor or its Affiliates in connection with services rendered to a Loan Party or pursuant to the Management Agreement; provided payment of such reimbursable amounts shall not exceed $150,000 in the aggregate at any time an Event of Default has occurred and is continuing.

11.8. Unconditional Purchase Obligations. Not, and not permit any of the Loan Parties and their Subsidiaries to, enter into or be a party to any contract for the purchase of materials, supplies or other property or services if such contract requires that payment be made by it regardless of whether delivery is ever made of such materials, supplies or other property or services.

11.9. Inconsistent Agreements. Not, and not permit any of the Loan Parties and their Subsidiaries to, enter into any agreement containing any provision which would (a) be violated or breached by any borrowing by Borrower hereunder or by the performance by any Loan Party of any of its Obligations hereunder or under any other Loan Document, (b) prohibit any Loan Party from granting to Administrative Agent and the Lenders, a Lien on any of its assets or (c) create or permit to exist or become effective any encumbrance or restriction on the ability of any Subsidiary to (i) pay dividends or make other distributions to Borrower or any other Subsidiary, or pay any Debt owed to Borrower or any other Subsidiary, (ii) make loans or advances to any Loan Party or (iii) transfer any of its assets or properties to any Loan Party, other than (a) customary restrictions and conditions contained in agreements relating to the sale of all or a substantial part of the assets of any Subsidiary pending such sale, provided that such restrictions and conditions apply only to the Subsidiary to be sold and such sale is permitted hereunder; (b) restrictions or conditions imposed by any agreement relating to purchase money Debt, Capital Leases and other secured Debt permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Debt; (c) customary provisions in leases and other contracts restricting the assignment thereof; and (d) the Loan Documents.

11.10. Business Activities; Issuance of Equity. Not, and not permit any of the Loan Parties and their Subsidiaries to, engage in any line of business other than the businesses engaged in on the Original Closing Date and businesses reasonably related or complimentary thereto. Not permit any of its Subsidiaries to, issue any Capital Securities other than (a) any Permitted

Securities Issuance, and (b) any issuance of shares of Borrower's common Capital Securities (i) to Holdings or (ii) pursuant to any employee or director option program, benefit plan or compensation program.

11.11. Investments. Not, and not permit any of the Loan Parties or their Subsidiaries to, make or permit to exist any Investment in any other Person, except the following:

(a) Investments by Holdings, Borrower, and/or any Loan Party in their respective Subsidiaries that are Loan Parties;

(b) any Permitted Securities Issuance;

(c) Investments by any Loan Party in any Subsidiary that is not a Guarantor in an aggregate amount outstanding not to exceed $1,000,000 less that amount of Debt incurred pursuant to Section 11.1(c)(v);

(d) Investments constituting Debt permitted by Section 11.1, including without limitation intercompany loans and guarantees between Loan Parties and Hedging Agreements;

(e) Guarantees by Holdings or any Subsidiary of operating leases or of other obligations of another Loan Party that do not constitute Debt, in each case entered into in the ordinary course of business;

(f) Contingent Liabilities constituting Debt permitted by Section 11.1 or Liens permitted by Section 11.2 and other Contingent Liabilities in the ordinary course of business;

(g) Cash Equivalent Investments;

(h) Subject to Section 10.10, bank deposits in the ordinary course of business;

(i) Investments in securities of Account Debtors received pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of such Account Debtors;

(j) Investments comprised of loans to employees, officers and directors to purchase Capital Securities of the Loan Parties;

(k) Investments comprised of loans and advances in the ordinary course of business to employees, officers and directors so long as the aggregate principal amount thereof at any time outstanding (determined without regard to any write-downs or write-offs of such loans and advances) shall not exceed $750,000;

(l) extensions of trade credit in the ordinary course of business;

(m) Investments received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with, customers and suppliers, in each case in the ordinary course of business;

(n) intercompany loans and advances to Holdings to the extent Borrower may pay dividends to Intermediate Holdings to be distributed by Intermediate Holdings to Holdings pursuant to Section 11.4 (and in lieu of paying such dividends); provided that such intercompany loans and advances (i) shall be made for the purposes, and shall be subject to all applicable limitations set forth in, Section 11.4 and (ii) shall be unsecured.

(o) additional Investments by Borrower and the Subsidiaries so long as the aggregate amount invested, loaned or advanced pursuant to this paragraph (determined without regard to any write downs or write offs of such investments, loans and advances) does not exceed $1,000,000 plus the Available Amount; provided that the aggregate amount of Investments in joint ventures and Subsidiaries that are not Loan Parties shall not exceed $5,400,000;

(p) Holdings, the Borrower and each Subsidiary may acquire and hold receivables, accounts, notes receivable, chattel paper, payment intangibles and prepaid accounts owing to them, if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;

(q) Holdings, the Borrower or any Subsidiary may make deposits and Investments (x) in connection with Permitted Liens and/or (y) in the ordinary course of business to secure the performance of operating leases and payment of utility or similar contracts;

(r) Holdings may make contributions to the capital of Intermediate Holdings and Intermediate Holdings may make contributions to the capital of the Borrower;

(s) Investments consisting of securities or instruments received pursuant to a disposition of assets not prohibited by this Agreement;

(t) Hedging Obligations incurred for bona fide hedging purposes and not for speculation in form and substance reasonably satisfactory to Administrative Agent;

(u) Permitted Acquisitions;

(v) Investments held by a Person acquired pursuant to a Permitted Acquisition; provided, that such Investment was not acquired by such Person in contemplation of such acquisition, merger, amalgamation, statutory division, consolidation or transfer;

(w) Investments in prepaid expenses, negotiable instruments held for collection and lease, utility and workers compensation, performance and similar deposits entered into as a result of the operations of the business in the ordinary course of business;

(x) Investments listed on Schedule 11.11 as of the Closing Date; and

(y) Investments consisting of acquired franchisee locations; provided (i) such locations are resold within 12 months of purchase, (ii) the aggregate amount of such Investments shall not exceed $3,000,000, (iii) on a pro forma basis, after giving effect to the consummation of the proposed acquisition, the Loan Parties shall be in compliance with the covenants set forth in Section 11.14 hereof and (iv) no Event of Default shall exist either before or after giving effect to such Investment.

Notwithstanding anything to the contrary contained in this Section 11.11, the Loan Parties may not make any Investments in any Subsidiaries that are not Loan Parties in an amount in excess of $170,000 in the aggregate for all such Investments in any Fiscal Year (including the usage of the Available Amount for any such Investment) unless such excess amounts are funded with Net Cash Proceeds of a substantially simultaneous Permitted Securities Issuance.

11.12. Restriction of Amendments to Certain Documents. Except with the consent of the Required Lenders, not amend or otherwise modify, or waive any rights under any Related Agreement other than amendments, modifications and waivers not materially adverse to the interests of the Lenders (it being understood that any amendment, modification, or waiver increasing or expanding the payment obligations of any Loan Party will be deemed to be adverse to the interests of Lenders).

11.13. Fiscal Year. Not, and not permit any of the Loan Parties and their Subsidiaries to change its Fiscal Year.

11.14. Financial Covenants.

11.14.1. Fixed Charge Coverage Ratio. Not permit the Fixed Charge Coverage Ratio as of the last day of any Computation Period to be less than 1.20:1.00.

11.14.2. Total Debt to EBITDA Ratio. Not permit the Total Debt to EBITDA Ratio as of the last day of any Computation Period to exceed the applicable ratio set forth below for such Computation Period:

Computation Period Ending	**Total Debt to EBITDA Ratio**
September 30, 2018	6.00:1.00
December 31, 2018	6.00:1.00
March 31, 2019	6.00:1.00
June 30, 2019	6.00:1.00
September 30, 2019	5.50:1.00
December 31, 2019	5.50:1.00
March 31, 2020	5.00:1.00
June 30, 2020	4.50:1.00
September 30, 2020	4.50:1.00
December 31, 2020	4.50:1.00
March 31, 2021	4.00:1.00
June 30, 2021	4.00:1.00
September 30, 2021	4.00:1.00

December 31, 2021	4.00:1.00
March 31, 2022	3.50:1.00
June 30, 2022	3.50:1.00
September 30, 2022	3.50:1.00
December 31, 2022	3.50:1.00
March 31, 2023	3.50:1.00
June 30, 2023	3.50:1.00
September 30, 2023 and each Computation Period ending thereafter	3.50:1.00

11.15. Compliance with Laws. Borrower shall not, and shall not permit any of the Loan Parties and their Subsidiaries, to fail to comply with the laws, regulations and executive orders referred to in Sections 9.22, 9.24 and 9.25.

11.16. New Company Owned Locations. Borrower shall not, and shall not permit any of the Loan Parties and their Subsidiaries to open more than one owned franchise location per Franchise System.

11.17. Non-Loan Party Subsidiaries. The Borrower and each other Loan Party shall cause (or to the extent not permitted under the applicable operating agreement of such Subsidiary use good faith efforts to cause) each of its Subsidiaries that are not Loan Parties to distribute cash on the last Business Day of each month to such Loan Party an amount equal to all cash and Cash Equivalent Investments in excess of $350,000 of such non-Loan Party Subsidiary; provided that if on such testing day the non-Loan Party Subsidiaries have more than $650,000 of cash and Cash Equivalent Investments in the aggregate the Loan Parties shall cause the non-Loan Party Subsidiaries to distribute cash to the Loan Parties such that the collective aggregate balance of cash and Cash Equivalent Investments of the non-Loan Party Subsidiaries is less than $650,000.

11.18. Canadian Defined Benefit Plans. Not permit any Loan Party to establish, maintain or contribute to any Canadian Defined Benefit Plan.

SECTION 12
EFFECTIVENESS; CONDITIONS OF LENDING, ETC.

The obligation of each Lender to make its Loans and of the Issuing Lenders to issue Letters of Credit is subject to the following conditions precedent:

12.1. Initial Credit Extension. The obligation of the Lenders to make the Loans on the Closing Date and the obligation of the Issuing Lenders to issue their initial Letters of Credit (whichever first occurs) is, in addition to the conditions precedent specified in Section 12.2, subject to the conditions precedent that (a) all Debt to be Repaid has been (or substantially concurrently with the initial borrowing will be) paid in full, and that all agreements and instruments governing the Debt to be Repaid and that all Liens securing such Debt to be Repaid have been (or substantially concurrently with the initial borrowing will be) terminated and (b) Administrative Agent shall have received, subject to Section 10.11, all of the following, each duly executed and dated the Closing Date (or such earlier date as shall be satisfactory to Administrative Agent), in form and substance reasonably satisfactory to Administrative Agent

(and the date on which all such conditions precedent have been satisfied or waived in writing by Administrative Agent and the Lenders is called the "Closing Date"):

12.1.1. Agreement, Notes and other Loan Documents. This Agreement and, to the extent requested by any Lender, a Note made payable to such Lender, and all other Loan Documents.

12.1.2. Authorization Documents. For each Loan Party, such Person's (a) charter (or similar formation document), certified by the appropriate governmental authority; (b) good standing certificates in its state of incorporation (or formation) and in each other state in which a Loan Party is qualified to do business and in which failure to be so qualified would result in a Material Adverse Effect; (c) bylaws (or similar governing document); (d) resolutions of its board of directors (or similar governing body) approving and authorizing such Person's execution, delivery and performance of the Loan Documents to which it is party and the transactions contemplated thereby; and (e) signature and incumbency certificates of its officers executing any of the Loan Documents, all certified by its secretary or an assistant secretary (or similar officer) as being in full force and effect without modification.

12.1.3. Letter of Direction. A letter of direction containing funds flow information with respect to the proceeds of the Loans on the Closing Date.

12.1.4. Reaffirmation Agreement. The Reaffirmation Agreement executed by each Loan Party.

12.1.5. Collateral Access Agreements.

(a) In the case of any leased real property that is the chief executive office of the Borrower or where Collateral in an amount in excess of $200,000 is located, Borrower shall use commercially reasonable efforts to obtain a Collateral Access Agreement from the landlord of such property waiving any landlord's Lien in respect of personal property kept at the premises subject to such lease.

(b) Borrower shall use commercially reasonable efforts to obtain a Collateral Access Agreement with respect to each bailee with which Borrower or any Subsidiary keeps Inventory or other assets that are required under the Guaranty and Collateral Agreement to be delivered on the Closing Date.

12.1.6. Opinions of Counsel. Opinions of counsel from Buchalter and local counsel (excluding Canada) executed as of the Closing Date, in form and substance reasonably satisfactory to Administrative Agent.

12.1.7. Insurance. Evidence of the existence of insurance required to be maintained pursuant to Section 10.3(b), together with evidence that Administrative Agent has been named as a lender's loss payee and an additional insured, as appropriate, under all such insurance policies.

12.1.8. Related Transactions.

(a) Administrative Agent has received copies of the Related Agreements certified by the secretary or assistant secretary (or similar officer) of Borrower Representative as being true, accurate, and complete.

(b) Administrative Agent has received evidence, reasonably satisfactory to Administrative Agent, that Company has completed, or concurrently with the initial credit extension hereunder will complete, the Related Transactions in accordance with the terms of the Related Agreements (without any amendment thereto or waiver thereunder unless consented to by the Lenders).

(c) Administrative Agent has received the Insurance Assignments executed by each Loan Party thereto.

12.1.9. Payment of Fees. Evidence of payment by Borrower of all accrued and unpaid fees, costs and expenses to the extent then due and payable on the Closing Date (including, without limitation, fees under the Agent Fee Letter), together with all reasonable Attorney Costs of Administrative Agent to the extent invoiced prior to the Closing Date, plus such additional amounts of Attorney Costs as shall constitute Administrative Agent's reasonable estimate of Attorney Costs incurred or to be incurred by Administrative Agent through the closing proceedings (provided that such estimate shall not thereafter preclude final settling of accounts between Borrower and Administrative Agent).

12.1.10. Solvency Certificate. A Solvency Certificate executed by a Senior Officer of Borrower.

12.1.11. Pro Forma. A consolidated pro forma balance sheet of Borrower as at September 30, 2018, adjusted to give effect to the Related Transactions and the financings contemplated hereby as if such transactions had occurred on such date, consistent in all material respects with the sources and uses of cash as previously described to the Lenders and the forecasts previously provided to the Lenders.

12.1.12. Financial Condition. Administrative Agent has completed a satisfactory examination of the financial condition of the Loan Parties, including, without limitation, the following: (a) review of the books (including historical, current, and interim financial statements), records, and assets of the Loan Parties; (b) review of all financial projections for the next five Fiscal Years; (c) satisfactory verification of business and competitive analysis, including, without limitation, site visits, one or more meetings with the Loan Parties' management, examining market studies and existing industry intelligence provided by the Loan Parties, and conducting independent customer calls; and (d) receipt of a satisfactory review, conducted by a firm acceptable to Administrative Agent, of (i) the books, records, and Collateral of the Loan Parties (including historical cash flow), (ii) a quality-of-earnings report, (iii) trailing 12-month EBITDA, and (iv) EBITDA adjustments as conducted by PwC.

12.1.13. Search Results; Lien Terminations. Copies of Uniform Commercial Code and PPSA search reports dated a date reasonably near to the Closing Date, listing all effective financing statements which name any Loan Party (under their present names and any previous names) as debtors, together with (a) copies of such financing statements, (b) payoff

letters evidencing repayment in full of all Debt to be Repaid, the termination of all agreements relating thereto and the release of all Liens granted in connection therewith, with Uniform Commercial Code, PPSA or other appropriate termination statements and documents effective to evidence the foregoing (other than Liens permitted by Section 11.2) and (c) such other Uniform Commercial Code or PPSA termination statements as Administrative Agent may reasonably request.

12.1.14. Filings, Registrations and Recordings. Administrative Agent shall have received each document (including Uniform Commercial Code and PPSA financing statements) required by the Collateral Documents or under law or reasonably requested by Administrative Agent to be filed, registered or recorded in order to create in favor of Administrative Agent, for the benefit of the Lenders, a perfected Lien on the collateral described therein (but only to the extent that perfection may be achieved by such filing), prior to any other Liens (subject only to Liens permitted pursuant to Section 11.2), in proper form for filing, registration or recording.

12.1.15. Closing Certificate, Consents and Permits. A certificate executed by an officer of Borrower Representative on behalf of Borrower certifying (a) the matters set forth in Section 12.2.1 as of the Closing Date and (b) the repayment of the Debt to be Repaid.

12.1.16. No Material Adverse Change. There shall not have occurred since December 31, 2017, any developments or events which individually or in the aggregate with other such circumstances have had or could reasonably be expected to have a Material Adverse Effect.

12.1.17. Investment Documents. The Administrative Agent shall have received confirmation of ownership and capital structure of the Loan Parties and be satisfied with the constituent documents of the Loan Parties and related investment agreements.

12.1.18. Financial Tests. Administrative Agent shall have received evidence satisfactory to it that (a) Borrower shall have a trailing twelve (12) month EBITDA of at least $25,000,000 (with at least $9,000,000 attributable to Pure Barre) as of September 30, 2018 on a pro forma basis after giving effect to (i) the funding of the Loans on the Closing Date as provided hereunder and the use of proceeds thereof, including the payment of all fees, costs and expenses as set forth above, and (ii) year-end and other adjustments reasonably satisfactory to the Administrative Agent, in each case, as set forth in the financial accounting diligence report prepared by PwC and delivered to the Administrative Agent prior to the Closing Date, (b) Borrower shall have a Total Debt to EBITDA Ratio as of September 30, 2018 on a pro forma basis after giving effect to the funding of the initial Loans as provided hereunder of not more than 5.25:1.00, (c) an accounting firm acceptable to Administrative Agent has verified the foregoing clause (a) as provided in the quality of earnings report dated as of June 2018, (d) minimum implied purchase price of Pure Barre of at least 8.5x, and (e) the Loan Parties shall have sufficient liquidity to operate their business plan (assuming that all accounts payable, taxes and other obligations are paid current in accordance with the Loan Parties' historical business practices) after giving effect to the funding of the initial Loans as provided hereunder and the use of the proceeds thereof, including the payment of all fees, costs and expenses as set forth above.

12.1.19. Diligence. Administrative Agent has received and is satisfied with all due diligence materials requested by Administrative Agent.

12.1.20. Background Checks. Administrative Agent has reviewed and is satisfied with background checks on certain key management and shareholders of the Loan Parties.

12.1.21. Approvals. Administrative Agent has received approval of its executive credit committee.

12.1.22. Non-Compete. Key management and certain shareholders of the Loan Parties identified by Administrative Agent have entered into employment or other agreements containing customary provisions, including, without limitation, non-compete, non-solicitation, and confidentiality, all on terms satisfactory to Administrative Agent.

12.1.23. Maximum Revolving Outstandings. After giving effect to the initial Loans on the Closing Date, there shall not be any Revolving Outstandings.

12.1.24. Other. Administrative Agent has received all other documents reasonably requested by Administrative Agent or any Lender

For purposes of determining compliance with the conditions specified in this Section 12.1, each Lender that has signed this Agreement and funded Loans hereunder shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender.

12.2. Conditions. The obligation (a) of each Lender to make each Loan and (b) of the Issuing Lenders to issue each Letter of Credit is subject to the following further conditions precedent that:

12.2.1. Compliance with Warranties, No Default, etc. Both before and after giving effect to any borrowing and the issuance of any Letter of Credit, the following statements shall be true and correct:

(a) the representations and warranties of each Loan Party set forth in this Agreement and the other Loan Documents shall be true and correct in all material respects with the same effect as if then made without duplication of any "material" or "Material Adverse Effect" qualifier (except to the extent stated to relate to a specific earlier date, in which case such representations and warranties shall be true and correct in all material respects (without duplication of any "material" or "Material Adverse Effect" qualifier) as of such earlier date);

(b) no Default or Event of Default shall have then occurred and be continuing; and

(c) the Loan Parties shall be in compliance on a pro forma basis with the financial covenants set forth in Section 11.14 computed using the covenant levels and financial information for the most recently ended quarter for which information is available; in addition to the foregoing.

12.2.2. Confirmatory Certificate. If requested by Administrative Agent or any Lender, Administrative Agent shall have received a certificate dated the date of such requested Loan or Letter of Credit and signed by a duly authorized representative of Borrower Representative as to the matters set out in Section 12.2.1 (it being understood that each request by Borrower for the making of a Loan or the issuance of a Letter of Credit shall be deemed to constitute a representation and warranty by Borrower that the conditions precedent set forth in Section 12.2.1 will be satisfied at the time of the making of such Loan or the issuance of such Letter of Credit).

SECTION 13
EVENTS OF DEFAULT AND THEIR EFFECT.

13.1. Events of Default. Each of the following shall constitute an Event of Default under this Agreement:

13.1.1. Non-Payment of the Loans, etc. Default in the payment when due of the principal of any Loan; or default, and continuance thereof for five Business Days, in the payment when due of any interest, fee, reimbursement obligation with respect to any Letter of Credit or any other amount payable by Borrower hereunder or under any other Loan Document.

13.1.2. Non-Payment of Other Debt. Any default shall occur under the terms applicable to any Debt of any Loan Party in an aggregate amount (for all such Debt so affected and including undrawn committed or available amounts and amounts owing to all creditors under any combined or syndicated credit arrangement) exceeding $1,000,000 and such default shall (a) consist of the failure to pay such Debt when due, whether by acceleration or otherwise, after giving effect to all applicable grace and notice periods, or (b) accelerate the maturity of such Debt or permit the holder or holders thereof, or any trustee or agent for such holder or holders, to cause such Debt to become due and payable (or require any Loan Party to purchase or redeem such Debt or post cash collateral in respect thereof) prior to its expressed maturity after giving effect to all applicable grace and notice periods; provided that this clause (b) shall not apply to secured Debt that becomes due as a result of a voluntary sale or transfer of the property or assets securing such Debt.

13.1.3. Departure of Keyman. Either Anthony Geisler or Mark Grabowski (each, a "Keyman") fails to be employed by Borrower or an Affiliate of Borrower in his current capacity and Borrower fails to replace such Keyman with a replacement acceptable to Administrative Agent in its commercially reasonable judgment as exercised by a commercial lender within the 200 day period following the departure of such Keyman.

13.1.4. Bankruptcy, Insolvency, etc. Any Loan Party becomes insolvent or generally fails to pay, or admits in writing its inability to pay, debts as they become due; or any Loan Party applies for, consents to, or acquiesces in the appointment of a trustee, monitor, receiver or other custodian for such Loan Party or any property thereof, or makes a general assignment for the benefit of creditors; or, in the absence of such application, consent or acquiescence, a trustee, receiver or other custodian is appointed for any Loan Party or for a substantial part of the property of any thereof and is not discharged within 60 days; or any bankruptcy, reorganization, debt arrangement, or other case or proceeding under any bankruptcy

or insolvency law, or any dissolution or liquidation proceeding, is commenced in respect of any Loan Party, and if such case or proceeding is not commenced by such Loan Party, it is consented to or acquiesced in by such Loan Party, or remains for 60 days undismissed; or any Loan Party takes any action to authorize, or in furtherance of, any of the foregoing.

13.1.5. Non-Compliance with Loan Documents. (a) Failure by any Loan Party to comply with or to perform (a) any covenant set forth in Sections 10.1.1, 10.1.2, 10.1.3, and continuance of such failure described in this clause (a) for 10 Business Days (or if any Loan Party has previously failed to comply with or perform any such covenant during the preceding 12 month period or twice during the term of this Agreement, for 5 Business Days), (b) any covenant set forth in Sections 10.1.4(a), 10.2, 10.3(b), 10.5(a), 10.6, 10.11, 10.12 or Section 11 (subject to the provisions of Section 13.4); or (c) any other provision of this Agreement or any other Loan Document (and not constituting an Event of Default under any other provision of this Section 13) and continuance of such failure described in this clause (c) for 30 days.

13.1.6. Representations; Warranties. Any representation or warranty made by any Loan Party herein or any other Loan Document is breached or is false or misleading in any material respect, or any schedule, certificate, financial statement, report, notice or other writing furnished by any Loan Party to Administrative Agent or any Lender in connection herewith is false or misleading in any material respect on the date as of which the facts therein set forth are stated or certified.

13.1.7. Pension Plans. (a) Any Person institutes steps to terminate a Pension Plan if as a result of such termination a Material Adverse Effect would result; (b) a contribution failure occurs with respect to any Pension Plan that gives rise to a Lien on the assets of Borrower under Section 302(f) of ERISA; (c) the Unfunded Liability exceeds twenty percent of the Total Plan Liability and a Material Adverse Effect results, or (d) there shall occur any withdrawal or partial withdrawal from a Multiemployer Pension Plan and the withdrawal liability (without unaccrued interest) results in a Material Adverse Effect.

13.1.8. Judgments. Final judgments which exceed an aggregate of $1,000,000 (which are not covered by insurance as to which the insurance company has been notified of such judgment and has acknowledged coverage thereof), shall be rendered against any Loan Party and shall not have been paid, discharged or vacated or had execution thereof stayed pending appeal within 30 days after entry or filing of such judgments (or such other longer time period as permitted by the judgment).

13.1.9. Invalidity of Loan Documents, etc. Any Loan Document shall cease to be in full force and effect other than in accordance with its terms; or any Loan Party (or any Person by, through or on behalf of any Loan Party) shall contest in any manner the validity, binding nature or enforceability of any Loan Document.

13.1.10. Invalidity of Subordination Provisions, etc. Any subordination provision in any document or instrument governing any subordination provision in any subordination agreement that relates to any subordinated debt, or any subordination provision in any guaranty by any Loan Party of any subordinated debt, shall cease to be in full force and effect (other than in accordance with its terms), or any Loan Party by, through or on behalf of

any Loan Party shall contest in any manner the validity, binding nature or enforceability of any such provision (other than in accordance with its terms).

13.1.11. Change of Control. A Change of Control shall occur.

13.2. Effect of Event of Default. If any Event of Default described in Section 13.1.4 shall occur in respect of Borrower, the Commitments shall immediately terminate and the Loans and all other Obligations hereunder shall become immediately due and payable and Borrower shall become immediately obligated to Cash Collateralize all Letters of Credit, all without presentment, demand, protest or notice of any kind; and, if any other Event of Default shall occur and be continuing, Administrative Agent may (and, upon the written request of the Required Lenders shall) declare, in a written notice to Borrower Representative, the Commitments to be terminated in whole or in part and/or declare all or any part of the Loans and all other Obligations hereunder to be due and payable and/or demand that Borrower immediately Cash Collateralize all or any Letters of Credit, whereupon the Commitments shall immediately terminate (or be reduced, as applicable) and/or the Loans and other Obligations hereunder shall become immediately due and payable (in whole or in part, as applicable) and/or Borrower shall immediately become obligated to Cash Collateralize the Letters of Credit (all or any, as applicable), all without presentment, demand, protest or notice of any kind (other than as expressly provided for above in this sentence). Administrative Agent shall promptly advise Borrower of any such declaration, but failure to do so shall not impair the effect of such declaration. Any cash collateral delivered hereunder shall be held by Administrative Agent (without liability for interest thereon) and applied to the Obligations arising in connection with any drawing under a Letter of Credit. After the expiration or termination of all Letters of Credit, such cash collateral shall be applied by Administrative Agent to any remaining Obligations hereunder and any excess shall be delivered to Borrower or as a court of competent jurisdiction may elect.

13.3. Credit Bidding. The Loan Parties and the Lenders hereby irrevocably authorize (and by entering into a Bank Product Agreement, each Bank Product provider shall be deemed to authorize) Administrative Agent, based upon the instruction of the Required Lenders, to Credit Bid and purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (and the Loan Parties shall approve Administrative Agent as a qualified bidder and such Credit Bid as qualified bid) at any sale thereof conducted by Administrative Agent, based upon the instruction of the Required Lenders, under any provisions of the Uniform Commercial Code, as part of any sale or investor solicitation process conducted by any Loan Party, any interim receiver, receiver, receiver and manager, administrative receiver, trustee, agent or other Person pursuant or under any insolvency laws; provided, however, that (i) the Required Lenders may not direct Administrative Agent in any manner that does not treat each of the Lenders equally, without preference or discrimination, in respect of consideration received as a result of the Credit Bid, (ii) the acquisition documents shall be commercially reasonable and contain customary protections for minority holders, such as, among other things, anti-dilution and tag-along rights, (iii) the exchanged debt or equity securities must be freely transferable, without restriction (subject to applicable securities laws) and (iv) reasonable efforts shall be made to structure the acquisition in a manner that causes the governance documents pertaining thereto to not impose any obligations or liabilities upon the Lenders individually (such as indemnification obligations).

For purposes of the preceding sentence, the term "Credit Bid" shall mean, an offer submitted by Administrative Agent (on behalf of the Lender group), based upon the instruction of the Required Lenders, to acquire the property of any Loan Party or any portion thereof in exchange for and in full and final satisfaction of all or a portion (as determined by Administrative Agent, based upon the instruction of the Required Lenders) of the claims and Obligations under this Agreement and other Loan Documents.

13.4. Right to Cure Financial Covenant Breach. Notwithstanding anything to the contrary contained in this Section 13, for purposes of determining whether the Loan Parties have failed to comply with any covenant contained in Section 11.14, Borrower shall have the right (the "Cure Right") to increase EBITDA for any Fiscal Quarter by the amount of Net Cash Proceeds (the "Cure Amount") actually received by Holdings from the Sponsor and any other owners of the Capital Securities of Holdings (by way of common equity contributions or in return for the issuance of Capital Securities) during or after the end of such Fiscal Quarter and on or prior to the date that is ten Business Days after the date on which financial statements with respect to such Fiscal Quarter are required to be delivered pursuant to Section 10.1.2 (the "Cure Date"), in each case so long as, and to the extent that, such amounts are then contributed by Holdings in cash to the common equity of Intermediate Holdings and then contributed by Intermediate Holdings to Borrower, and that, on or prior to the Cure Date, Borrower shall inform the Administrative Agent of the Cure Amount, whereupon the covenants contained in Section 11.14 shall be recalculated giving effect to the following pro forma adjustments:

(i) EBITDA shall be increased, solely for the purpose of determining the existence of a Default or Event of Default under the covenants contained in Section 11.14 for the Computation Period for which the Cure Right was exercised with the Cure Amount applied to the Fiscal Quarter for which the Cure Right was exercised (such Fiscal Quarter, an "Increased Fiscal Quarter") and for any subsequent Computation Period which includes such Increased Fiscal Quarter by the Cure Amount; it being understood that for purposes of calculating the Total Debt to EBITDA Ratio as of the end of the Fiscal Quarter for which the Cure Right was exercised, Total Debt shall not be reduced by the amount of any prepayment or repayment of Debt made with the Cure Amount; and

(ii) if, after giving effect to the foregoing recalculations, Borrower shall then be in compliance with the requirements of all covenants contained in Section 11.14, Borrower shall be deemed to have satisfied the requirements of the financial performance covenants contained in Section 11.14 as of the relevant date of determination with the same effect as though there had been no failure to comply therewith at such date and the applicable breach or default that had occurred shall be deemed cured for purposes of this Agreement.

Notwithstanding anything herein to the contrary, (a) the Cure Right may not be exercised in consecutive Fiscal Quarters, (b) during the term of this Agreement there shall be no more than five Fiscal Quarters in which a Cure Right is exercised, (c) the Cure Amount allowed shall be, at the option of the Borrower, the greater of (x) $250,000 or (y) the amount required to cause Borrower to be in compliance with the covenants contained in Section 11.14, (d) the amount of any individual Cure Amount shall not exceed 15% of the trailing twelve month EBITDA for the

most recently ended month for which financial statements have been delivered and the aggregate amount of all Cure Amounts during the term of this Agreement shall not exceed $6,500,000, and (e) Borrower shall apply all Cure Amounts to the prepayment of outstanding Term Loans in accordance with Section 6.2.2(a)(vi); provided that until the day that is ten Business Days after the day on which financial statements are required to be delivered for the period ending on the last day of the applicable Fiscal Quarter, notwithstanding any other provision of this Agreement or any other Loan Document, no Event of Default resulting solely from a breach of the covenants set forth in Section 11.14 shall be deemed to have occurred (other than for purposes of Section 12.2) and neither the Administrative Agent nor any Lender shall have any right to declare all or any portion of any one or more of the Commitments of any Lender to make Loans or of the L/C Issuer to Issue Letters of Credit to be suspended or terminated, declare all or any portion of the unpaid principal amount of any outstanding Loans, interest accrued and unpaid thereon, and all amounts owing or payable hereunder or under any other Loan Document to be due and payable and/or exercise any other rights and remedies available under the Loan Documents or applicable law (including, without limitation, any right to foreclose on or take possession of Collateral or to increase the interest rate applicable to each Loan or other Obligation hereunder or the rate applicable to each Letter of Credit) in each case prior to the Cure Date solely on the basis of an allegation of an Event of Default having occurred and being continuing under Section 13.1.5 due to failure by the Loan Parties to comply with any financial covenant set forth in Section 11.14 (for avoidance of doubt, none of Administrative Agent, any Issuing Lender nor any Lender shall be required to advance any Loans and/or issue any Letters of Credit during such period).

SECTION 14
ADMINISTRATIVE AGENT.

14.1. Appointment and Authorization. Each Lender hereby irrevocably (subject to Section 14.10) appoints, designates and authorizes Administrative Agent to take such action on its behalf under the provisions of this Agreement and each other Loan Document and to exercise such powers and perform such duties as are expressly delegated to it by the terms of this Agreement or any other Loan Document, together with such powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary contained elsewhere in this Agreement or in any other Loan Document, Administrative Agent shall not have any duty or responsibility except those expressly set forth herein, nor shall Administrative Agent have or be deemed to have any fiduciary relationship with any Lender or participant, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against Administrative Agent. Without limiting the generality of the foregoing sentence, the use of the term "agent" herein and in other Loan Documents with reference to Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

14.2. Issuing Lenders. The Issuing Lenders shall act on behalf of the Lenders (according to their Pro Rata Shares) with respect to any Letters of Credit issued by them and the documents associated therewith. The Issuing Lenders shall have all of the benefits and immunities (a) provided to Administrative Agent in this Section 14 with respect to any acts taken or omissions suffered by the Issuing Lenders in connection with Letters of Credit issued by them

or proposed to be issued by them and the applications and agreements for letters of credit pertaining to such Letters of Credit as fully as if the term "Administrative Agent", as used in this Section 14, included the Issuing Lenders with respect to such acts or omissions and (b) as additionally provided in this Agreement with respect to the Issuing Lenders.

14.3. Delegation of Duties. Administrative Agent may execute any of its duties under this Agreement or any other Loan Document by or through agents, employees or attorneys-in-fact and shall be entitled to advice of counsel and other consultants or experts concerning all matters pertaining to such duties. Administrative Agent shall not be responsible for the negligence or misconduct of any agent or attorney-in-fact that it selects in the absence of gross negligence or willful misconduct.

14.4. Exculpation of Administrative Agent. None of Administrative Agent nor any of its directors, officers, employees or agents shall (a) be liable for any action taken or omitted to be taken by any of them under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby (except to the extent resulting from its own gross negligence or willful misconduct in connection with its duties expressly set forth herein as determined by a final, nonappealable judgment by a court of competent jurisdiction), or (b) be responsible in any manner to any Lender or participant for any recital, statement, representation or warranty made by any Loan Party or Affiliate of Borrower, or any officer thereof, contained in this Agreement or in any other Loan Document, or in any certificate, report, statement or other document referred to or provided for in, or received by Administrative Agent under or in connection with, this Agreement or any other Loan Document, or the validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document (or the creation, perfection or priority of any Lien or security interest therein), or for any failure of Borrower or any other party to any Loan Document to perform its Obligations hereunder or thereunder. Administrative Agent shall not be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document, or to inspect the properties, books or records of Borrower or any of Borrower's Subsidiaries or Affiliates.

14.5. Reliance by Administrative Agent. Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, communication, signature, resolution, representation, notice, consent, certificate, electronic mail message, affidavit, letter, telegram, facsimile, telex or telephone message, statement or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons, and upon advice and statements of legal counsel (including counsel to Borrower), independent accountants and other experts selected by Administrative Agent. Administrative Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Loan Document unless it shall first receive such advice or concurrence of the Required Lenders as it deems appropriate and, if it so requests, confirmation from the Lenders of their obligation to indemnify Administrative Agent against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Loan Document in accordance with a request or consent of the Required Lenders and such request and any action taken or failure to act pursuant thereto shall be binding upon each Lender. For purposes of determining compliance with the conditions specified in

Section 12, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless Administrative Agent shall have received written notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

14.6. Notice of Default. Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Event of Default or Default except with respect to defaults in the payment of principal, interest and fees required to be paid to Administrative Agent for the account of the Lenders, unless Administrative Agent shall have received written notice from a Lender or Borrower referring to this Agreement, describing such Event of Default or Default and stating that such notice is a "notice of default". Administrative Agent will notify the Lenders of its receipt of any such notice. Administrative Agent shall take such action with respect to such Event of Default or Default as may be requested by the Required Lenders in accordance with Section 13; provided that unless and until Administrative Agent has received any such request, Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Event of Default or Default as it shall deem advisable or in the best interest of the Lenders.

14.7. Credit Decision. Each Lender acknowledges that Administrative Agent has not made any representation or warranty to it, and that no act by Administrative Agent hereafter taken, including any consent and acceptance of any assignment or review of the affairs of the Loan Parties, shall be deemed to constitute any representation or warranty by Administrative Agent to any Lender as to any matter, including whether Administrative Agent has disclosed material information in its possession. Each Lender represents to Administrative Agent that it has, independently and without reliance upon Administrative Agent and based on such documents and information as it has deemed appropriate, made its own appraisal of an investigation into the business, prospects, operations, property, financial and other condition and creditworthiness of the Loan Parties, and made its own decision to enter into this Agreement and to extend credit to Borrower hereunder. Each Lender also represents that it will, independently and without reliance upon Administrative Agent and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigations as it deems necessary to inform itself as to the business, prospects, operations, property, financial and other condition and creditworthiness of Borrower. Except for notices, reports and other documents expressly herein required to be furnished to the Lenders by Administrative Agent, Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, prospects, operations, property, financial or other condition or creditworthiness of Borrower which may come into the possession of Administrative Agent.

14.8. Indemnification. Whether or not the transactions contemplated hereby are consummated, each Lender shall indemnify upon demand Administrative Agent and its directors, officers, employees and agents (to the extent not reimbursed by or on behalf of Borrower and without limiting the obligation of Borrower to do so), according to its applicable Pro Rata Share, from and against any and all Indemnified Liabilities (as hereinafter defined); provided that no Lender shall be liable for any payment to any such Person of any portion of the Indemnified

Liabilities to the extent determined by a final, nonappealable judgment by a court of competent jurisdiction to have resulted from the applicable Person's own gross negligence or willful misconduct. No action taken in accordance with the directions of the Required Lenders shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section. Without limitation of the foregoing, each Lender shall reimburse Administrative Agent upon demand for its ratable share of any costs or out-of-pocket expenses (including Attorney Costs and Taxes) incurred by Administrative Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, any other Loan Document, or any document contemplated by or referred to herein, to the extent that Administrative Agent is not reimbursed for such expenses by or on behalf of Borrower. The undertaking in this Section shall survive repayment of the Loans, cancellation of the Notes, expiration or termination of the Letters of Credit, any foreclosure under, or modification, release or discharge of, any or all of the Collateral Documents, termination of this Agreement and the resignation or replacement of Administrative Agent.

14.9. Administrative Agent in Individual Capacity. Monroe Capital and its Affiliates may make loans to, issue letters of credit for the account of, accept deposits from, acquire Capital Securities in and generally engage in any kind of banking, trust, financial advisory, underwriting or other business with the Loan Parties and Affiliates as though Monroe Capital were not Administrative Agent hereunder and without notice to or consent of any Lender. Each Lender acknowledges that, pursuant to such activities, Monroe Capital or its Affiliates may receive information regarding Borrower or its Affiliates (including information that may be subject to confidentiality obligations in favor of Borrower or such Affiliate) and acknowledges that Administrative Agent shall be under no obligation to provide such information to them. With respect to their Loans (if any), Monroe Capital and its Affiliates shall have the same rights and powers under this Agreement as any other Lender and may exercise the same as though Monroe Capital were not Administrative Agent, and the terms "Lender" and "Lenders" include Monroe Capital and its Affiliates, to the extent applicable, in their individual capacities.

14.10. Successor Administrative Agent. Administrative Agent may resign as Administrative Agent upon 30 days' notice to the Lenders. If Administrative Agent resigns under this Agreement, the Required Lenders shall, with (so long as no Event of Default exists) the consent of Borrower (which shall not be unreasonably withheld or delayed), appoint from among the Lenders a successor agent for the Lenders. If no successor agent is appointed prior to the effective date of the resignation of Administrative Agent, Administrative Agent may appoint, after consulting with the Lenders and Borrower, a successor agent from among the Lenders. Upon the acceptance of its appointment as successor agent hereunder, such successor agent shall succeed to all the rights, powers and duties of the retiring Administrative Agent and the term "Administrative Agent" shall mean such successor agent, and the retiring Administrative Agent's appointment, powers and duties as Administrative Agent shall be terminated. After any retiring Administrative Agent's resignation hereunder as Administrative Agent, the provisions of this Section 14 and Sections 15.5 and 15.17 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement. If no successor agent has accepted appointment as Administrative Agent by the date which is 30 days following a retiring Administrative Agent's notice of resignation, the retiring

Administrative Agent's resignation shall nevertheless thereupon become effective and the Lenders shall perform all of the duties of Administrative Agent hereunder until such time, if any, as the Required Lenders appoint a successor agent as provided for above.

14.11. Collateral Matters. Each Lender authorizes and directs Administrative Agent to enter into the other Loan Documents for the benefit of Lenders. Each Lender hereby agrees that, except as otherwise set forth herein, any action taken by Administrative Agent or Required Lenders in accordance with the provisions of this Agreement or the other Loan Documents, and the exercise by the Administrative Agent or Required Lenders of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all Lenders. Administrative Agent is hereby authorized on behalf of all Lenders, without the necessity of any notice to or further consent from any Lender to take any action with respect to any Collateral or Loan Documents which may be necessary to perfect and maintain perfected (with respect to intellectual property, if and to the extent contemplated under the Guaranty and Collateral Agreement) the Liens upon the Collateral granted pursuant to this Agreement and the other Loan Documents. The Lenders irrevocably authorize Administrative Agent, at its option and in its discretion, (a) to release any Lien granted to or held by Administrative Agent under any Collateral Document (i) upon termination of the Commitments and payment in full of all Loans and all other outstanding obligations of Borrower hereunder and the expiration or termination or Cash Collateralization of all Letters of Credit; (ii) constituting property sold or to be sold or disposed of as part of or in connection with any disposition permitted hereunder (including the release of any Guarantor); or (iii) subject to Section 15.1, if approved, authorized or ratified in writing by the Required Lenders; or (b) to subordinate its interest in any Collateral to any holder of a Lien on such Collateral which is permitted by Section 11.2(d)(i) or (d)(iii) (it being understood that Administrative Agent may conclusively rely on a certificate from Borrower in determining whether the Debt secured by any such Lien is permitted by Section 11.1(b)). Upon request by Administrative Agent at any time, the Lenders will confirm in writing Administrative Agent's authority to release, or subordinate its interest in, particular types or items of Collateral pursuant to this Section 14.11.

14.12. Restriction on Actions by Lenders. Each Lender agrees that it shall not, without the express written consent of Administrative Agent, and shall, upon the written request of Administrative Agent (to the extent it is lawfully entitled to do so), set off against the Obligations, any amounts owing by such Lender to a Loan Party or any deposit accounts of any Loan Party now or hereafter maintained with such Lender that are not Excluded Accounts. Each of the Lenders further agrees that it shall not, unless specifically requested to do so in writing by Administrative Agent, take or cause to be taken, any action, including the commencement of any legal or equitable proceedings to foreclose any loan or otherwise enforce any security interest in any of the Collateral or to enforce all or any part of this Agreement or the other Loan Documents. All enforcement actions under this Agreement and the other Loan Documents against the Loan Parties or any third party with respect to the Obligations or the Collateral may only be taken by Administrative Agent (at the direction of the Required Lenders or as otherwise permitted in this Agreement) or by its agents at the direction of Administrative Agent.

14.13. Administrative Agent May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to any Loan Party, Administrative Agent

(irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether Administrative Agent shall have made any demand on Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and Administrative Agent under Sections 5, 15.5 and 15.17) allowed in such judicial proceedings; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to Administrative Agent and, in the event that Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of Administrative Agent and its agents and counsel, and any other amounts due Administrative Agent under Sections 5, 15.5 and 15.17.

Nothing contained herein shall be deemed to authorize Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

14.14. Other Agents; Arrangers and Managers. None of the Lenders or other Persons identified on the facing page or signature pages of this Agreement as a "syndication agent," "documentation agent," "co-agent," "book manager," "lead manager," "arranger," "lead arranger" or "co-arranger", if any, shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than, in the case of such Lenders, those applicable to all Lenders as such. Without limiting the foregoing, none of the Lenders or other Persons so identified shall have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on any of the Lenders or other Persons so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

14.15. Protective Advances. Administrative Agent may, from time to time at any time that an Event of Default has occurred and is continuing, make all disbursements and advances ("Protective Advances") that Administrative Agent, in its sole discretion, deems necessary or desirable to preserve, protect, prepare for sale or lease or dispose of the Collateral or any portion thereof, to enhance the likelihood or maximize the amount of repayment by the Loan Parties of the Loans and other Obligations or to pay any other amount chargeable to the Loan Parties

pursuant to the terms of this Agreement and the other Loan Documents, including, without limitation, costs, fees and expenses as described in Section 15.5. Protective Advances are repayable on demand and will be secured by the Collateral and bear interest at a rate per annum equal to the rate then applicable to Base Rate Loans. The maximum aggregate amount of Protective Advances that Administrative Agent may make is $5,000,000. Protective Advances constitute Obligations under this Agreement and may be charged to the Loan Account in accordance with Section 7.1.2. No Protective Advance made by Administrative Agent and charged to the Loan Account will be deemed to constitute a Loan and no Lender will have any obligation to fund any amount to Administrative Agent as a result thereof. The Administrative Agent shall notify each Lender and the Borrower Representative in writing of each Protective Advance made by Administrative Agent, which notice must include a description of the purpose of that Protective Advance.

SECTION 15
GENERAL.

15.1. Waiver; Amendments.

15.1.1. No delay on the part of Administrative Agent or any Lender in the exercise of any right, power or remedy shall operate as a waiver thereof, nor shall any single or partial exercise by any of them of any right, power or remedy preclude other or further exercise thereof, or the exercise of any other right, power or remedy. No amendment, modification or waiver of, or consent with respect to, any provision of this Agreement or the other Loan Documents shall in any event be effective unless the same shall be in writing and acknowledged by Lenders having an aggregate Pro Rata Shares of not less than the aggregate Pro Rata Shares expressly designated herein with respect thereto or, in the absence of such designation as to any provision of this Agreement, by the Required Lenders, and then any such amendment, modification, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that the Agent Fee Letter may be amended, waived, consented to or modified by the parties thereto. No amendment, modification, waiver or consent shall (a) extend or increase the Commitment of any Lender without the written consent of such Lender, (b) extend the date scheduled for payment of any principal (excluding mandatory prepayments) of or interest on the Loans or any fees payable hereunder without the written consent of each Lender directly affected thereby, (c) reduce the principal amount of any Loan, the rate of interest thereon or any fees payable hereunder, without the consent of each Lender directly affected thereby (except (i) for periodic adjustments of interest rates and fees resulting from a change in the LIBOR Rate and the Base Rate as provided for in this Agreement, and (ii) that Required Lenders may rescind any increase in the interest rate under and in accordance with Section 4.1).; or (d) release any Guarantor from its obligations under the Guaranty and Collateral Agreement, other than as part of or in connection with any disposition permitted hereunder, or all or any substantial part of the Collateral granted under the Collateral Documents (except as permitted by Section 14.11), change the definition of Required Lenders, any provision of this Section 15.1, any provision of Section 13.3, change the definition of Pro Rata Share, or reduce the aggregate Pro Rata Share required to effect an amendment, modification, waiver or consent, without, in each case set forth in this clause (d), the written consent of all Lenders. No provision of Sections 6.2.2 or 6.3 with respect to the timing or application of mandatory prepayments of the Loans shall be amended, modified or waived without the consent of Lenders having a

majority of the aggregate Pro Rata Shares of the Term Loans affected thereby. No provision of Section 14 or other provision of this Agreement affecting Administrative Agent in its capacity as such shall be amended, modified or waived without the consent of Administrative Agent. No provision of this Agreement relating to the rights or duties of the Issuing Lenders in their capacities as such shall be amended, modified or waived without the consent of the Issuing Lenders.

Notwithstanding the foregoing, this agreement may be amended (or amended and restated) with the written consent of the Required Lenders, Administrative Agent and Borrower (a) to add one or more additional credit facilities to this Agreement and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents with the Term Loans, the Revolving Loans, the Revolving Commitments and the accrued interest and fees in respect thereof and (b) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders.

15.1.2. Either (a) if, in connection with any proposed amendment, modification, waiver or termination requiring the consent of all Lenders or all affected Lenders, the consent of the Required Lenders is obtained, but the consent of other Lenders whose consent is required is not obtained (any such Lender whose consent is required and not obtained being referred to as a "Non-Consenting Lender") or (b) upon the receipt by the Borrower of notice and demand from any Lender for any payment provided in Section 8.1 (such Lender, together with any Non-Consenting Lender, each an "Affected Lender"), then, so long as Administrative Agent is not an Affected Lender, Administrative Agent and/or a Person or Persons reasonably acceptable to Administrative Agent (who shall in no event be a Disqualified Lender) shall have the right to purchase from such Affected Lenders (on the express condition that upon such purchase such purchasing Person will consent to the proposed amendment), and such Affected Lenders agree that they shall, upon Administrative Agent's request, sell and assign to Administrative Agent and/or such Person or Persons, all of the Loans and Revolving Commitments of such Affected Lenders for an amount equal to the principal balance of all such Loans and Revolving Commitments held by such Affected Lenders and all accrued interest, fees, expenses and other amounts then due with respect thereto through the date of sale, such purchase and sale to be consummated pursuant to an executed Assignment Agreement.

15.2. Confirmations. Borrower and each holder of a Note agree from time to time, upon written request received by it from the other, to confirm to the other in writing (with a copy of each such confirmation to Administrative Agent) the aggregate unpaid principal amount of the Loans then outstanding under such Note.

15.3. Notices.

15.3.1. Generally. Except as otherwise provided in Section 2.2.2, all notices hereunder shall be in writing (including facsimile or other electronic transmission) and shall be sent to the applicable party at its address shown on Annex B or at such other address as such party may, by written notice received by the other parties, have designated as its address for such purpose. Notices sent by facsimile or electronic transmission shall be deemed to have been given when sent; notices sent by mail shall be deemed to have been given three Business Days

after the date when sent by registered or certified mail, postage prepaid; and notices sent by hand delivery or overnight courier service shall be deemed to have been given when received. For purposes of Section 2.2.2, Administrative Agent shall be entitled to rely on telephonic instructions from any person that Administrative Agent in good faith believes is an authorized officer or employee of Borrower, and Borrower shall hold Administrative Agent and each other Lender harmless from any loss, cost or expense resulting from any such reliance.

15.3.2. Electronic Communications.

(a) Notices and other communications to any Lender under this Agreement may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by Administrative Agent, but the foregoing does not apply to notices to any Lender pursuant to Section 2.1.3 if that Lender has notified Administrative Agent and Borrower Representative that it is incapable of receiving notices under Section 2.1.3 by electronic communication. Administrative Agent or any of Holdings, Intermediate Holdings and Borrower may, in its respective sole discretion, agree to accept notices and other communications to it under this Agreement by electronic communications pursuant to procedures approved by it, and approval of any such procedures may be limited to particular notices or communications.

(b) Unless otherwise agreed by the sender and the intended recipient, (i) notices and other communications sent to an e-mail address will be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail, or other written acknowledgement); (ii) notices or communications posted to an Internet or intranet website will be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that the notice or communication is available and identifying the website address therefor; and (iii) for both clauses (i) and (ii) of this Section 15.3.2(b), any notice, e mail or other communication that is not sent during the normal business hours of the intended recipient will be deemed to have been sent at the opening of business on the next Business Day for the intended recipient.

15.4. Computations. Where the character or amount of any asset or liability or item of income or expense is required to be determined, or any consolidation or other accounting computation is required to be made, for the purpose of this Agreement, such determination or calculation shall, to the extent applicable and except as otherwise specified in this Agreement, be made in accordance with GAAP, consistently applied; provided that if Borrower notifies Administrative Agent that Borrower wishes to amend any covenant in Sections 10 or 11.14 (or any related definition) to eliminate or to take into account the effect of any change in GAAP on the operation of such covenant (or if Administrative Agent notifies Borrower that the Required Lenders wish to amend Sections 10 or 11.14 (or any related definition) for such purpose), then Borrower's compliance with such covenant shall be determined on the basis of GAAP in effect immediately before the relevant change in GAAP became effective, until either such notice is withdrawn or such covenant (or related definition) is amended in a manner satisfactory to Borrower and the Required Lenders.

15.5. Costs, Expenses. Each Loan Party, jointly and severally agrees to pay on demand, subject to any limitations set forth in Section 10.2 with respect to audits and inspections, (a) all reasonable and documented out-of-pocket costs and expenses of Administrative Agent and following the occurrence and during the continuance of an Event of Default any Lender (including Attorney Costs) in connection with the preparation, execution, syndication, delivery and administration (including perfection and protection of any Collateral and the costs of Intralinks (or other similar service), if applicable) of this Agreement, the other Loan Documents and all other documents provided for herein or delivered or to be delivered hereunder or in connection herewith (including any amendment, supplement or waiver to any Loan Document), whether or not the transactions contemplated hereby or thereby shall be consummated, and (b) all reasonable and documented out-of-pocket costs and expenses (including Attorney Costs) incurred by Administrative Agent and each Lender after an Event of Default in connection with the collection of the Obligations or the enforcement of this Agreement the other Loan Documents or any such other documents or during any workout, restructuring or negotiations in respect thereof; provided, however, that such Attorney Costs described in each of clauses (a) and (b) above shall be limited to Attorney Costs of one counsel to the Administrative Agent and Lenders taken as a whole, one counsel for franchise counsel to Administrative Agent (and, if reasonably necessary, one local counsel to the Administrative Agent and all the Lenders taken as a whole in any relevant jurisdiction), unless the representation of the Administrative Agent and one or more Lenders by counsel for all Lenders would be inappropriate due to the existence of an actual conflict of interest that is not waived, in which case Borrower shall also be required to reimburse the Attorney Costs of one counsel to such affected Lenders similarly-situated (taken as a whole). In addition, each Loan Party agrees to pay, and to save Administrative Agent and the Lenders harmless from all liability for, any fees of Borrower's auditors in connection with any reasonable exercise by Administrative Agent and the Lenders of their rights pursuant to Section 10.2. All Obligations provided for in this Section 15.5 shall survive repayment of the Loans, cancellation of the Notes, expiration or termination of the Letters of Credit and termination of this Agreement.

15.6. Assignments; Participations.

15.6.1. Assignments.

(a) Any Lender may at any time assign to one or more Eligible Assignees other than the Sponsor, Borrower or any Affiliate thereof (any such Person, an "Assignee") all or any portion of such Lender's Loans and Commitments, with the prior written consent of Administrative Agent, the Issuing Lenders (for an assignment of the Revolving Loans and the Revolving Commitments) and Borrower (which consent of Borrower shall not be unreasonably withheld or delayed), provided, however, (i) such consent of Borrower shall not be required (x) for an assignment by a Lender to a Lender or an Affiliate of a Lender or an Approved Fund, or (y) upon the occurrence and during the continuance of a Specified Event of Default, (ii) such consent of Administrative Agent and the Issuing Lenders shall not be required for an assignment by a Lender to a Lender or an Affiliate of a Lender or an Approved Fund and (iii) no such assignment shall be to a Disqualified Lender. Except as Administrative Agent may otherwise agree, any such assignment shall be in a minimum aggregate amount equal to $1,000,000 or, if less, the remaining Commitment and Loans held by the assigning Lender. Borrower and Administrative Agent shall be entitled to continue to deal solely and directly with such Lender in

connection with the interests so assigned to an Assignee until Administrative Agent shall have received and accepted an effective assignment agreement in substantially the form of Exhibit C hereto (an "Assignment Agreement") executed, delivered and fully completed by the applicable parties thereto and a processing fee of $3,500 and the tax forms required by Section 7.6(d); provided, that, no processing fee shall be payable in connection with an assignment by a Lender to a Lender or an Affiliate of a Lender or an Approved Fund. If an assignment is made to any Person and at the time of such assignment Borrower would be obligated to pay a greater amount under Sections 7.6 or 8 to the Assignee than Borrower is then obligated to pay to the assigning Lender under such Sections then Borrower will not be required to pay such greater amounts to such Assignee. Any attempted assignment not made in accordance with this Section 15.6.1 shall be treated as the sale of a participation under Section 15.6.2. If Borrower has not expressly objected to any assignment requiring its consent hereunder within three Business Days after notice thereof, Administrative agent shall provide Borrower with a second copy of such notice and Borrower shall be deemed to have granted unless Borrower has expressly objected to such assignment within seven days after receipt of such second notice thereof.

(b) From and after the date on which the conditions described above have been met, (i) such Assignee shall be deemed automatically to have become a party hereto and, to the extent that rights and obligations hereunder have been assigned to such Assignee pursuant to such Assignment Agreement, shall have the rights and obligations of a Lender hereunder and (ii) the assigning Lender, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment Agreement, shall be released from its rights (other than its indemnification rights) and obligations hereunder. Upon the request of the Assignee (and, as applicable, the assigning Lender) pursuant to an effective Assignment Agreement, Borrower shall execute and deliver to Administrative Agent for delivery to the Assignee (and, as applicable, the assigning Lender) a Note in the principal amount of the Assignee's Pro Rata Share of the Revolving Commitments plus the principal amount of the Assignee's Term Loans (and, as applicable, a Note in the principal amount of the Pro Rata Share of the Revolving Commitments retained by the assigning Lender plus the principal amount of the Term Loans retained by the assigning Lender). Each such Note shall be dated the effective date of such assignment. Upon receipt by Administrative Agent of such Note(s), the assigning Lender shall return to Borrower any prior Note held by it.

(c) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

15.6.2. Participations. Any Lender may at any time sell to one or more Persons participating interests in its Loans, Commitments or other interests hereunder (any such Person, a "Participant"), provided that such Person shall not be a Disqualified Lender. In the event of a sale by a Lender of a participating interest to a Participant, (a) such Lender's obligations hereunder shall remain unchanged for all purposes, (b) Borrower and Administrative Agent shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations hereunder and (c) all amounts payable by Borrower shall be determined as if

such Lender had not sold such participation and shall be paid directly to such Lender. No Participant shall have any direct or indirect voting rights hereunder except with respect to any event described in Section 15.1 expressly requiring the unanimous vote of all Lenders or, as applicable, all affected Lenders. Each Lender agrees to incorporate the requirements of the preceding sentence into each participation agreement which such Lender enters into with any Participant. Borrower agrees that if amounts outstanding under this Agreement are due and payable (as a result of acceleration or otherwise), each Participant shall be deemed to have the right of set-off in respect of its participating interest in amounts owing under this Agreement and with respect to any Letter of Credit to the same extent as if the amount of its participating interest were owing directly to it as a Lender under this Agreement; provided that such right of set-off shall be subject to the obligation of each Participant to share with the Lenders, and the Lenders agree to share with each Participant, as provided in Section 7.5. Borrower also agrees that each Participant shall be entitled to the benefits of Section 7.6 or 8 as if it were a Lender (provided (i) that on the date of the participation no Participant shall be entitled to any greater compensation pursuant to Section 7.6 or 8 than would have been paid to the participating Lender on such date if no participation had been sold except to the extent such entitlement to receive a greater payment results from a change in law that occurs after the Participant acquired the applicable participation and (ii) that each Participant complies with Section 7.6(d) as if it were an Assignee, it being understood that the documentation required under Section 7.6(d) shall be delivered to the participating Lender). Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts of and stated interest on each Participant's interest in the Loans, Commitments or other interests hereunder (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans or its other obligations under this Agreement or any Loan Documents) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

15.7. Register. Administrative Agent, acting solely for this purpose as an agent of Borrower, shall maintain a copy of each Assignment Agreement delivered and accepted by it and register (the "Register") for the recordation of names and addresses of the Lenders and the Commitments of, and principal amounts of and stated interest on the Loans owing to, each Lender pursuant to the terms hereof from time to time and whether such Lender is the original Lender or the Assignee. No assignment shall be effective unless and until the Assignment Agreement is accepted and registered in the Register. All records of transfer of a Lender's interest in the Register shall be conclusive, absent manifest error, as to the ownership of the interests in the Loans, and Borrower, Administrative Agent, and Lenders shall treat each person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. Administrative Agent shall not incur any liability of any kind with respect to any Lender with respect to the maintenance of the Register.

15.8. GOVERNING LAW. THIS AGREEMENT AND EACH NOTE SHALL BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE.

15.9. Confidentiality. As required by federal law and Administrative Agent's policies and practices, Administrative Agent may need to obtain, verify, and record certain customer identification information and documentation in connection with opening or maintaining accounts, or establishing or continuing to provide services. Administrative Agent and each Lender agree to use commercially reasonable efforts (equivalent to the efforts Administrative Agent or such Lender applies to maintain the confidentiality of its own confidential information) to maintain as confidential all information provided to them by any Loan Party, except that Administrative Agent and each Lender may disclose such information (a) to Persons employed or engaged by Administrative Agent or such Lender or such Lender's Affiliates or Approved Funds in evaluating, approving, structuring or administering the Loans and the Commitments; (b) to any assignee or participant or potential assignee or participant, other than a Disqualified Lender, that has agreed to comply with the covenant contained in this Section 15.9 (and any such assignee or participant or potential assignee or participant may disclose such information to Persons employed or engaged by them as described in clause (a) above); (c) (i) as required or requested by any federal or state regulatory authority or examiner, or any insurance industry association, or (ii) as reasonably believed by Administrative Agent or such Lender to be compelled by any court decree, subpoena or legal or administrative order or process; provided Administrative Agent or such Lender shall notify the Borrower prior to making such disclosure, unless such notification is prohibited; (d) as, on the advice of Administrative Agent's or such Lender's counsel, is required by law provided the Administrative Agent or such Lender shall notify the Borrower prior to making such disclosure, unless such notification is prohibited; (e) in connection with the exercise of any right or remedy under the Loan Documents or in connection with any litigation to which Administrative Agent or such Lender is a party; (f) to any nationally recognized rating agency that requires access to information about a Lender's investment portfolio in connection with ratings issued with respect to such Lender; (g) to any Affiliate of Administrative Agent, the Issuing Lenders or any Lender who may provide Bank Products to the Loan Parties; (h) to Lender's independent auditors and other professional advisors as to which such information has been identified as confidential; (i) that ceases to be confidential through no fault of Administrative Agent or any Lender; (j) to any person appointed by the Administrative Agent or any Lender to provide administration or settlement services in respect of one or more of the Loan documents including without limitation, in relation to the trading of participations in respect of the Loan Documents, such confidential information as may be required to be disclosed to enable such service provider to provide any of the services referred to in this paragraph (j) if the service provider to whom the confidential information is to be given has entered into a confidentiality agreement substantially in the form of the LMA Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Borrower and the Administrative Agent or Lender, as applicable; or (k) the Administrative Agent or such Lender may disclose to any national or international numbering service provider appointed by the Administrative Agent or such Lender to provide identification numbering services in respect of this Agreement and/or one or more Loan Parties the following information:

(i) names of Loan Parties;

(ii) country of domicile of Loan Parties;

(iii) place of incorporation of Loan Parties;

(iv) date of this Agreement;

(v) the name of the Administrative Agent;

(vi) date of each amendment and restatement of this Agreement;

(vii) amount of total Commitments;

(viii) currencies of the Loans;

(ix) type of Loans;

(x) ranking of Loans;

(xi) Termination Date for the Loans;

(xii) changes to any of the information previously supplied pursuant to paragraphs (i) to (xi) above; and

(xiii) such other information agreed in writing between the Administrative Agent or such Lender and the Loan Party,

to enable such numbering service provider to provide its usual syndicated loan numbering identification services. The Loan Parties acknowledge and agree that each identification number assigned to this Agreement and/or one or more Loan Parties by a numbering service provider and the information associated with each such number may be disclosed to users of its services in accordance with the standard terms and conditions of that numbering service provider. Each Loan Party represents that none of the information set out in paragraphs (i) to (xii) above is, nor will at any time be, unpublished price-sensitive information.

Notwithstanding the foregoing, (i) in the case of clauses (c)(ii), (d), (j) and (k) above, the Administrative Agent shall use commercially reasonable efforts to (A) give the applicable Loan Party written notice prior to disclosing the information, in the case of clauses (c) and (d), to the extent permitted by such requirement and in the case of clauses (j) and (k), providing a copy of the written agreement pursuant to which disclosure of information to other parties will be conducted; (B) in the case of clauses (c)(ii) and (d), cooperate with the Loan Party to obtain a protective order or similar confidential treatment, and (C) in the case of clauses (c)(ii) and (d), only disclose that portion of the confidential information as counsel for the Administrative Agent or Lender, as applicable, advises such Administrative Agent or Lender that it must disclose pursuant to such requirement and (ii) in no event shall the Administrative Agent or any Lender disclose any such confidential information to any Disqualified Lender. The Administrative Agent or any Lender may publish a tombstone or similar advertising material relating to the

financing transactions contemplated by this Agreement, and Administrative Agent reserves the right to provide to industry trade organizations information necessary and customary for inclusion in league table measurements. If any provision of any confidentiality agreement, nondisclosure agreement or other similar agreement between Borrower and Lender conflicts with or contradicts this Section 15.9 with respect to the treatment of confidential information, this section shall supersede all such prior or contemporaneous agreements and understandings between the parties.

15.10. Severability. Whenever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement. All obligations of the Loan Parties and rights of Administrative Agent and the Lenders expressed herein or in any other Loan Document shall be in addition to and not in limitation of those provided by applicable law.

15.11. Nature of Remedies. All Obligations of the Loan Parties and rights of Administrative Agent and the Lenders expressed herein or in any other Loan Document shall be in addition to and not in limitation of those provided by applicable law. No failure to exercise and no delay in exercising, on the part of Administrative Agent or any Lender, any right, remedy, power or privilege hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

15.12. Entire Agreement. This Agreement, together with the other Loan Documents, embodies the entire agreement and understanding among the parties hereto and supersedes all prior or contemporaneous agreements and understandings of such Persons, verbal or written, relating to the subject matter hereof and thereof (except as relates to the fees described in Section 5.3) and any prior arrangements made with respect to the payment by the Loan Parties of (or any indemnification for) any fees, costs or expenses payable to or incurred (or to be incurred) by or on behalf of Administrative Agent or the Lenders.

15.13. Counterparts. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement. Receipt of an executed signature page to this Agreement by facsimile or other electronic transmission shall constitute effective delivery thereof. Electronic records of executed Loan Documents maintained by the Lenders shall deemed to be originals.

15.14. Successors and Assigns. This Agreement shall be binding upon Borrower, the Lenders and Administrative Agent and their respective successors and permitted assigns, and shall inure to the benefit of Borrower, the Lenders and Administrative Agent and the successors and assigns of the Lenders and Administrative Agent. No other Person shall be a direct or indirect legal beneficiary of, or have any direct or indirect cause of action or claim in connection with, this Agreement or any of the other Loan Documents. No Loan Party may assign or transfer any of its rights or Obligations under this Agreement without the prior written consent of Administrative Agent and each Lender.

15.15. Captions. Section captions used in this Agreement are for convenience only and shall not affect the construction of this Agreement.

15.16. Customer Identification – USA Patriot Act Notice. Each Lender and Monroe Capital (for itself and not on behalf of any other party) hereby notifies the Loan Parties that, pursuant to the requirements of the USA Patriot Act, Title III of Pub. L. 107-56, signed into law October 26, 2001 (the "Patriot Act"), it is required to obtain, verify and record information that identifies the Loan Parties, which information includes the name and address of the Loan Parties and other information that will allow such Lender or Monroe Capital, as applicable, to identify the Loan Parties in accordance with such legislation.

15.17. INDEMNIFICATION BY LOAN PARTIES. IN CONSIDERATION OF THE EXECUTION AND DELIVERY OF THIS AGREEMENT BY ADMINISTRATIVE AGENT AND THE LENDERS AND THE AGREEMENT TO EXTEND THE COMMITMENTS PROVIDED HEREUNDER, BORROWER HEREBY AGREES TO INDEMNIFY, EXONERATE AND HOLD ADMINISTRATIVE AGENT, EACH LENDER AND EACH OF THE OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES, APPROVED FUNDS AND AGENTS OF ADMINISTRATIVE AGENT AND EACH LENDER (EACH A "LENDER PARTY") FREE AND HARMLESS FROM AND AGAINST ANY AND ALL ACTIONS, CAUSES OF ACTION, SUITS, LOSSES, LIABILITIES, DAMAGES AND EXPENSES, INCLUDING ATTORNEY COSTS (COLLECTIVELY, THE " INDEMNIFIED LIABILITIES"), INCURRED BY THE LENDER PARTIES OR ANY OF THEM AS A RESULT OF, OR ARISING OUT OF, OR RELATING TO (a) ANY TENDER OFFER, MERGER, PURCHASE OF CAPITAL SECURITIES, PURCHASE OF ASSETS OR OTHER SIMILAR TRANSACTION FINANCED OR PROPOSED TO BE FINANCED IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, WITH THE PROCEEDS OF ANY OF THE LOANS, (b) THE USE, HANDLING, RELEASE, EMISSION, DISCHARGE, TRANSPORTATION, STORAGE, TREATMENT OR DISPOSAL OF ANY HAZARDOUS SUBSTANCE AT ANY PROPERTY OWNED OR LEASED BY ANY LOAN PARTY, (c) ANY VIOLATION OF ANY ENVIRONMENTAL LAWS WITH RESPECT TO CONDITIONS AT ANY PROPERTY OWNED OR LEASED BY ANY LOAN PARTY OR THE OPERATIONS CONDUCTED THEREON, (d) THE INVESTIGATION, CLEANUP OR REMEDIATION OF OFFSITE LOCATIONS AT WHICH ANY LOAN PARTY OR THEIR RESPECTIVE PREDECESSORS ARE ALLEGED TO HAVE DIRECTLY OR INDIRECTLY DISPOSED OF HAZARDOUS SUBSTANCES OR (e) THE EXECUTION, DELIVERY, PERFORMANCE OR ENFORCEMENT OF THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT BY ANY OF THE LENDER PARTIES; PROVIDED, HOWEVER, THAT NO LOAN PARTY SHALL HAVE ANY LIABILITY UNDER THIS SECTION 15.17 TO ANY INDEMNITEE WITH RESPECT TO ANY INDEMNIFIED LIABILITIES OR ANY EXPENSES TO THE EXTENT THAT SUCH LIABILITY (A) HAS RESULTED FROM THE APPLICABLE LENDER PARTY'S (EXCLUDING THE ADMINISTRATIVE AGENT IN ITS CAPACITY AS SUCH) BAD FAITH, FRAUD, GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR MATERIAL BREACH OF THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS, IN EACH CASE, AS DETERMINED BY A FINAL, NONAPPEALABLE JUDGMENT BY A COURT OF COMPETENT JURISDICTION OR (B) RELATES TO ANY DISPUTES SOLELY AMONG INDEMNITEES OR ANY OF THEIR AFFILIATES. IF AND TO THE EXTENT THAT THE FOREGOING UNDERTAKING MAY BE

UNENFORCEABLE FOR ANY REASON, EACH LOAN PARTY HEREBY AGREES TO MAKE THE MAXIMUM CONTRIBUTION TO THE PAYMENT AND SATISFACTION OF EACH OF THE INDEMNIFIED LIABILITIES WHICH IS PERMISSIBLE UNDER APPLICABLE LAW. ALL OBLIGATIONS PROVIDED FOR IN THIS SECTION 15.17 SHALL SURVIVE REPAYMENT OF THE LOANS, CANCELLATION OF THE NOTES, EXPIRATION OR TERMINATION OF THE LETTERS OF CREDIT, ANY FORECLOSURE UNDER, OR ANY MODIFICATION, RELEASE OR DISCHARGE OF, ANY OR ALL OF THE COLLATERAL DOCUMENTS AND TERMINATION OF THIS AGREEMENT. THIS SECTION 15.17 SHALL NOT APPLY WITH RESPECT TO TAXES OTHER THAN ANY TAXES THAT REPRESENT LOSSES, CLAIMS, DAMAGES, ETC. ARISING FROM ANY NON-TAX CLAIM.

15.18. Nonliability of Lenders. The relationship between Borrower on the one hand and the Lenders and Administrative Agent on the other hand shall be solely that of borrower and lender. Neither Administrative Agent nor any Lender has any fiduciary relationship with or duty to any Loan Party arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between the Loan Parties, on the one hand, and Administrative Agent and the Lenders, on the other hand, in connection herewith or therewith is solely that of debtor and creditor. Neither Administrative Agent nor any Lender undertakes any responsibility to any Loan Party to review or inform any Loan Party of any matter in connection with any phase of any Loan Party's business or operations. Borrower agrees, on behalf of itself and each other Loan Party, that neither Administrative Agent nor any Lender shall have liability to any Loan Party (whether sounding in tort, contract or otherwise) for losses suffered by any Loan Party in connection with, arising out of, or in any way related to the transactions contemplated and the relationship established by the Loan Documents, or any act, omission or event occurring in connection therewith, unless it is determined in a final non-appealable judgment by a court of competent jurisdiction that such losses resulted from the gross negligence or willful misconduct of the party from which recovery is sought. NO LENDER PARTY SHALL BE LIABLE FOR ANY DAMAGES ARISING FROM THE USE BY OTHERS OF ANY INFORMATION OR OTHER MATERIALS OBTAINED THROUGH INTRALINKS OR OTHER SIMILAR INFORMATION TRANSMISSION SYSTEMS IN CONNECTION WITH THIS AGREEMENT (EXCEPT FOR ANY SUCH DAMAGES ARISING ON ACCOUNT OF THE BAD FAITH, FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, OR MATERIAL BREACH OF THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS BY THE APPLICABLE LENDER PARTY OR SUCH LENDER PARTY'S OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES AND AGENTS, IN EACH CASE, AS DETERMINED BY A FINAL, NONAPPEALABLE JUDGMENT BY A COURT OF COMPETENT JURISDICTION, NO PARTY SHALL HAVE ANY LIABILITY WITH RESPECT TO, AND EACH PARTY ON BEHALF OF ITSELF AND EACH OF ITS AFFILIATES, HEREBY WAIVES, RELEASES AND AGREES NOT TO SUE FOR ANY SPECIAL, PUNITIVE, EXEMPLARY, INDIRECT OR CONSEQUENTIAL DAMAGES RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR ARISING OUT OF ITS ACTIVITIES IN CONNECTION HEREWITH OR THEREWITH (WHETHER BEFORE OR AFTER THE CLOSING DATE). Each Party acknowledges that it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents to which it is a party. No joint venture is created hereby or by the other Loan

Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Loan Parties and the Lenders

15.19. FORUM SELECTION AND CONSENT TO JURISDICTION. ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, SHALL BE BROUGHT AND MAINTAINED EXCLUSIVELY IN THE COURTS OF THE STATE OF NEW YORK OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK; PROVIDED THAT NOTHING IN THIS AGREEMENT SHALL BE DEEMED OR OPERATE TO PRECLUDE ADMINISTRATIVE AGENT FROM BRINGING SUIT OR TAKING OTHER LEGAL ACTION IN ANY OTHER APPROPRIATE JURISDICTION. EACH LOAN PARTY, ADMINISTRATIVE AGENT AND EACH LENDER HEREBY EXPRESSLY AND IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK AND OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK FOR THE PURPOSE OF ANY SUCH LITIGATION AS SET FORTH ABOVE. ADMINISTRATIVE AGENT, EACH LENDER AND EACH LOAN PARTY FURTHER IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS BY REGISTERED MAIL, POSTAGE PREPAID, OR BY PERSONAL SERVICE WITHIN OR WITHOUT THE STATE OF NEW YORK. EACH LOAN PARTY, ADMINISTRATIVE AGENT AND EACH LENDER HEREBY EXPRESSLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH LITIGATION BROUGHT IN ANY SUCH COURT REFERRED TO ABOVE AND ANY CLAIM THAT ANY SUCH LITIGATION HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

15.20. WAIVER OF JURY TRIAL . EACH LOAN PARTY, ADMINISTRATIVE AGENT AND EACH LENDER HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS AGREEMENT, ANY NOTE, ANY OTHER LOAN DOCUMENT AND ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HEREWITH OR THEREWITH OR ARISING FROM ANY LENDING RELATIONSHIP EXISTING IN CONNECTION WITH ANY OF THE FOREGOING, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

15.21. Acknowledgement and Consent to Bail In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement, or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by (a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and (b) the effects of any Bail-in Action on any such liability, including, if applicable: (i) a reduction in full or in part or cancellation of any such liability; (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in

that EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or (iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

15.22. Existing Credit Agreement.

15.22.1. The parties hereto agree that, on the Closing Date, the following transactions shall be deemed to occur automatically, without further action by any party hereto:

(a) The Existing Credit Agreement shall, as of the Closing Date, be deemed to be amended and restated in its entirety in the form of, and pursuant to, this Agreement, and the Existing Credit Agreement shall thereafter be of no further force or effect except to evidence (i) the representations and warranties of the parties hereto prior to the Closing Date and (ii) any agreement to be performed or required to be performed pursuant to the Existing Credit Agreement prior to the Closing Date. Notwithstanding the foregoing, (a) the amendment and restatement effected by this Agreement shall not cure any breach thereof existing prior to the Closing Date, (b) this Agreement and the documents executed and delivered in connection herewith and the transactions contemplated hereby do not constitute a novation, payment and reborrowing or termination of any of the obligations of the Loan Parties under the Existing Credit Agreement as in effect prior to the Closing Date or a novation or payment and reborrowing of any amount owing under the Existing Credit Agreement as in effect prior to the Closing Date, (c) all such obligations of the Loan Parties are in all respects continuing with only the terms being modified as provided in this Agreement and the other Loan Documents, and (d) all Liens in the Collateral created under the Collateral Documents shall, except as expressly provided by this Agreement, continue in full force and effect and shall secure all of the Obligations.

(b) The Borrower and each Guarantor hereby acknowledges and agrees that each of the Existing Loan Documents that are not superseded by corresponding Loan Documents or such executed and delivered in connection with this Agreement to which the Borrower or such Guarantor is a party remains in full force and effect and hereby ratifies and reaffirms all of its respective repayment and performance obligations, contingent or otherwise, under each of such Existing Loan Documents (including each grant of security interests pursuant to the Collateral Documents) and, to the extent such Guarantor guaranteed any of the "Obligations", as defined in the Existing Credit Agreement pursuant to any such Existing Loan Documents as security for such Obligations, such Guarantor hereby ratifies and reaffirms such guaranty and agrees that such guaranty secures all of the Obligations under this Agreement and remains in full force and effect after giving effect to this Agreement. The execution, delivery and effectiveness of this Agreement shall not operate as a waiver of any right, power or remedy of the Administrative Agent or the Lenders under the Existing Credit Agreement or any Existing Loan Document, nor constitute a waiver of any provision of the Existing Credit Agreement or any other Existing Loan Document, except as specifically set forth herein or in a corresponding Loan Document.

(c) All "Loans" outstanding under the Existing Credit Agreement shall be deemed to be Loans under this Agreement. All issued and outstanding "Letters of Credit" issued

pursuant to the Existing Credit Agreement shall be deemed to be Letters of Credit issued under this Agreement and all obligations with respect to Letters of Credit existing under the Existing Credit Agreement shall be deemed to be outstanding under this Agreement and shall in all respects be continuing after the Closing Date and shall be deemed to be obligations with respect to Letters of Credit governed by this Agreement. All other "Obligations" existing under the Existing Credit Agreement shall be deemed to be outstanding under this Agreement and, in each case (i) are in all respects enforceable without the terms thereof being modified as provided by this Agreement and (ii) shall in all respects be continuing after the Closing Date and shall be deemed to be Obligations governed by this Agreement.

(d) Each reference in any other Loan Document to the Existing Credit Agreement shall be deemed to be a reference to this Agreement.

SECTION 16
JOINT AND SEVERAL LIABILITY

16.1. Applicability of Terms. Borrower is defined collectively to include all Persons constituting Borrower; provided, however, that any references herein to "any Borrower", "each Borrower", "a Borrower" or similar references, shall be construed as a reference to each individual Person comprising Borrower. In addition, each Person comprising Borrower hereby acknowledges and agrees that all of the representations, warranties, covenants, obligations, conditions, agreements and other terms contained in this Agreement shall be applicable to and shall be binding upon each Person comprising Borrower unless expressly otherwise stated herein.

16.2. Joint and Several Liability. Each Borrower shall be jointly and severally liable for all of the Obligations of each other Borrower, regardless of which Borrower actually receives the proceeds or other benefits of the Loans or other extensions of credit hereunder or the manner in which Borrowers, Administrative Agent or any Lender accounts therefor in their respective books and records.

16.3. Benefits and Best Interests. Each Borrower acknowledges that it will enjoy significant benefits from the business conducted by each other Borrower because of, inter alia, their combined ability to bargain with other Persons including without limitation their ability to receive the Loans and other credit extensions under this Agreement and the other Loan Documents which would not have been available to any Borrower acting alone. Each Borrower has determined that it is in its best interest to procure the credit facilities contemplated hereunder, with the credit support of each other Borrower as contemplated by this Agreement and the other Loan Documents.

16.4. Accommodations. Each of Administrative Agent and the Lenders have advised each Borrower that it is unwilling to enter into this Agreement and the other Loan Documents and make available the credit facilities extended hereby or thereby to any Borrower unless each Borrower agrees, among other things, to be jointly and severally liable for the due and proper payment of the Obligations of each other Borrower. Each Borrower has determined that it is in its best interest and in pursuit of its purposes that it so induce the Lenders to extend credit pursuant to this Agreement and the other documents executed in connection herewith

(A) because of the desirability to each Borrower of the credit facilities hereunder and the interest rates and the modes of borrowing available hereunder and thereunder, (B) because each Borrower may engage in transactions jointly with other Borrowers and (C) because each Borrower may require, from time to time, access to funds under this Agreement for the purposes herein set forth. Each Borrower, individually, expressly understands, agrees and acknowledges, that the credit facilities contemplated hereunder would not be made available on the terms herein in the absence of the collective credit of all the Borrowers, and the joint and several liability of all the Borrowers. Accordingly, each Borrower acknowledges that the benefit of the accommodations made under this Agreement to the Borrower, as a whole, constitutes reasonably equivalent value, regardless of the amount of the indebtedness actually borrowed by, advanced to, or the amount of credit provided to, or the amount of collateral provided by, any one Borrower.

16.5. Maximum Amount. To the extent that applicable law otherwise would render the full amount of the joint and several obligations of any Borrower hereunder and under the other Loan Documents invalid or unenforceable, such Person's obligations hereunder and under the other Loan Documents shall be limited to the maximum amount which does not result in such invalidity or unenforceability; provided, however, that each Borrower's obligations hereunder and under the other Loan Documents shall be presumptively valid and enforceable to their fullest extent in accordance with the terms hereof or thereof, as if this Section 16 were not a part of this Agreement.

16.6. Joint Liability Payments. To the extent that any Borrower shall make a payment under this Section 16 of all or any of the Obligations (a "Joint Liability Payment") which, taking into account all other Joint Liability Payments then previously or concurrently made by any other Borrower, exceeds the amount that such Borrower would otherwise have paid if each Borrower had paid the aggregate Obligations satisfied by such Joint Liability Payments in the same proportion that such Person's "Allocable Amount" (as defined below) (as determined immediately prior to such Joint Liability Payments) bore to the aggregate Allocable Amounts of each Borrower as determined immediately prior to the making of such Joint Liability Payments, then, following payment in full in cash of the Obligations (other than contingent indemnification Obligations not then asserted), the expiration, termination or Cash Collateralization of all Letters of Credit and the termination of the Commitments, such Borrower shall be entitled to receive contribution and indemnification payments from, and be reimbursed by, each other Borrower for the amount of such excess, pro rata based upon their respective Allocable Amounts in effect immediately prior to such Joint Liability Payments. As of any date of determination, the "Allocable Amount" of any Borrower shall be equal to the maximum amount of the claim which could then be recovered from such Borrower under this Section 16 without rendering such claim voidable or avoidable under §548 of Chapter 11 of the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act or similar statute or common law.

16.7. Financial Condition. Each Borrower assumes responsibility for keeping itself informed of the financial condition of each other Borrower, and any and all endorsers and/or guarantors of any instrument or document evidencing all or any part of such other Borrower's Obligations, and of all other circumstances bearing upon the risk of nonpayment by such other Borrower of their Obligations, and each Borrower agrees that neither Administrative Agent nor

any Lender shall have any duty to advise such Borrower of information known to Administrative Agent or any Lender regarding such condition or any such circumstances or to undertake any investigation not a part of its regular business routine. If Administrative Agent or any Lender, in its sole discretion, undertakes at any time or from time to time to provide any such information to a Borrower, neither Administrative Agent nor any Lender shall be under any obligation to update any such information or to provide any such information to such Borrower or any other Person on any subsequent occasion.

16.8. Administrative Agent Authorizations. Administrative Agent is hereby authorized to, at any time and from time to time, (a) in accordance with the terms of this Agreement, renew, extend, accelerate or otherwise change the time for payment of, or other terms relating to, Obligations incurred by any Borrower or any other Loan Party, otherwise modify, amend or change the terms of any promissory note or other agreement, document or instrument now or hereafter executed by any Borrower or any other Loan Party and delivered to Administrative Agent or any Lender; (b) accept partial payments on an Obligation incurred by any Borrower; (c) take and hold security or collateral for the payment of an Obligation incurred by any Borrower hereunder or for the payment of any guaranties of an Obligation incurred by any Borrower or other liabilities of any Borrower and exchange, enforce, waive and release any such security or collateral; (d) apply such security or collateral and direct the order or manner of sale thereof as Administrative Agent, in its sole discretion, may determine; and (e) settle, release, compromise, collect or otherwise liquidate an Obligation incurred by any Borrower and any security or collateral therefor in any manner, without affecting or impairing the obligations of any other Borrower. In accordance with the terms of this Agreement, Administrative Agent shall have the exclusive right to determine the time and manner of application of any payments or credits, whether received from a Borrower or any other source, and such determination shall be binding on each Borrower. In accordance with the terms of this Agreement, all such payments and credits may be applied, reversed and reapplied, in whole or in part, to any of an Obligation incurred by any Borrower as Administrative Agent shall determine in its sole discretion without affecting the validity or enforceability of the Obligations of any other Borrower. Nothing in this Section 16 shall modify any right of any Borrower or any Lender to consent to any amendment or modification of this Agreement or the other Loan Documents in accordance with the terms hereof or thereof.

16.9. Unconditional Obligations. Each Borrower hereby agrees that, except as hereinafter provided, its obligations hereunder shall be unconditional, irrespective of (a) the absence of any attempt to collect an Obligation incurred by Borrower from any Borrower or any Guarantor or other action to enforce the same; (b) failure by Administrative Agent to take any steps to perfect and maintain its security interest in, or to preserve its rights to, any security or collateral for an Obligation incurred by any Borrower; (c) of any proceeding under the Bankruptcy Code, or any similar proceeding, by or against any Borrower or any other Loan Party, or Administrative Agent's or any Lender's election in any such proceeding of the application of §1111(b)(2) of the Bankruptcy Code; (d) any borrowing or grant of a security interest by any Borrower as debtor-in-possession under §364 of the Bankruptcy Code; (e) the disallowance, under §502 of the Bankruptcy Code, of all or any portion of Administrative Agent's or any Lender's claim(s) for repayment of any of an Obligation incurred by any Borrower; or (f) any other circumstance which might otherwise constitute a legal or equitable

discharge or defense of a guarantor unless such legal or equitable discharge or defense is that of a Borrower in its capacity as a Borrower.

16.10. Notices. Any notice given by Borrower Representative hereunder shall constitute and be deemed to be notice given by all Borrowers, jointly and severally. Notice given by Administrative Agent or any Lender to Borrower Representative hereunder or pursuant to any other Loan Documents in accordance with the terms hereof or thereof shall constitute notice to each Borrower. The knowledge of any Borrower shall be imputed to all Borrower and any consent by Borrower Representative or any Borrower shall constitute the consent of and shall bind all Borrower.

16.11. No Impairment of Obligations or Limitations of Liability. This Section 16 is intended only to define the relative rights of Borrower and nothing set forth in this Section 16 is intended to or shall impair the obligations of Borrower, jointly and severally, to pay any amounts as and when the same shall become due and payable in accordance with the terms of this Agreement or any other Loan Documents. Nothing contained in this Section 16 shall limit the liability of any Borrower to pay the credit facilities made directly or indirectly to such Borrower and accrued interest, fees and expenses with respect thereto for which such Borrower shall be primarily liable.

16.12. Rights of Contribution and Indemnification. The parties hereto acknowledge that the rights of contribution and indemnification hereunder shall constitute assets of each Borrower to which such contribution and indemnification is owing. The rights of any indemnifying Borrower against the other Borrowers under this Section 16 shall be exercisable upon the full and payment of the Obligations, the termination of the Letters of Credit and the termination of the Commitments.

16.13. Subrogation. No payment made by or for the account of a Borrower, including, without limitation, (a) a payment made by such Borrower on behalf of an Obligation of another Borrower or (b) a payment made by any other Person under any guaranty, shall entitle such Borrower, by subrogation or otherwise, to any payment from such other Borrower or from or out of property of such other Borrower and such Borrower shall not exercise any right or remedy against such other Borrower or any property of such other Borrower by reason of any performance of such Borrower of its joint and several obligations hereunder, until, in each case, the termination of the Commitments, payment in full of all Obligations (other than contingent indemnification Obligations not then asserted) and the expiration or termination or Cash Collateralization of all Letters of Credit.

SECTION 17
APPOINTMENT OF BORROWER REPRESENTATIVE.

17.1. Appointment; Proceeds. Each Borrower hereby irrevocably appoints and constitutes the Borrower Representative as its agent to request and receive the proceeds of advances in respect of the Loans (and to otherwise act on behalf of such Borrower pursuant to this Agreement and the other Loan Documents) from Lenders in the name or on behalf of each such Borrower. Administrative Agent may disburse such proceeds to the bank account of

Borrower Representative (or any other Borrower) without notice to any other Borrower or any other Loan Party.

17.2. Appointment; Documentation and Other Actions. Each Borrower hereby irrevocably appoints and constitutes the Borrower Representative as its agent to (i) receive statements of account and all other notices from Administrative Agent with respect to the Obligations or otherwise under or in connection with this Agreement and the other Loan Documents, (ii) execute and deliver Compliance Certificates and all other notices, certificates and documents to be executed and/or delivered by any Borrower under this Agreement or the other Loan Documents; and (iii) otherwise act on behalf of such Borrower pursuant to this Agreement and the other Loan Documents.

17.3. Irrevocable Appointment; Reliance. The authorizations contained in this Section 17 are coupled with an interest and shall be irrevocable, and Administrative Agent may rely on any notice, request, information supplied by the Borrower Representative, every document executed by the Borrower Representative, every agreement made by the Borrower Representative or other action taken by the Borrower Representative in respect of any Borrower or other Loan Party as if the same were supplied, made or taken by such Borrower or Loan Party. Without limiting the generality of the foregoing, the failure of one or more Borrowers or other Loan Party to join in the execution of any writing in connection herewith shall not relieve any Borrower or other Loan Party from obligations in respect of such writing.

17.4. Termination. No purported termination of the appointment of Borrower Representative as agent shall be effective without the prior written consent of Administrative Agent.

SECTION 18
RELEASE.

18.1. Release. In consideration of the agreements of Administrative Agent and the Lenders contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Loan Party, on behalf of itself and its successors, assigns, and other legal representatives (collectively, the "Releasors" and each, a "Releasee"), hereby absolutely, unconditionally and irrevocably releases, remises and forever discharges Administrative Agent and each Lender, and their successors and assigns, and their respective present and former shareholders, affiliates, subsidiaries, divisions, predecessors, directors, officers, attorneys, employees, agents and other representatives (collectively, Administrative Agent, each Lender, and all such other Persons, the "Releasees", and each, a "Releasee"), of and from all demands, actions, causes of action, suits, damages and any and all other claims, counterclaims, and rights of set off whatsoever (individually, a "Claim" and collectively, "Claims") of every name and nature, known or that reasonably should be known, suspected or that reasonably should be suspected, both at law and in equity (and all defenses that may arise out of the foregoing), which such Loan Party or any of its successors, assigns, or other legal representatives may now or hereafter own, hold, have or claim to have against the Releasees or any of them for, upon, or by reason of any circumstance, action, cause or thing whatsoever which has arisen at any time prior to the date of this Agreement for or on account of,

or relating to the Existing Credit Agreement or any of the other Loan Documents or transactions thereunder.

18.2. Defense. Each Loan Party understands, acknowledges and agrees that the release set forth above may be pleaded as a full and complete defense in respect of the matter covered thereby and may be used as a basis for an injunction against any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of the provisions of such release.

18.3. Final, Absolute and Unconditional Release. Each Loan Party agrees that no fact, event, circumstance, evidence or transaction which could now be asserted or which may hereafter be discovered shall affect in any manner the final, absolute and unconditional nature of the release set forth above.

18.4. Covenant. Each Loan Party, on behalf of itself and each Releasor, hereby absolutely, unconditionally, and irrevocably, covenants and agrees with and in favor of each Releasee that it will not sue (at law, in equity, in any regulatory proceeding, or otherwise) any Releasee on the basis of any Claim released, remised, and discharged by such Loan Party pursuant to this Section 18.

[SIGNATURE PAGES FOLLOW]

The parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized officers as of the date first set forth above.

BORROWERS:

XPONENTIAL FITNESS LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

ST. GREGORY HOLDCO, LLC, a Delaware limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: President

OTHER LOAN PARTIES:

H&W FRANCHISE HOLDINGS LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Co-Secretary

H&W FRANCHISE INTERMEDIATE HOLDINGS LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Co-Secretary

CLUB PILATES FRANCHISE, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PILATES LICENSING, LLC, a Delaware limited liability company

By: Club Pilates Franchise, LLC, a Delaware limited liability company, its sole member

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

CYCLEBAR HOLDCO, LLC, a Delaware limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: President

CYCLEBAR FRANCHISING, LLC, an Ohio limited liability company

By: CycleBar Holdco, LLC, a Delaware limited company, its sole member

By: /s/ James Jagers
Name: James Jagers
Title: President

CYCLEBAR WORLDWIDE INC., an Ohio corporation

By: /s/ James Jagers
Name: James Jagers
Title: Vice President

CYCLEBAR INTERNATIONAL INC., an Ohio corporation

By: /s/ James Jagers
Name: James Jagers
Title: President and Chief Executive Officer

CB IP, LLC, an Ohio limited liability company

By: CycleBar Holdco, LLC, a Delaware limited company, its sole member

By: /s/ James Jagers
Name: James Jagers
Title: President

FC JV, LLC, an Ohio limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

ST. GREGORY DEVELOPMENT GROUP, LLC, an Ohio limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

FF&E PROCUREMENT COMPANY OF AMERICA, LLC, an Ohio limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

J3T LOGISTICS, LLC, an Ohio limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

REMOP SERVICES, LLC, an Ohio limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

LB HYDE PARK, LLC, an Ohio limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

COWORKING CINCINNATI, LLC, an Ohio limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

MODULAR OFFICE COMPANY OF AMERICA, LLC, an Ohio limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

ROW HOUSE FRANCHISE, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Co-Secretary

ROW HOUSE TUSTIN, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

STRETCH LAB FRANCHISE, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

AKT FRANCHISE, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

AKT STUDIO, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

CYCLEBAR CANADA FRANCHISING, ULC, a British Columbia unlimited liability corporation

By: /s/ James Jagers
Name: James Jagers
Title: Vice President

LB FRANCHISING, LLC, an Ohio limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

LB PRODUCT, LLC, an Ohio limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

LB IP, LLC, an Ohio limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

YOGA SIX FRANCHISE, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

YOGA SIX STUDIO, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

EXPERIENCE BRAND DEVELOPMENT, LLC, a Delaware limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

EBD RH, LLC, a Delaware limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

EBD SL, LLC, a Delaware limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

EBD CP, LLC, a Delaware limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

EBD CB, LLC, a Delaware limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

EBD FC, LLC, a Delaware limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

EBD AKT, LLC, a Delaware limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

EBD YS, LLC, a Delaware limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

STG BRAND AMBASSADOR FRANCHISING, LLC, an Ohio limited liability company

By: /s/ James Jagers
Name: James Jagers
Title: Chief Operating Officer

BARRE MIDCO, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PB 1001, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PB 1002, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PB 1005, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PB 1006, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PB 1007, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PB 1012, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PB 1016, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PB 1018, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PB 1020, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PB 1021, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PB 1029, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PB 1035, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PB 1042, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PB FRANCHISING, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PB OPCO LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PBH 1001, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PB PRODUCT, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

PURE BARRE, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

BARRE HOLDCO, LLC, a Delaware limited liability company

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

ADMINISTRATIVE AGENT:

MONROE CAPITAL MANAGEMENT ADVISORS, LLC

By: /s/ Kyle Asher
Name: Kyle Asher
Title: Authorized Signatory

LENDERS:

MONROE CAPITAL PRIVATE CREDIT FUND II LP

By: **MONROE CAPITAL PRIVATE CREDIT FUND II LLC,** its general partner

By: /s/ Kyle Asher
Name: Kyle Asher
Title: Authorized Signatory

MONROE CAPITAL PRIVATE CREDIT FUND II FINANCING SPV LLC

By: **MONROE CAPITAL PRIVATE CREDIT FUND II LP,** as Designated Manager

By: **Monroe CAPITAL PRIVATE CREDIT FUND II LLC,** its general partner

By: /s/ Kyle Asher
Name: Kyle Asher
Title: Authorized Signatory

MONROE CAPITAL PRIVATE CREDIT FUND II (UNLEVERAGED) LP

By: **MONROE CAPITAL PRIVATE CREDIT FUND II LLC,** its general partner

By: /s/ Kyle Asher
Name: Kyle Asher
Title: Authorized Signatory

MONROE CAPITAL PRIVATE CREDIT FUND II (UNLEVERAGED OFFSHORE) LP

By: **MONROE CAPITAL PRIVATE CREDIT FUND II LLC**, its general partner

By: /s/ Kyle Asher
Name: Kyle Asher
Title: Authorized Signatory

MONROE PRIVATE CREDIT FUND A FINANCING SPV LLC

By: **MONROE PRIVATE CREDIT FUND A LP,** as its Designated Manager

By: **MONROE PRIVATE CREDIT FUND A LLC,** its general partner

By: /s/ Kyle Asher
Name: Kyle Asher
Title: Authorized Signatory

MONROE CAPITAL PRIVATE CREDIT FUND I LP

By: **MONROE CAPITAL PRIVATE CREDIT FUND I LLC,** its general partner

By: /s/ Kyle Asher
Name: Kyle Asher
Title: Authorized Signatory

MONROE CAPITAL PRIVATE CREDIT FUND I FINANCING SPV LLC

By: **MONROE CAPITAL PRIVATE CREDIT FUND I LP,**
as its Designated Manager

By: **MONROE CAPITAL PRIVATE CREDIT FUND I LLC,** its general partner

By: /s/ Kyle Asher
Name: Kyle Asher
Title: Authorized Signatory

MONROE CAPITAL MML CLO 2017-1, LTD.

By: **MONROE CAPITAL MANAGEMENT LLC,** as Collateral Manager Attorney-in Fact

By: /s/ Kyle Asher
Name: Kyle Asher
Title: Authorized Signatory

MONROE CAPITAL MML CLO VI, LTD.

By: **MONROE CAPITAL MANAGEMENT LLC,** as Asset Manager and Attorney-in-fact

By: /s/ Kyle Asher
Name: Kyle Asher
Title: Authorized Signatory

ANNEX A

LENDERS AND PRO RATA SHARES

Lender	Existing Term A Loan	Pro Rata Share	Additional Term A Loan Commitment	Pro Rata Share	Revolving Loan	Pro Rata Share
Monroe Capital Private Credit Fund II LP	$1,166,001.93	1.67%	$19,043,491.05	29.15%	$3,429,347.27	34.29%
Monroe Capital Private Credit Fund II Financing SPV LLC	$15,823,480.15	22.71%	$0	0%	$0	0%
Monroe Capital Private Credit Fund II (Unleveraged) LP	$2,308,803.01	3.31%	$2,587,933.93	3.96%	$492,761.29	4.93%
Monroe Capital Private Credit Fund II (Unleveraged Offshore) LP	$2,606,487.52	3.74%	$0	0%	$0	0%
Monroe Capital Private Credit Fund II-O (Unleveraged Offshore) LP	$0	0%	$0	0%	$221,339.16	2.21%
Monroe Private Credit Fund A LP	$0	0%	$21,631,424.98	33.11%	$4,143,447.72	41.43%
Monroe Private Credit Fund A Financing SPV LLC	$21,904,772.61	31.44%	$0	0%	$0	0%
Monroe Capital Private Credit Fund I LP	$1,896,583.41	2.72%	$2,069,256.27	3.17%	1,713,104.56	17.13%
Monroe Capital Private Credit Fund I Financing SPV LLC	$14,034,160.32	20.14%	$0	0%	$0	0%
MC Financing SPV I, LLC	$0	0%	$20,000,000	30.61%	$0	0%
Monroe Capital MML CLO 2017-1, Ltd.	$4,963,802.41	7.12%	$0	0%	$0	0%
Monroe Capital MML CLO VI Ltd.	$4,963,802.41	7.12%	$0	0%	$0	0%

Totals	$69,667,893.77	100%	$65,332,106.23	100%	$10,000,000	100%

ANNEX B

ADDRESSES FOR NOTICES

BORROWER AND BORROWER REPRESENTATIVE:

H&W Franchise Holdings LLC
3185 Pullman St.,
Costa Mesa, CA 92626
Attention: Megan Moen, EVP of Finance
Telephone: (949) 374-0203

With mandatory copies to:

Mark Grabowski
17 Palmer Lane
Riverside, CT 06878
Email: grabowskimark@gmail.com

and

Buchalter
1000 Wilshire Blvd., Suite 1500
Los Angeles, CA 90017
Attention: Jeremy Weitz
Telephone: (213) 891-5285
Facsimile: (213) 896-0400

ADMINISTRATIVE AGENT:

MONROE CAPITAL MANAGEMENT ADVISORS, LLC, as Administrative Agent and a Lender

c/o Monroe Capital LLC
311 South Wacker Drive, Suite 6400
Chicago, Illinois 60606
Attention: Alex Franky
Telephone: (312) 523-2368
Facsimile: (312) 258-8350

With a mandatory copy to reporting@monroecap.com with respect to deliverables pursuant to Sections 10.1.1, 10.1.2 and 10.1.3.

With a mandatory copy to:

Mayer Brown
71 SouthWacker Drive
Chicago, Illinois 60601

Attention: Jaime Gatenio
Telephone: 312-701-8523
Facsimile: 312-706-8722

Schedule 1.1(a)
Disqualified Lenders

1. Cerberus Capital Management and their affiliates

Schedule 9.6
Litigation and Contingent Liabilities

None.

Schedule 9.8
Equity Ownership/Subsidiaries

Company	**Holder of Equity Interests**	**Number and Nature of Equity Interests**
H&W Franchise Intermediate Holdings LLC	H&W Franchise Holdings, LLC	100% of the Membership Interests
Xponential Fitness LLC	H&W Franchise Intermediate Holdings LLC	100% of the Membership Interests
St. Gregory Holdco, LLC	H&W Franchise Intermediate Holdings LLC	100% of the Membership Interests
Club Pilates Franchise, LLC	Xponential Fitness LLC	100% of the Membership Interests
CycleBar Holdco, LLC	Xponential Fitness LLC	100% of the Membership Interests
Pilates Licensing, LLC	Club Pilates Franchise, LLC	100% of the Membership Interests
CycleBar Franchising, LLC	CycleBar Holdco, LLC	100% of the Membership Interests
CB IP, LLC	CycleBar Holdco, LLC	100% of the Membership Interests
CycleBar Worldwide Inc.	CycleBar Holdco, LLC	665 Shares of Common Stock (which constitutes all of the Common Stock held outside of the treasury of the Company)
CycleBar International Inc.	CycleBar Holdco, LLC	850 Shares of Common Stock (which constitutes all of the Common Stock held outside of the treasury of the Company)
CycleBar Canada Franchising, ULC	CycleBar Worldwide Inc.	100% of the Common Stock (153,853 Shares of Common Stock)
Shred415 Cincinnati, LLC	St. Gregory Holdco, LLC	66.66% of the Membership Interests (49.9% voting)
FC JV, LLC	St. Gregory Holdco, LLC	100% of the Membership Interests
St. Gregory Development Group, LLC	St. Gregory Holdco, LLC	100% of the Membership Interests
Shred415 Franchising, LLC	Shred415 Cincinnati, LLC	50% of the Membership Interests
Shred415 Franchising IP, LLC	Shred415 Franchising, LLC	100% of the Membership Interests
Fueled Collective Franchising, LLC	FC JV, LLC	60% of the Membership Interests

Fueled Collective IP, LLC	FC JV, LLC	60% of the Membership Interests
FF&E Procurement Company of America, LLC	St. Gregory Holdco, LLC	100% of the Membership Interests
J3T Logistics, LLC	St. Gregory Holdco, LLC	100% of the Membership Interests
REMOP Services, LLC	St. Gregory Holdco, LLC	100% of the Membership Interests
LB Hyde Park, LLC	St. Gregory Holdco, LLC	100% of the Membership Interests
Coworking Cincinnati, LLC	St. Gregory Holdco, LLC	100% of the Membership Interests
Modular Office Company of America, LLC	St. Gregory Holdco, LLC	100% of the Membership Interests
LB Franchising, LLC	St. Gregory Holdco, LLC	100% of the Membership Interests
LB IP, LLC	St. Gregory Holdco, LLC	100% of the Membership Interests
LB Product, LLC	St. Gregory Holdco, LLC	100% of the Membership Interests
AKT Franchise, LLC	Xponential Fitness LLC	100% of the Membership Interests
Row House Franchise, LLC	Xponential Fitness LLC	100% of the Membership Interests
Stretch Lab Franchise, LLC	Xponential Fitness LLC	100% of the Membership Interests
Row House Tustin, LLC	Row House Franchise, LLC	100% of the Membership Interests
Yoga Six Franchise, LLC	Xponential Fitness, LLC	100% of the Membership Interests
Experience Brand Development, LLC	St. Gregory Holdco, LLC	100% of the Membership Interests
EBD RH, LLC	Experience Brand Development, LLC	100% of the Membership Interests
EBD SL, LLC	Experience Brand Development, LLC	100% of the Membership Interests
EBD CP, LLC	Experience Brand Development, LLC	100% of the Membership Interests
EBD CB, LLC	Experience Brand Development, LLC	100% of the Membership Interests

EBD FC, LLC	Experience Brand Development, LLC	100% of the Membership Interests
EBD AKT, LLC	Experience Brand Development, LLC	100% of the Membership Interests
EBD YS, LLC	Experience Brand Development, LLC	100% of the Membership Interests
PB 1001, LLC	PB OPCO, LLC	100% of the Membership Interests
PB 1002, LLC	PB OPCO, LLC	100% of the Membership Interests
PB 1005, LLC	PB OPCO, LLC	100% of the Membership Interests
PB 1006, LLC	PB OPCO, LLC	100% of the Membership Interests
PB 1007, LLC	PB OPCO, LLC	100% of the Membership Interests
PB 1012, LLC	PB OPCO, LLC	100% of the Membership Interests
PB 1016, LLC	PB OPCO, LLC	100% of the Membership Interests
PB 1018, LLC	PB OPCO, LLC	100% of the Membership Interests
PB 1020, LLC	PB OPCO, LLC	100% of the Membership Interests
PB 1021, LLC	PB OPCO, LLC	100% of the Membership Interests
PB 1029, LLC	PB OPCO, LLC	100% of the Membership Interests
PB 1035, LLC	PB OPCO, LLC	100% of the Membership Interests
PB 1042, LLC	PB OPCO, LLC	100% of the Membership Interests
PB Franchising, LLC	Pure Barre, LLC	100% of the Membership Interests
PB OPCO, LLC	Pure Barre, LLC	100% of the Membership Interests
PB Product, LLC	Pure Barre, LLC	100% of the Membership Interests

PBH 1001, LLC	Pure Barre, LLC	100% of the Membership Interests
Pure Barre, LLC (f/k/a PB Holdco, LLC)	Barre Midco, LLC	100% of the Membership Interests
Barre Midco, LLC	Barre Holdco, LLC	100% of the Membership Interests
STG Brand Ambassador Franchising, LLC	St. Gregory Holdco, LLC	100% of the Membership Interests
Yoga Six Studio, LLC	Yoga Six Franchise, LLC	100% of the Membership Interests
AKT Studio, LLC	AKT Franchise, LLC	100% of the Membership Interests
Barre Holdco, LLC	Xponential Fitness, LLC	100% of the Membership Interests

Schedule 9.13
Reportable Transaction

None.

Schedule 9.17
Real Property

Company	Address	Owned/Leased	Lessor
St. Gregory Development Group, LLC	Rookwood Exchange, Norwood, Ohio, 3825 Edwards Road, #103, Cincinnati, Ohio 45209	Leased	Rookwood Exchange Operating LLC
LB Hyde Park, LLC	Rookwood Exchange, Norwood, Ohio, 3825 Edwards Road, Suite 102A, Cincinnati, Ohio 45209	Leased	Rookwood Exchange Operating, LLC
Coworking Cincinnati, LLC	Rookwood Exchange, Norwood, Ohio, 3825 Edwards Road, #103, Cincinnati, Ohio 45209	Leased	Rookwood Exchange Operating LLC
Coworking Cincinnati, LLC	Rookwood Exchange, Norwood, Ohio, 3825 Edwards Road, 2nd Floor, Cincinnati, Ohio 45209	Leased	Rookwood Exchange Operating LLC
Club Pilates Franchise, LLC	3001 Red Hill Avenue, Building 1, Suite 103, Costa Mesa CA, 92626	Leased	Orange County Department of Education Facilities Corporation
Xponential Fitness LLC	17877 Von Karman Avenue, Irvine, CA 92614	Leased	Quintana Office Property, LLC
Row House Tustin, LLC	15020 Kensington Park Drive Suite J100, Tustin, CA 92870	Leased	2C Tustin Legacy, LLC
Stretch Lab Franchise, LLC	30271 Golden Lantern, Suite C, Laguna Niguel, CA 92677	Leased	Shea Properties (Laguna Heights Marketplace, LLC)
Club Pilates Franchise LLC	2270 Northwest Parkway #120, Marietta, GA	Leased	Avistone Northwest, LLC

Club Pilates Franchise LLC	3186 Pullman St., Costa Mesa, CA 92626 (5275 sf warehouse)	Leased	Watermark OC Church
Club Pilates Franchise LLC	3186 Pullman St., Costa Mesa, CA 92626 (3653 sf warehouse expansion)	Leased	Watermark OC Church
Club Pilates Franchise LLC	17877 Von Karman Avenue, Irvine, CA 92614	Leased	Quintana Office Property, LLC
PB 1001, LLC	522 E Woolbright Road #220, Boynton Beach, FL 33435	Leased	E&A Sunshine, LLC
PBH 1001, LLC	1512 Larimer Street, Suite 20R, Denver, CO 80202	Leased	Writer Square Investors, LLC
PB 1002, LLC	2408 North Federal Highway, Ft Lauderdale, FL 33305	Leased	Union Planters (E&A), LLC
PB 1005, LLC	14932 S. Lagrange Road, Orland Park, IL 60462	Leased	Park Pointe Plaza Associates Joint Venture
PB 1006, LLC	107 Turnpike Street, North Andover, MA 01845	Leased	Eaglewood Properties, LLC
PB 1007, LLC	8025 Jericho Turnpike, Woodbury, NY 11797	Leased	8025 Realty Corp
PB 1012, LLC	345 Main Street, Huntington, NY 11743	Leased	345 Main Street Associates LLC

PB 1016, LLC	884 Eastlake Parkway, Suite No. 1624, Chula Vista, CA 91914	Leased	VWE Owner, LLC
PB 1018, LLC	319 Franklin Avenue, Suite 109, Wyckoff, NJ 07481	Leased	Munico Associates
PB 1020, LLC	530 Market Street, Lynnfield, MA 01940	Leased	Market Street South LLC
PB 1021, LLC	3575 Long Beach Road, Oceanside, NY 11572	Leased	G&L Building Corp.
PB 1029, LLC	9834 Glades Road, Suite C-12, Boca Raton, FL 33434	Leased	RREEF AMERICA REIT II CORP. J
PB 1035, LLC	2 Cedar Street, Bronxville, NY 10708	Leased	Mosbacher Properties Group LLC
PB 1042, LLC	232 Route 25A, East Setauket, NY 11733	Leased	Dinoffer & Tobias, LLC
PB Holdco, LLC	154 Magnolia St., Spartanburg, SC 29306	Leased	Spring and Magnolia, LLC
PB Holdco, LLC	100 Dunbar Street, Suite 301, Spartanburg, SC 29306	Leased	Opportunity Block, LLC

Schedule 9.19
Intellectual Property

None.

Schedule 9.21
Labor Matters

None.

Schedule 9.27
Franchise Matters

(a)

1. Area Representative Rights have been granted to the following Area Representatives for LBF:

Robert Palazzi and Diane Palazzi
Business Entity: Bob Palazzi, LLC
Agreement: LBF AR Agreement_LBF_Bob Palazzi, LLC_Eff. 6/26/17
As modified by a Memorandum of Understanding dated 6/26/17
Territory: New Jersey counties – Bergen, Essex, Passaic, Morris, Union, Middlesex, Somerset
Address: 59 May Dr., Chatham, NJ 07928
Phone: (973) 408-9019

Carl Kirkham Peacock and Pamela J. Tanase
Business Entity: N/A
Agreement: LBF AR Agreement_LBF_C.Peacock&P.Tanase_Eff. 4/20/17
As modified by a Memorandum of Understanding dated 4/20/17
Territory: Los Angeles, CA
Address: 220 Salido del Sol, Santa Barbara, CA 93109
Phone: Unknown

2. Area Development Rights have been granted to the following Area Developers for S415:

Jane K. Fletcher
Business Entity: N/A
Agreement: S415 Development Agreement_S415_J.Fletcher_Eff. 09/08/17
Territory: Denver, CO
Address: 1169 South York Street, Denver, CO 80210
Phone: (303) 284-6739

David Jones and Kathleen Jones
Business Entity: N/A
Agreement: S415 Development Agreement_S415_D.Jones & K.Jones_Eff. 9/25/17
Territory: Louisville, KY
Address: 516 Saddle Ridge Dr. Knoxville, TN 37934
Phone: (865) 567-1163

Megan E. Lawler and Timothy G. Lawler
Business Entity: N/A
Agreement: S415 Development Agreement_S415_M.Lawler & T.Lawler_Eff. 09/11/17
Territory: Denver, CO
Address: 3341 Vrain Street, Denver, CO 80212

Phone: (708) 334-7108

Craig A. Brummell and Marta R. Brummell
Business Entity: N/A
Agreement: S415 Development Agreement_S415_C.Brummell & M.Brummell_Eff. 09/12/2017
Territory: Denver, CO
Address: 2709 Twixwood Lane, South Bend, IN 46617
Phone: (574) 286-9026

Corey Goldberg, Sara Goldberg, and Domenic V. Poeta
Business Entity: N/A
Agreement: S415 Development Agreement_S415_C.Goldberg, S.Goldberg, & D.Poeta_Eff. 09-12-2017
Territory: Milwaukee, WI
Address: 1350 Bayberry Lane, Deerfield, IL 60015
Phone: (847) 912-1289

Katie Blickhan, Scott Blickhan, Chad Hemminger & Sara Wortman
Business Entity: N/A
Agreement: S415 Development Agreement_S415_K.Blickhan & S.Blickhan & C.Hemminger & S.Wortman_Eff. 09/29/2017
Territory: Columbus, OH
Address: 7749 Mellacent Dr. Columbus, OH 43235
Phone: (614) 769-1728

Jeff Hall
Business Entity: N/A
Agreement: S415 Development Agreement_S415_J.Hall_Eff. 10/28/2017
Territory: Memphis, TN
Address: 717 Riverside Drive, Unit 1509, Memphis, TN 38103
Phone: (901) 335-1292

Giovanni De Choudens & Lilliam Cordero
Business Entity: N/A
Agreement: S415 Development Agreement_S415_G.DeChoudens & L.Cordero_Eff. 12/27/2017
Territory: San Francisco, CA
Address: 762 Liquidamber Pl. Danville, CA 94506
Phone: (479) 366-2261

Salil Bhatnagar
Business Entity: N/A
Agreement: S415 Development Agreemen_S415_S.Bhatnagar_Eff. 02/22/2018
Territory: Northern Virginia
Address: 22354 N. Greenmeadow Drive, Kildeer, IL 60047
Phone: (312) 420-0105

Pure Barre

Schedule 9.27(a)
Dated: June 10, 2015

	Location	Street	City	State	Franchisee Entity Name	Franchisee entity address	Franchisee Phone(s)	Royalty Rate on Services Sales	Royalty Rate on Product Sales	Ad Fee Rate	Minimum Monthly Royalty	Minimum Cumulative Royalties	Franchise Agreement ("FA") Sign Date	Renewal Date (if not 5 Years after FA Sign Date)	Signed Amendment
1	Lexington, KY	867 East High Street, Suite 150	Lexington	Kentucky	Pure A&E LLC	867 E. HIGH ST., STE. 150, LEXINGTON, KY 40502	Amanda Arnold (859) 335-2391	6.0%	6.0%	0.0%	$750	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	12/24/2011		
2	Ann Arbor, MI	3139 Oak Valley Drive	Ann Arbor	Michigan	Tumnus LLC	12769 Dennison Road, Milan, MI 48160	Victoria L Gordon (734) 731-7178	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/5/2014		
3	Los Angeles, CA - Brentwood	11819 Wilshire Boulevard, Suite 213	Los Angeles	California	Marni Chaikin and Kayla Allen	NA	Marni Chaikin (310) 463-7873	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	12/23/2013		
4	Newport Beach, CA	234 E. 17th Street, Suite 116	Costa Mesa	California	Monica Pommier	NA	Monica Pommier (858) 663-0554	8.0%	8.0%	0.0%	$1,000	NA	1/24/2009	Autorenewed	
5	Nashville, TN - Green Hills	2207 Crestmoor Road, Suite 203	Nashville	Tennessee	Deck-Cort, LLC	330 Franklin Rd. Suite 137A, Brentwood, TN 37027	Kady Decker (615) 504-6520	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	12/22/2014		
6	Saginaw, MI	30 N Center Road	Saginaw	Michigan	PB Saginaw, LLC	30 N. Center Road, Saginaw, MI 48638	Ann Marie Goidosik (989) 793-2673	0.0%	0.0%	0.0%	$750	NA	6/9/2014	9/30/2018	
7	Denver, CO - Cherry Creek	201 University Boulevard, Suite 107	Denver	Colorado	LJGirardot, Inc.	2621 South Grant Street, Denver, CO 80210	Lindsey Girardot Teets (720) 276-1493	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/21/2014		✓
8	Birmingham, AL - Homewood	2826 18th Street South	Birmingham	Alabama	dlain, LLC	1827 Ridge Ave, Apt. #6, Montgomery, AL 36106	Danielle Davis (859) 621-1253	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	9/12/2014		✓
9	Los Gatos, CA	50 University Avenue, Suite B-101	Los Gatos	California	Emily's Health & Fitness Ltd. Liability Co.	17830 Bruce Ave. Los Gatos, CA 95030	Emily Pearl (408) 458-6811	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	9/25/2014		
10	Irvine, CA	6791 Quail Hill Parkway	Irvine	California	Mr Pommier, Inc.	234 E. 17th Street, Suite 116, Costa Mesa, CA 92627	Monica Pommier Grubin (858) 663-0554	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	9/15/2014		✓
11	Brentwood, TN	330 Franklin Road, Suite 137A	Brentwood	Tennessee	Yoakum Holdings, LLC	330 Franklin Rd. Suite 137A, Brentwood, TN 37027	Crystal Hinz (858) 245-9604	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	2/3/2015		
12	Charlotte, NC - Myers Park	603 Providence Road	Charlotte	North Carolina	Pure Barre Ballantyne, LLC	7516 Hwy 70 So., Suite 150, Nashville, TN 37221	G.H. Christianson, II & Ellen Christianson (615) 300-8787	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/17/2015		✓
13	Boca Raton, FL	350 Esplanade Royal Palm Place, Suite 56	Boca Raton	Florida	East Boca PB, LLC	350 Esplanade #56, Boca Raton FL, 33432	Amy Blair Booth (954) 895-9829	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	1/29/2015		✓
14	Mission Viejo, CA	28321 Marguerite Parkway, Suite 201	Mission Viejo	California	Monica Pommier	NA	Monica Pommier (858) 663-0554	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	4/10/2010		
15	Seattle, WA - University	5001 25th Avenue NE, Suite 102	Seattle	Washington	Sami Dinsmore Sweeney	NA	Sami Dinsmore Sweeney (206) 595-2092	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	4/24/2010		✓
16	Dallas, TX - University Park	5919 Greenville Avenue	Dallas	Texas	Pure Barre Partners, LLC	3437 Ashbury St., Dallas TX, 75205	Garrett Mills (918) 671-5787	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/30/2010	6/30/2015	✓
17	Philadelphia, PA - Center City	503 W. Lancaster Avenue	Wayne	Pennsylvania	elleon, LLC	1701 Walnut Street, Philadelphia, PA 19103	Noelle Zane (267) 234-7825	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	1/16/2015		✓
18	Santa Rosa Beach, FL - 30a	174 Watercolor Way, Suite 101	Santa Rosa Beach	Florida	AS Fit, LLC	174 Watercolor Way, Suite 101, Santa Rosa Beach, FL 32459	Ashley Singleton (850) 231-0147	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/29/2015		
19	Scottsdale, AZ	10050 North Scottsdale Road, Suite 107	Scottsdale	Arizona	Weyand Enterprises, LLC	10050 N. Scottsdale Road, Suite 107, Scottsdale, AZ 85253	Marirose Anne Weyand (989) 529-8170	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	2/25/2015		✓
20	Chattanooga, TN - East Brainerd	1414 Jenkins Road, Suite 122	Chattanooga	Tennessee	Amanda Harkins Holmes	1414 Jenkins Rd., Chattanooga TN, 37421	Amanda Harkins Holmes (423) 468-4960	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	6/27/2010		
21	Austin, TX - Westlake	3267 Bee Caves Road	Austin	Texas	Anani Star, LLC	6661 Valley Park Dr., Nashville TN, 37221	Rashanna Moss-Laury (512) 574-8644	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/12/2010		✓
22	Atlanta, GA - Buckhead	3145 Peachtree Road NE	Atlanta	Georgia	Mo Deck LLC	301 Maybelle Lane, Nashville, TN 97205	Kady Decker (615) 504-6520	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/10/2015		✓
23	Denver, CO - Greenwood Village	5375 Landmark Place, Suite 109	Greenwood Village	Colorado	B Studios, LLC	5375 Landmark Place #109 Greenwood Village, CO 80111	Briget Russomanno (303) 953-9367	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/16/2015		✓
24	Germantown, TN	7820 Poplar Avenue, Suite 12	Germantown	Tennessee	Laurenzi & Morgan, LLC	800 Dent Rd, Eads, TN 38028	Kimberly Morgan (901) 484-0705	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	6/5/2010		
25	Las Vegas, NV	3330 S. Hualapai Way #140	Las Vegas	Nevada	L.E.X. Barre, LLC	2635 Cottonwillow St, Las Vegas, NV 89135	Lauren O'Nan (702) 525-3454	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	4/29/2015		✓
26	Chapel Hill, NC	608 Meadowmont Village Circle	Chapel Hill	North Carolina	PB Apex, LLC	15 Pilling Place, Durham, NC 27707	Lynn Toms (919) 419-1361	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	6/24/2010		✓
27	Denver, CO - Highlands	3420 West 32nd Ave	Denver	Colorado	LJGirardot Highlands, LLC	3420 West 32nd Avenue, Denver, CO 80211	Lindsey Girardot Teets (720) 276-1493	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/3/2015		✓
28	Raleigh, NC	4209-134 Lassiter Mill Road	Raleigh	North Carolina	PB Apex LLC	507 Guilford Circle, Raleigh, NC 27608	Ami Desai Seier & Denise Alala (919) 896-7464	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/20/2015		✓
29	Atlanta, GA - Dunwoody	5539 Chamblee Dunwoody Road	Dunwoody	Georgia	Mo Deck LLC	150 Saddleview Run, Atlanta GA, 30350	Deb Perlstein (404) 931-9643	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	1/31/2014		✓
30	Bellevue, WA	909 112th Avenue NE, Suite 107	Bellevue	Washington	IMAS Holdings	349 NE 54th st, Seattle, WA 98105	Sami Dinsmore Sweeney (206) 595-2092	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	9/16/2010		✓
31	Huntington Beach, CA	7101 Yorktown Avenue, Suite 101	Huntington Beach	California	Mr Pommier, Inc.	234 E. 17th Street, Suite 116, Costa Mesa, CA 92627	Monica Pommier Grubin (858) 663-0554	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	9/15/2014		✓
32	Boulder, CO	1750 29th Street, Suite 2026	Boulder	Colorado	Suzanne Suzanne LLC	1750 29th Street # 2026, Boulder, CO 80301	Michelle Metz & Shalisa Pouw (303) 443-3054	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	5/29/2015		
33	Vail, CO	216 Main Street, Suite C-103	Edwards	Colorado	JAAG LLC	216 Main Street, Unit C-103, Edwards, CO 81632	Rebecca Pellican (720) 810-5488	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/5/2014		
34	Louisville, KY - Westport Village	1321 Herr Lane, Suite 180	Louisville	Kentucky	2 Chicks & A Nickel, LLC	517 Culpepper Rd, Lexington, KY 40502	Karen Handel (859) 559-1106	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	9/28/2010		✓
35	Charlotte, NC - Ballantyne	8430 Rea Road, Suite 120	Charlotte	North Carolina	PB Ballentyne LLC	5250 Virginia Way, Suite 100, Brentwood, TN 37027	Bratschi Johnson (615) 429-0886	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	8/18/2010		
36	New Orleans, LA	3923 Magazine Street	New Orleans	Louisiana	Studio J, L.L.C.	3923 Magazine st, New Orelans, LA 70115	Jennifer L Thomas (985) 707-5686	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	10/14/2010		✓
37	Auburn, AL	2415 Moores Mill Road, Suite 240	Auburn	Alabama	Barre Investments, LLC	2415 Moores Mill Road, Suite 240, Auburn, AL 36830	Ashley Caldwell (334) 887-0007	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/14/2015		
38	Columbus, OH - Grandview Heights	960 West 5th Avenue	Columbus	Ohio	Pure Barre Columbus, LLC	960 W. Fifth Ave, Columbus OH, 43212	Emily C. Johnson (989) 450-1189	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	10/25/2010		
39	Denver, CO - Lone Tree	9360 Station Street, Suite 150	Lone Tree	Colorado	Lindsey Girardot	3420 W. 32ND Ave, Denver, CO 80211	Lindsey Girardot (720) 276-1493	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/10/2010		✓
40	Ridgeland, MS	201 Northlake Avenue, Suite 107	Ridgeland	Mississippi	SMK Dining LLC	1922 West End Avenue, Nashville, TN, 37203	Heidi Hogrefe (615) 500-9574	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	10/18/2010		
41	Huntsville, AL	4769 Whitesburg Drive S, Suite 201	Huntsville	Alabama	Pure Hunt, LLC	4769 Whitesburg Drive, Suite 201, Huntsville, AL 35802	Meredith Davis (330) 607-7270	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	12/13/2010		
42	Birmingham, AL - 280	5426 Highway 280 East, Suite 6	Hoover	Alabama	dlain280, LLC	2415 Agnew St, Montgomery, AL 36106	Deanna Pizitz 205-994-1343	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	12/2/2010		
43	San Diego, CA - Hillcrest	3650 5th Avenue, Suite 102	San Diego	California	Pure Barre Hillcrest, LLC	3650 Fifth Avenue, Suite 102, San Diego, CA 92103	Christina Douglas (760) 887-9945	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/27/2014		
44	Newton, MA	1300 Centre Street	Newton	Massachusetts	Rachel Roberts LLC	1300 Centre Street, Newtown MA, 02459	Rachel Roberts (508) 733-4777	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	12/9/2010		
45	Broomfield, CO	11961 Bradburn Boulevard, Suite 500	Westminster	Colorado	Carrie Ray	3230 Balsam St., Wheat Ridge, CO 80033	Carrie Ray (720) 480-7396	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	5/13/2010		

46	Phoenix, AZ	4219 E. Indian School Road, Suite 101	Phoenix	Arizona	Weyand Enterprises, LLC	9590 E Ironwood Square Drive, STE 105, Scottsdale, AZ 85258	Marirose A Weyand (989) 529-8170	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	1/26/2011		✓
47	Redondo Beach, CA	403 North Pacific Coast Highway, Suite 200	Renondo Beach	California	Beach Wilson Partners, LLC	409 N. Pacific Coast Highway, #576, Redondo Beach, CA 90277	Keri Wilson (310) 415-3662	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/6/2013	2/7/2016	
48	Jackson, MS	4500 I-55 North, Suite 235-A	Jackson	Mississippi	SMK Dining LLC	1922 West End Avenue, Nashville, TN, 37203	Heidi Hogrefe (615) 500-9574	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	1/31/2011		
49	Austin, TX - Arboretum	10710 Research Boulevard, Suite 316	Austin	Texas	Anani Star, LLC	2215 Abbot Martin Rd, Apt 111, Nashville, TN 37215	Rashanna Moss-Laury (512) 574-8644	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	2/13/2011		
50	Westfield, NJ	708 North Avenue	Westfield	New Jersey	Pure Venture, LLC	524 Cary Place, Westfield, NJ 07090	Elizabeth M Flynn (732) 995-4083	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	11/15/2010		
51	Sarasota, FL	3800 S. Tamiami Trail, Suite 16	Sarasota	Florida	PB SRQ, LLC	3800 S. Tamiami Trail, Unit #16, Sarasota, FL 34239	Jodi H Bearman (205) 936-9377	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/1/2014		✓
52	Mandeville, LA	1814 North Causeway Boulevard, Suite 8	Mandeville	Louisiana	Studio 116, LLC	1814 North Causeway Boulevard, Suite 8, Mandeville, LA 79448	Hope Clay (601) 201-8153	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/18/2014		
53	Anaheim Hills, CA	5655 E La Palma Avenue, Suite 145	Anaheim Hills	California	Michele Fitness, Inc	7700 E Misty Glen CT, Anaheim, CA 92808	Michele McCutcheon (949) 735-9980	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/29/2011		
54	Hollywood, CA	7519 Sunset Boulevard	Los Angeles	California	PB Hollywood, LLC	7519 W. Sunset Blvd, Los Angeles, CA 90046	Vanessa Henderson (760) 822-2001	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/5/2014		✓
55	Okemos, MI	3544 Meridian Crossings Drive, Suite 160	Okemos	Michigan	Glowen, LLC	915 N. Michigan Ave, Howell, MI 48843	Dana Owen (269) 275-9875	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/8/2014		
56	Ft. Wright, KY	3420 Valley Plaza Parkway	Ft. Wright	Kentucky	Greater Cincinnati Pure Barre, LLC	321 Albany Road, Lexington, KY 40502	Kelly Dicken (859) 983-4969	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	5/17/2011		
57	Cincinnati, OH	3083 Madison Road	Cincinnati	Ohio	The Ranini Group	NA	Lea Warner (859) 221 8487	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	6/15/2011		
58	Mobile, AL	9 Du Rhu Drive, Suite 368	Mobile	Alabama	Pure Bay, LLC	2415 Agnew St, Montgomery, AL 36106	Ashlye Hix (251) 786-3639	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	4/25/2011		
59	Beverly Hills, CA	231 S. La Cienega Boulevard	Beverly Hills	California	KW Health	1155 S. Brand Ave, #2204, Los Angeles, CA	Kelsey J. Rood (310) 469-3787	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/22/2011		
60	Charleston, SC - Mt. Pleasant	919 Houston Northcutt Blvd	Mt. Pleasant	South Carolina	Pure Barre Charleston LLC	2 Office Park Court, Columbia, SC 29223	Jenn Vannatta (843) 725-8546	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	4/26/2011		
61	Philadelphia, PA - Main Line	1701 Walnut Street, 4th Floor	Philadelphia	Pennsylvania	elleon, LLC	1703 Addison Street, Philadelphia, PA 19146	Noelle Zane (267) 234-7825	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	4/19/2011		✓
62	Memphis, TN	4700 Spottswood Avenue	Memphis	Tennessee	Pure Barre Germanto	NA	Kim Morgan (901) 484-0705	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	4/12/2011		
63	Mason, OH	5939 Deerfield Boulevard, Suite 103	Mason	Ohio	Greater Cincinnati Fitness, LLC	5939 Deerfield Blvd, Mason, OH 45040	Kelly Dicken Newman (513) 204-1978	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	2/11/2015		
64	New York, NY (Upper West Side (Columb	1841 Broadway, Suite 330	New York	New York	Pure Barre Manhattan, LLC	1010 Northern Boulevard, Suite 322, Great Neck, NY 11021	Kaitlin Vandura (704) 651-9381	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/22/2011		✓
65	Aspen, CO	620 East Hyman Street	Aspen	Colorado	Jordan Bullock	NA	Jordan Bullock (720) 331-8878	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	6/28/2011		
66	Grand Rapids, MI	2107 E Beltline Avenue NE	Grand Rapids	Michigan	Studio Elza-Kemp LLC	2107 E. Bettline Ave NE, Suite C, Grand Rapids, MI 49525	Kiersten Kemp (989) 488-8883	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	8/29/2011		
67	Southlake, TX*	480 W. Southlake Boulevard, Suite 131	Southlake	Texas	PL Blondie LLC	5900 Lovell Ave, Suite A, Fort Worth, TX 76107	Lindsey White (214) 718-9424	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	7/11/2011		
68	Palo Alto, CA	299 California Ave, Palo Alto, CA 94306	Palo Alto	California	Emily's Health & Fitness LLC	46 W Santa Clara St., San Jose, CA 95113	Emily Najour [Pearl] (408) 458-6811	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	12/28/2011		
69	Indianapolis, IN - Carmel*	726 Adams Street, Suite 130	Carmel	Indiana	Rebecca J. Retrum	NA	Rebecca J. Retrum (317) 331-5128	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	10/8/2011		
70	Minneapolis, MN - St. Louis Park*	5620A W. 36th Street	Minneapolis	Minnesota	RK Healthy and Wellness LLC	4929 5th Ave S, Minneapolis, MN 55419	Kelsey Rood (310) 469-3787	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	7/18/2011		
71	Pasadena, CA*	107 South Fair Oaks Avenue, Suite 109	Pasadena	California	Harden & Goedhart, LLC	1200 Highland Dr, Newport Beach, CA 92660	Alexis Hovden (714) 642-1009	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	9/12/2011		
72	Bozeman, MT	34 East Mendenhall Street, Suite R-6	Bozeman	Montana	Unsinkable LLC	300 N. Wilson Ave, Suite 3004, Bozeman, MT 59715	R Brooke Amini (406) 581-9591	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/23/2014		
73	Bradenton, FL - Lakewood Ranch	5275 University Parkway, Suite 131	Bradenton	Florida	Pure Barre Lakewood Ranch LLC	5275 University Parkway, Suite 131, Bradenton, FL 34201	Meg Wittmer (941) 320-4005	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	12/31/2014		
74	Houston, TX - Voss Road	1379 South Voss Road, Suite B	Houston	Texas	Anani Houston, LLC	2215 Abbot Martin Rd, Apt 111, Nashville, TN 37215	Kathryn Holleman (832) 788-8246	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	2/1/2012		
75	Columbus, OH - Dublin	3650 W. Dublin-Granville Road	Columbus	Ohio	Pure Barre Columbus	960 W. Fifth Ave, Columbus OH, 43212	Emily C. Johnson (989) 450-1189	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	11/11/2011		
76	Charlottesville, VA	2200 Old Ivy Road	Charlottesville	Virginia	Pure Barre Charlottesville, LLC	603 Providence RD, Charlotte, NC 28207	G.H. Christianson, II (980) 329-4640	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	1/24/2012		
77	Draper, UT*	280 East 12300 South, Suite 104	Draper	Utah	Stephanie Blodgett	NA	Stephanie Blodgett (801) 243-9677	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	12/19/2011		
78	Jacksonville Beach, FL	1056 3rd Street North	Jacksonville Beach	Florida	The Wallace Group, LLC	214 North Tryon Street, Charlotte, NC, 28202	Lacey Wallace (904) 412-8806	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/13/2012		
79	Baton Rouge, LA*	3033 Perkins Road, Suite B	Baton Rouge	Louisiana	Pure Passion BR-1 LLC	3033 Perkins Road, Suite B, Baton Rouge, LA 70808	Amy M Parkman (205) 790-1060	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	11/16/2011		
80	Greenville, SC - Augusta Road	1922 Augusta Street, Suite 113	Greenville	South Carolina	Barre 3, LLC	111 Williams Street, Greenville, SC 29601	Lauren Wilson (704) 975-9540	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/16/2012		
81	Louisville, KY - Summit*	4284 Summit Plaza Drive	Louisville	Kentucky	Barre Kentucky LLC	3800-A Springhurst Blvd., Louisville, KY 40241	Annie S Locke (270) 313-5636	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/9/2012		
82	Tuscaloosa, AL	1520 McFarland Boulevard North	Tuscaloosa	Alabama	PBT-TOWN, LLC	3344 Sandhurst Road, Birmingham, AL 35223	Jodi Bearman (205) 936-9377	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	5/7/2012		
83	Atlanta, GA - Johns Creek	9810 Medlock Bridge Road, Suite 500	Duluth	Georgia	Mo Deck LLC	896 Beaverbrook Dr. Atlanta, GA 30318	Philip Russ (Burton Franchising, LLC) (404) 822-0675	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/25/2014		✓
84	Miami, FL - Coral Gables	205 Altara Avenue	Miami	Florida	PB Miami LLC	7 Trinity Drive, Lumboroton, NC 28358	Ami Seier (303) 918-3889	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	8/10/2011		✓
85	Chattanooga, TN - North Shore	214 Manufacturers Boulevard	Chattanooga	Tennessee	Amanda Holmes	NA	Amanda J Holmes (423) 468-4960	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	6/13/2012		
86	New York, NY - Union Square	78 Fifth Avenue, 4th Floor	New York	New York	Pure Barre Fifth Avenue, LLC	1841 Broadway, Room 330, New York, NY 10023	Kaitlin Vandura (704) 651-9381	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	7/12/2012		✓
87	Cary, NC	1412 Village Market Place	Cary	North Carolina	PB Apex, LLC	507 Guilford Circle, Raleigh, NC 27608	Ami Seier (303) 918-3889	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	5/10/2012	4/17/2015	
88	Pittsburgh, PA - Shadyside	5986 Penn Circle South, Suite 202	Pittsburgh	Pennsylvania	LGD Studios	5986 Penn Circle South, Suite 202 Pittsburgh, PA 15206	Laura Dick (412) 427-1234	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	4/20/2012		✓
89	Seattle, WA - Queen Anne	500 Mercer Street	Seattle	Washington	IMAS Holdings, LLC	349 NE 54th st, Seattle, WA 98105	Sami Sweeney (206) 595-2092	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/19/2012		✓
90	Winston-Salem, NC - Reynolda Village	114K Reynolda Village	Winston-Salem	North Carolina	Pure Barre Piedmont Triad, LLC	925 Euclid Ave. Suite 2020 Cleveland, OH 44115	Carolyn Hern (202) 538-4980	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	5/12/2012		
91	South Tampa, FL	3830 West Neptune Street, Suite C5	Tampa	Florida	Pure Barre Tampa, LLC	3830 West neptune St, Ste. C5, Tampa, FL 33629	Eleanor McComb (941) 323-6111	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	4/9/2012		

92	Madison, AL*	14 Main Street, Suite A	Madison	Alabama	PureMad, LLC	1009 Springtime Blvd., Huntsville, AL 35802	Meredith Davis (330) 607-7270	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/16/2012		
93	Marin, CA	800 Redwood Highway Frontage Road, Suite 616	Mill Valley	California	MG-Elliot, LLC	NA	Margaret Elliott (970) 471-4544	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	4/23/2012		
94	Columbia, MO	124 E Nifong Boulevard	Columbia	Missouri	Pure Barre Columbia	3050 Ridley Wood Street, Columbia, MO 65203	Gayla Miller (573) 268-4070	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	6/25/2012		
95	Columbia, SC - Five Points	2123A Greene Street	Columbia	South Carolina	Afar, LLC	607 Baker Mill Lake Lane, Gaston, SC 29053	Addie Fairey (803) 292-1730	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	4/20/2012		
96	Wilmington, NC*	1123-B Military Cutoff Road	Wilmington	North Carolina	ADK Barre LLC	NA	Alexandra O'Rourke (919)-332-9428	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	6/29/2012		✓

Schedule 9.27(a)
Dated: June 10, 2015

	Location	Street	City	State	Franchisee Entity Name	Franchisee entity address	Franchisee Phone(s)	Royalty Rate on Services Sales	Royalty Rate on Product Sales	Ad Fee Rate	Minimum Monthly Royalty	Minimum Cumulative Royalties	Franchise Agreement ("FA") Sign Date	Renewal Date (if not 5 Years after FA Sign Date)	Signed Amendment
97	Burlington, MA	82 Burlington Mall Road	Burlington	Massachusetts	Jessica Grasso LLC	82 Burlington mall Rd, Burlington MA, 01803	Jessica J. Grasso (617) 233-3386	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	6/22/2012		
98	Savannah, GA*	5521 Abercorn Street, Suite 500	Savannah	Georgia	Pure Barre Savannah, LLC	215 Fair View Drive, Richmond Hill, GA 31324	Ashley Brook Nash (706) 340-3451	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	5/8/2012		
99	Austin, TX - Lakeway	2300 Lohman's Spur, Suite 186	Austin	Texas	Sierra Barre, LLC	103 Black Wolf Run, Austin TX 78738	Denyse Kroll (512) 771-5711	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/6/2012		
100	Overland Park, KS	4945 West 119th Street, Suite 24	Overland Park	Kansas	PureKC	6630 W 109 St., Apt. B, Leawood, KS 66211	Katie Conger (913) 777-9564	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	4/30/2012		
101	Metairie, LA*	701 Metairie Road, Suite 101-2A	Metarie	Louisiana	Studio J, LLC	3923 Magazine st, New Orelans, LA 70115	Jennifer Thomas (985) 707-5686	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	8/1/2012		
102	Hudson, OH*	50 W. Streetsboro Street, Suite 3 & 4	Hudson	Ohio	Pure Hud, LLC	NA	Meredith Davis (330) 607-7270	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	7/13/2012		
103	Sherman Oaks, CA	13559 Ventura Boulevard	Sherman Oaks	California	Pure Barre Sherman Oaks, LLC	390 S Sepulveda BLVD, Apt 301, Los Angeles, CA 90049	Jamie Wells (310) 625-7585	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	4/30/2012		
104	Dayton/Centerville, OH	62 W. Franklin Street	Dayton	Ohio	Pure Barre Dayton, LLC	NA	Janna Williams (513) 464-0300	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	8/24/2012		
105	San Francisco, CA - Marina	3727 Buchanan Street	San Francisco	California	Pure Partners, LLC	2400 Pacific Ave, #510, San Francisco, CA 94349	Kara Kokorelis (415) 309-3026	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	11/16/2011		
106	Greenwich, CT*	280 Railroad Avenue, 1st Floor	Greenwich	Connecticut	Asheley Kate Pure Barre Studios LLC	280 Railroad Ave, Greenwich, CT 06830	Ashley Allen (508) 361-8638	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	8/1/2012		
107	Boston, MA*	350 Newbury Street	Boston	Massachusetts	Boom LLC	32 Shady Hill Rd., Weston, MA 02493	Lauren Marett Sherman (617) 633-1096	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	2/28/2012		✓
108	Eastern Shore, AL	1802 US Highway 98	Daphne	Alabama	Bay Barre	713 Belrose Avenue, Daphne, AL 36526	Ashlye Hix (251) 786-3639	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	9/5/2012		
109	Glendale, AZ	19420 N. 59th Avenue, Suite C122	Glendale	Arizona	KoCap Investment, LLC	301 Deer Valley, Phoenix, AZ 85027	Gena Kohner (602) 689-6544	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	9/30/2012		
110	Wellesley, MA	200 Linden Square	Wellesley	Massachusetts	PB Wellesley LLC	1300 Centre Street, Newtown MA, 02459	Rachel Roberts (508) 733-4777	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	7/26/2012		
111	Pittsburgh, PA - Mt. Lebanon	1612 Cochran Road	Pittsburgh	Pennsylvania	Three Puppies, LLC	1414 Council Place, Jefferson Hills, PA 15025	Melissa Evancic (412) 260-3237	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	7/16/2012		✓
112	Charleston, SC - Downtown	164 Market Street, Suite C	Charleston	South Carolina	Pure Barre Downtown LLC	2 Office Park Court, Columbia, SC 29223	Jenn Vannatta (843) 725-8546	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	10/6/2012		✓
113	Westlake/Avon, OH	33576 Detroit Road	Avon	Ohio	Penelope Lane, Inc	NA	Lori Standen (440) 773-6251	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	9/10/2012		
114	Tampa - Carrollwood, FL	12921 N. Dale Mabry Highway	Tampa	Florida	Pure Barre TPA, LLC	12921 N. Dale Mabry Hwy, Tampa, FL 33618	Shannon O'Brien (941) 737-5153	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	7/3/2012		
115	Montgomery, AL	507 Cloverdale Road, Suite 102	Montgomery	Alabama	Kathryn Lee Lowder	NA	Kathryn Lee Lowder (334) 322-6248	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	7/20/2012		
116	Brighton, MI	9418 Village Place Boulevard	Brighton	Michigan	Bedford-Weyand, LLC	Bedford-Weyand, LLC, 3544 Meridian Crossing Dr. #160, Okem	Allison Weyand (989) 992-0840	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	11/7/2012		
117	Woodland Hills, CA	21728 Ventura Boulevard	Woodland Hills	California	Woodland Pure, LLC	810 Fernwood Pacific Dr., Topanga, CA 90290	Marni Rosenthal Chaikin (310) 463-7873	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	11/20/2012		✓
118	Plano, TX	3450 E Hebron Parkway, Suite 116	Carrollton	Texas	Running on Joy, LLC	3900 Grapevine Mills pkwy Unit 1725, Grapevine, TX 76051	Jill LaMonica (614) 562-1831	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	6/12/2012		✓
119	Little Rock, AR	11525 Cantrell Road, Suite 306	Little Rock	Arkansas	Michele Fitness, Inc	7700 E. Misty Glen Court, Anaheim Hills, CA 92808	Lindsey Newton (501) 804-8326	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	1/15/2013		
120	Chandler, AZ	2055 W Frye Road, Suite 5	Chandler	Arizona	Weyand Enterprises, LLC	9590 E Ironwood Square Drive, STE 105, Scottsdale, AZ 85258	Marirose Weyand (989) 529-8170	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	10/4/2012		✓
121	Arlington, TX	2500 NE Green Oaks Boulevard, Suite 128	Arlington	Texas	Studio Firm, LLC	9900 Spectrum Dr., Austin, TX 78717	Deshanda Firmin (985) 703-1858	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	8/17/2012		✓
122	Spartanburg, SC	1200 E. Main Street, Suite 7	Spartanburg	South Carolina	Emerge Pilates, LLC	519 South Helena ST, Roebuck, SC 29376	Carol E Corson (864) 909-0216	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	11/15/2012		✓
123	Washington, DC - Dupont Circle	2130 P Street NW	Washington	DC	District PB, LLC	2033 Huidekoper Place NW, Washington, DC 20007	Michelle Davidson (239) 269-6095	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	8/18/2012		✓
124	Red Bank, NJ	127 Broad Street	Red Bank	New Jersey	M Two Fitness, LLC	175 Helen Street, Fanwood, NJ 07023	Melanie Coleman (201) 736-6036	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	1/22/2013		
125	South Jersey, NJ - Haddonfield	112 Kings Highway East	Haddonfield	New Jersey	elleon, LLC	105 S. 18th Street, Unit 3A, Philadelphia, PA 19103	Noelle A Zane (267) 234-7825	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	6/27/2012		✓
126	Lake Norman, NC - Birkdale	16815 Carnlyn Road, Suite A	Huntersville	North Carolina	LKN Barre, LLC	17247 Pennington Drive, Huntersville, NC 28070	Katie Moscovitch (203) 994-2914	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	11/20/2012		✓
127	South Tulsa, OK	8921 S. Yale Avenue, Suite C	Tulsa	Oklahoma	MJMK, LLC	3503 W. 106th Street South, Jenks, OK 74037	Katrina Morgan (256) 337-2917	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	1/15/2013		✓
128	Fort Worth, TX	6333 Camp Bowie Boulevard, Suite 220	Fort Worth	Texas	Steber PB, LLC	815 Mercury Avenue, Duncanville, TX 75137	Kelsey Tortorigi (205) 902-2974	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	1/15/2013		
129	Virginia Beach, VA	741 First Colonial Road, Suite 104	Virginia Beach	Virginia	Barre One, LLC	7608 Atlantic Avenue, Virginia Beach, VA 23451	Deanna Graham (757) 287-7869	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	2/27/2013		
130	Spring Lake, NJ	1200 Third Avenue	Spring Lake	New Jersey	Pure Venture, LLC	708 North Ave, Barlwood, NJ 07027	Beth Flynn (312) 404-2384	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	11/14/2012		
131	Greenville, SC - Pelham Road	3722 Pelham Road	Greenville	South Carolina	Jackson Hughes, Lauren Wilson, and Stephanie Reynold	601 Cleveland St, 7A, Greenville, SC 29601	Lauren Wilson (704) 975-9540	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/20/2013		
132	Madison, WI - Hilldale	702 N. Midvale Boulevard	Madison	Wisconsin	Pure Madison, LLC	PO Box 3524, Spartanburg, SC 29304	Susanna Presnell Johnson (864) 590-6947	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/24/2013		
133	Chicago, IL - Lakeview	3245 N Ashland Avenue, Suite 1	Chicago	Illinois	HNV Lakeview, LLC	408 Jackson Blvd., Nashville, TN 37205	Hanah Vinson (615) 319-9023	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	1/15/2013		✓
134	Fort Collins, CO	2948 Council Tree Avenue, Suite 119	Ft. Collins	Colorado	SS Holdings, Inc.	2370 Andrew Drive, Superior, CO 80027	Stephanie Spalding (303) 884-4220	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	1/25/2013		
135	Lubbock, TX	4505 98th Street, Suite 240	Lubbock	Texas	Lemon Barre, LLC	3317 22nd Street, Lubbock, TX 79410	Laura Marie Staron (502) 418-8366	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/18/2013		
136	Chicago, IL - Bucktown Wicker Park	1837 W North Avenue	Chicago	Illinois	Pure Bucktown, LLC	100 Dunbar Street, Suite 400, Spartanburg, SC 29306	Susanna Presnell Johnson (864) 590-6947	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/2/2013		
137	Evanston, IL	910 Church Street	Evanston	Illinois	Pure Evanston, LLC	PO Box 3524, Spartanburg, SC 29304	Susanna Presnell Johnson (864) 590-6947	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/24/2013		
138	Greensboro, NC	1310 Westover Terrace, Suite 105	Greensboro	North Carolina	GCPB, LLC	1909 Lafayette Avenue, Greensboro, NC 27408	Christina Cromwell (336) 402-1881	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/30/2013		
139	Chicago, IL - River North	1 E. Huron Street, 2nd Floor	Chicago	Illinois	Orson, LLC	3186 Parthenon Avenue, Unit H, Nashville, TN, 37203	Emily Henson (615) 604-5034	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	1/18/2013		
140	Atlanta, GA - Druid Hills	2951 N. Druid Hills Road	Atlanta	Georgia	ATL PB Toco Hills, LLC	896 Beaverbook Drive, Atlanta GA, 30318	Philip Russ (404) 822-0675	7.0%	7.0%	1.0%	$1,000	No less than $15,750 in year 1, $17,500 for the TTM after 18 months, $22,750 in year 2	12/14/2013		
141	Athens, GA	191 Alps Road, Suite 17	Athens	Georgia	Costance C. Popwell	2285 Plaster Avenue, Atlanta GA, 30305	Constance C Popwell (901) 356-7316	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/14/2013		✓

142	Westford, MA	9 Cornerstone Square	Westford	Massachusetts	PB Westford, LLC	25 Lois Lane, Lexington, MA 02420	Jessica Grasso (617) 233-3386	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/20/2013		
143	Cranston, RI	2000 Chapel View Boulevard, Suite 125	Cranston	Rhode Island	PBRI, LLC	One Financial Plaza, Suite 1800, Providence RI, 02903	Alexandra York (774) 238-6420	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/7/2013		
144	Asheville, NC	1865 Hendersonville Road, Suite 114	Asheville	North Carolina	Asheville PB 01, LLC	310 McDaniel Ave, Greenville SC 29601	Flavia Harton (864) 477-8312	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/7/2013		✓
145	Macon, GA	4420 Forsyth Rd, Suite 140	Macon	Georgia	Healthy Living Partners, LLC	61 Jennifer Drive, Forsyth, GA 31029	Whitney R Berry (770) 312-3672	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/27/2013		✓
146	Billings, MT	1595 Grand Avenue, Suite 200	Billings	Montana	HighSeats, LLC	4332 Ridgewood Ln S, Billings MT, 59106	Kaitlyn Kurn (858) 228-0003	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/22/2013		
147	Fairfax, VA	4201 Ridge Top Road	Fairfax	Virginia	PB Fairfax, LLC	269 Lkerd Drive SE, Concord, NC 28025	Ashleigh Brooke Sides (704) 796-2982	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/18/2013		✓
148	Wexford, PA	12091 Perry Highway	Wexford	Pennsylvania	LGD Stuidios, LLC	136 Kissel Springs Road, Ligonier, PA 15658	Laura G Dick (412) 427-1234	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/8/2013		✓
149	Naples, FL	1410 Pine Ridge Road, Suite 10	Naples	Florida	OLLE, Inc	7755 Ionio Court, Naples, FL 34114	Lenka Valigurska (239) 250-6467	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/17/2013		
150	Beachwood, OH - Pepper Pike	31100 Pinetree Road, Suite 115	Pepper Pike	Ohio	Purebeach LLC	1003 Rison Ave NE, Huntsville AL 35801	Meredith Davis (330) 607-7270	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/12/2013		✓
151	Roanoke, VA	5036 Keagy Road, Suite 202	Roanoke	Virginia	Dancing Turtle, LLC	4870 Sadler Road, Glen Allen, VA 23060	Traci Dority-Shanklin (310) 418-2433	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/27/2013		
152	Westport, CT	275 Post Road East	Wesport	Connecticut	Westport Barre, LLC	2 Pinehurst Rd, Coventry, RI 02816	Laura A Laboissonniere (401) 578-2678	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/7/2013		✓
153	Spokane, WA	13910 E Indiana Avenue, Suite E	Spokane Valley	Washington	KT. WOOD, LLC	509 E 31st St, Bryan TX, 77803	Katie Wood (509) 710-2353	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/12/2013		✓
154	Atlanta, GA - Vinings	4300 Paces Ferry Road SE, Suite 476	Atlanta	Georgia	ATL PB Vinings, LLC	896 Beaverbook Drive, Atlanta GA, 30318	Philip Russ (404) 822-0675	7.0%	7.0%	1.0%	$1,000	No less than $15,750 in year 1, $17,500 for the TTM after 18 months, $22,750 in year 2	7/23/2013		✓
155	Columbus, OH - New Albany	180 Market Street, Suite D	New Albany	Ohio	Pure Barre Columbus, LLC	960 West 5th Ave, Columbus, OH 43212	Emily C. Johnson (989) 450-1189	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	2/21/2013		
156	Jacksonville, FL - Riverside	1661 Riverside Avenue, Suite 125	Jacksonville	Florida	The Koster Group, Inc.	113 Findhorn Court, St John's, FL32259	Victoria Koster (205) 401-2960	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/3/2013		✓
157	Boise, ID	550 S. Broadway, Suite 110	Boise	Idaho	Bucci Barre, LLC	1393 W. Villa Norte, Boise ID 83702	Lorain Banducci (208) 250-8666	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/6/2013		
158	Birmingham, AL - Riverchase	1870 Chase Drive, Suite 100	Birmingham	Alabama	Landie, Inc	1336 Legacy Drive, Birmingham, AL 35242	Shelly W. Smith (205) 914-3131	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/23/2013		✓
159	Annapolis, MD	2484 Solomons Island Road	Annapolis	Maryland	Greer Hancock, LLC	115 Cedar Road, Severna Park, MD 21146	Anne Hancock Fava (410) 236-7131	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/25/2013		✓
160	Burlingame, CA	1440 Chapin Avenue, Suite 100	Burlingame	California	Alyssa Bothman	20385 Iron Springs Road, Los Gatos, CA 95033	Alyssa Bothman (917) 344-9175	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/15/2013		
161	St. Petersburg, FL	3637 Fourth Street North	St. Petersburg	Florida	St. Pete Barre	1124 North Lake Shore Drive, Sarasota FL, 34231	Elleanor McComb (941) 323-6111	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/22/2013		
162	Indianapolis, IN - Fishers	11501 Geist Pavilion Drive, Suite 112	Fishers	Indiana	Curly Top, LLC	278 Providence Blvd, Carmel, IN 46032	Rbecca Retrum (317) 331-5128	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/1/2013		✓
163	Buffalo, NY	7660 Transit Road	Buffalo	New York	S.R. McKie, LLC	561 Bird Avenue, Buffalo, New York 14222	Shayna R. McKie (315) 436-0304	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/21/2013		✓
164	Chicago, IL - Old Town	1350 N. Wells Street, Suite 1200	Chicago	Illinois	True Form, LLC	1660 N. LaSalle Drive, Apt 1708, Chicago IL, 60614	Rachel Reisman True (312) 649-9069	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	1/22/2013		✓
165	Sonoma, CA	201 W. Napa Street, Suite 15	Sonoma	California	MG-Elliot, LLC	800 Redwood Highway, Suite 616, Mill Valley, CA 94941	Margaret G. Elliott (970) 471-4544	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/30/2013		✓
166	Greenville, DE	3801 Kennett Pike, Building E, Suite 209	Greenville	Delaware	M2 Yoga Productions, LLC	1 Heatherwood Drive, Malvern, PA 19355	Maura Markley (610) 348-3825	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/8/2013		
167	Geneva, IL	500 S Third Street, Suite 123	Geneva	Illinois	Stuido 26, LLC	210 Logan Avenue, Geneva, IL 60134	Brynn Hanson (630) 254-7228	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/28/2013		✓
168	Tampa, FL - Westchase	12233 West Linebaugh Avenue	Tampa	Florida	PB Florida, LLC	336 Orchid Drive South, Ellenton, FL 34222	Aimee O'Neil (813) 760-7298	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/6/2013		✓
169	Wheaton, IL	33 Rice Lake Square	Wheaton	Illinois	Pure Wheaton, LLC	100 Dunbar Street, Suite 400, Spartanburg, SC 29306	Susanna Presnell Johnson (864) 590-6947	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	11/12/2013		
170	Santa Margarita, CA	22411 Antonio Parkway, Suite C150	Rancho Santa Margarita	California	Vicencia Fitness, LLC	7707 E Margaret Drive, Anaheim, CA 92808	Kerry Vicencia (714) 269-3249	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/8/2013		✓
171	Brooklyn, NY - Cobble Hill	266 Court Street	Brooklyn	New York	Studio TC, LLC	82 Congress Street, Apt 4, Brooklyn NY, 11201	Tiffany N. Currid (850) 502-0100	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	1/30/2013		✓
172	Atlanta, GA - Virginia Highlands	1402-4 North Highland Avenue NE	Atlanta	Georgia	Goot Gibson, LLC	435 10th Street #16, Atlanta, GA 30309	Ashley Goot (864) 616-3766	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	9/9/2013		✓
173	Novi, MI	42972 Grand River Avenue	Novi	Michigan	Bedford-Weyand, LLC	8612 Hornbeam, Saginaw, MI 48603	Allison Weyand (989) 992-0840	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/29/2013		
174	Jacksonville, FL - Tapestry Park	4828 Deer Lake Drive West	Jacksonville	Florida	Pure Aptitude, LLC	319 North Roscoe Blvd. Ponte Vedra Beach, Florida 32082	Rachel Robertson (904) 710-6450	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/18/2013		✓
175	Seattle, WA - Capitol Hill	1222 E Pine Street, Suite B	Seattle	Washington	IMAs Holdings, LLC	345 NE 54th St., Seattle, WA 98105	Sami Dinsmore Sweeney (206) 595-2092	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/23/2013		✓
176	Flower Mound, TX	5801 Long Prairie Road, Suite 820	Flower Mound	Texas	LTB FM, LLC	1303 Cheyenne Trail, Corinth, TX 76210	Amanda Lewis (832) 928-6174	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/4/2013		✓
177	Rockville, MD	402 King Farm Boulevard, Suite 140	Rockville	Maryland	JCD Fitness LLC	2222 Q Street NW, Apartmnet 43, Washington, DC 20008	Jill DeNinno (412) 680-6648	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/26/2013		✓
178	Kildeer, IL - Deer Park	20771 North Rand Road	Kildeer	Illinois	Pure Barre Kildeer, LLC	100 Dunbar Street, Suite 400, Spartanburg, SC 29306	Susanna Johnson 864-590-6947	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	11/15/2013		
179	Rocky River, OH	19940 Detroit Road	Rocky River	Ohio	Penny Lane, Inc.	31027 Walden Drive, Westlake, OH 44145	Lori Standen (440) 773-6251	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/30/2013		✓
180	Bethesda, MD	4930 Hampden Lane	Bethesda	Maryland	Chip Christianson	7516 Hwy. 70 So., Suite 100, Nashville TN, 37221	Chip Christianson (615) 300-8787	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/20/2013		✓
181	North Raleigh, NC	9660 Falls of Neuse Road, Suite 149	Raleigh	North Carolina	PB Apex, LLC	507 Guilford Circle, Raleigh, NC 27608	Ami Seier (303) 918-3889	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	9/6/2013		
182	Manhasset, NY	1681 Northern Boulevard	Manhasset	New York	Pure Results Long Island, LLC	147 Bayview Ave., Port Washington, NY 11050	Deena Cavalli (516) 365-9090	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/19/2013		✓
183	Syracuse, NY	6789 E. Genesee Street	Fayetteville	New York	Cathy McKie	7586 Calvary Circle, Manlius, NY 13104	Cathy McKie (315) 436-0276	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/14/2013		✓
184	Pure Barre - Richmond - Short Pump	4017 Lauderdale Drive	Richmond	Virginia	G.H. Christianson, II	5000 Harding Place, Nashville, TN 37211	Chip Christianson (615) 300-8787	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/6/2013		
185	Brookline, MA	1333 Beacon Street	Brookline	Massachusetts	PB Brookline, LLC	1300 Centre Street, Newtown MA, 02459	Lauren Sherman (617) 633-1096	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	9/17/2013		
186	Irmo, SC	1230 B3A Bower Parkway, Columbia, SC 29212	Columbia	South Carolina	AFAR 2 LLC	607 Baker Mill Lake Lane, Gaston, SC 29053	Addie Fairey (803) 292-1730	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/15/2013		✓
187	Durham, NC	737 Ninth Street, Suite 260	Durham	North Carolina	PB Partners, LLC	15 Piling Place, Durham NC 27707	Charlotte Jones (919) 949-1302	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	9/6/2013		
188	Peters Township, PA	4000 Washington Road, Suite 108	McMurray	Pennsylvania	Kaylee Barre, LLC	1414 Council Place, Jefferson Hills, PA 15025	Melissa Evancic (412) 260-3237	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/13/2013		✓
189	Santa Monica, CA	201 Wilshire Boulevard	Santa Monica	California	Marni Chaikin and Kayla Allen	11819 Wilshire Boulevard, Suite 213, Los Angeles, CA 90025	Kayla Allen (310) 745-8500	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	11/7/2013		✓
190	San Francisco, CA - West Portal	162 West Portal Avenue	San Francisco	California	Huntley Fike PB, LLC	45 Lark Place, Alamo, CA 94507	Lauren Fike (925) 389-0038	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	10/29/2013		✓
191	Atlanta, GA - Westside	1100 Howell Mill Road, Suite A07	Atlanta	Georgia	ATL PB 1, LLC	896 Beaverbook Drive, Atlanta GA, 30318	Philip Russ (404) 822-0675	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/1/2013		✓
192	McLean, VA	6825 Redmond Drive, Suite E	Mclean	Virginia	G.H. Christianson, II	7516 Hwy 70 So., Suite 150, Nashville, TN 37221	G.H. Christianson, II (615) 300-8787	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	12/1/2014		✓
193	West Palm Beach, FL	501 Fern Street	West Palm Beach	Florida	MLH Fitness, Inc.	7732 Sandhill Court, West Palm Beach, FL 33412	Melissa Hirsch (856) 685-8075	7.0%	7.0%	1.0%	$1,000	No less than $14,000 in year 1, $17,500 for the TTM after 21 months, $21,000 for the TTM a	6/25/2013		✓
194	Naperville, IL	144 W Jefferson Avenue	Naperville	Illinois	Pure Naperville, LLC	100 Dunbar Street, Suite 400, Spartanburg, SC 29306	Susanna Presnell Johnson (864) 590-6947	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	11/15/2013		

195	Frisco, TX	5570 FM 423, Suite 500	Frisco	Texas	Jesler Group, LLC	4571 Siena Drive, Frisco TX, 75033	Jessica Miller (469) 662-4686	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/18/2013		✓
196	Knoxville, TN	133 S. Forest Park Boulevard	Knoxville	Tennessee	PB Knoxville, LLC	4902 Timberhill Drive, Nashville, TN 37211	Lauren Luftman (859) 608-2043	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	9/19/2013		✓

Schedule 9.27(a)
Dated: June 10, 2015

	Location	Street	City	State	Franchisee Entity Name	Franchisee entity address	Franchisee Phone(s)	Royalty Rate on Services Sales	Royalty Rate on Product Sales	Ad Fee Rate	Minimum Monthly Royalty	Minimum Cumulative Royalties	Franchise Agreement ("FA") Sign Date	Renewal Date (if not 5 Years after FA Sign Date)	Signed Amendment
197	Deerfield, IL	720 Waukegan Rd, Suite J	Deerfield	Illinois	Pure Deerfield, LLC	100 Dunbar Street, Suite 400, Spartanburg, SC 29306	Susanna Presnell Johnson (864) 590-6947	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/8/2013		
198	Alexandria, VA	429 John Carlyle Street	Alexandria	Virginia	Mary Beth Coleman, Katie Shearin and G.H. Christians	5000 Harding Place, Nashville, TN 37211	Chip Christianson (615) 300-8787	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/27/2013		✓
199	Washington, DC - Capitol Hill	407 8th Street SE	Washington	DC	PB CAP HILL, LLC	2033 Huidekoper Place NW, Washington, DC 20007	Michelle Davidson (239) 269-6095	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	11/21/2013		✓
200	The Woodlands, TX	8000 Research Forest Drive, Suite 110	The Woodlands	Texas	Monies, LLC	8000 Research Forrest Drive, Suite 123, The Woodlands, TX 773	Heather Berntone Sanders (832) 722-7767	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/16/2014		
201	Roswell, GA	1115 Woodstock Road, Suite 705	Roswell	Georgia	ATL PB Roswell, LLC	869 Beaverbrook Drive, Atlanta, GA 30318	Philip Russ (404) 822-0675	7.0%	7.0%	1.0%	$1,000	No less than $15,750 in year 1, $17,500 for the TTM after 18 months, $22,750 in year 2	10/30/2013		
202	New Tampa, FL	18091 Highwoods Preserve Parkway, Suite 3	Tampa	Florida	PB New Tampa, LLC	10325 OrangeGrove Drive, Tampa, FL 33618	Casey Neubert (727) 422-2713	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	9/13/2013		✓
203	Wellington, FL	11924 West Forest Hill Boulevard, Suite 22	Wellington	Florida	MLH Fitness, Inc.	480 Hibiscus Street Apt 709, West Palm Beach, FL 33401	Melissa Hirsch (856) 685-8075	7.0%	7.0%	1.0%	$1,000	No less than $14,000 in year 1, $17,500 for the TTM after 21 months, $21,000 for the TTM a	11/20/2013		
204	Brooklyn, NY - Williamsburg	204 Wythe Avenue	Williamsburg	New York	Portside Group, LLC	719 8th Avenue 1A, Brooklyn, NY 11215	Rebecca Fagan (303) 961-4502	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/2/2013		✓
205	Tulsa, OK - Midtown	3807 South Peoria Avenue, Suite M	Tulsa	Oklahoma	MJMK, LLC	3503 W. 106th Street South, Jenks, OK 74037	Katrina Morgan (256) 337-2917	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	9/30/2013		✓
206	Oxford, MS	265 North Lamar Boulevard, Suite E	Oxford	Mississippi	XOLTB, LLC	232 Private Road 3049, Oxford, MS 38665	Kelly Waite (949) 500-3717	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	11/20/2013		
207	Snellville, GA	1350 Scenic Hwy, Suite 808	Snellville	Georgia	PB Snellville, LLC	1350 Scenic Highway, Snellvile, GA 30078	Keisha Hayes (678) 570-7996	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	11/19/2013		
208	Owensboro, KY	2680 Frederica Street	Owensboro	Kentucky	Andrea McCrary	229 Taylor Drive B, Lexington, KY 40511	Andrea McCrary (270) 313-5636	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	2/6/2014		✓
209	Franklin, TN	1556 West McEwen Drive	Franklin	Tennessee	Barre Fitness, LLC	4906 Maymanor Circle, Nashville, TN 37205	Martha Nemer (615) 481-8400	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	1/9/2014		✓
210	Peachtree City, GA	405 City Circle, Suite 1620	Peachtree City	Georgia	PTCbarre, LLC	26 Audubon Place, Newnan, GA 30265	Bronwyn Williams (770) 632-8855	7.0%	7.0%	1.0%	$1,000	No less than $15,750 in year 1, $17,500 for the TTM after 18 months, $22,750 in year 2	6/2/2015		
211	Jupiter, FL	6240 West Indiantown Road, Suite 6	Jupiter	Florida	MLH Fitness, Inc.	380 Hibiscus St, Apt 709, West Palm Beach, FL 33401	Melissa L Hirsch (856) 685-8075	7.0%	7.0%	1.0%	$1,000	No less than $14,000 in year 1, $17,500 for the TTM after 21 months, $21,000 for the TTM a	11/19/2013		
212	East Greenwich, RI	1000 Division Street, Suite 16	East Greenwich	Rhode Island	PBRI-II, LLC	One Financial Plaza, Suite 1800, Providence RI, 02903	Jaime Sweeney (401) 248-1408	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/20/2014		✓
213	Manalapan, NJ	357 Route 9 South	Manalapan	New Jersey	Pure Partners Limited Liability Company	524 Cory Place, Westfield, NJ 07090	Beth Flynn (312) 404-2384	7.0%	7.0%	1.0%	$1,000	No less than (50%) of system average in year 1, (60%) in year 2, (70%) in year 3	3/21/2013		
214	Fairfield, CT	1275 Post Road	Fairfield	Connecticut	Fairfield Barre LLC	1275 Post Road, Suite A3, Fairfield, CT, 06824	Laura Laboissonniere (401) 578-2678	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/10/2014		✓
215	Norfolk, VA	320 West 21st Street	Norfolk	Virginia	Barre One, LLC	7608 Atlantic Avenue, Virginia Beach, VA 23451	Deanna Graham (757) 287-7869	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	11/27/2013		✓
216	Destin, FL	34940 Emerald Coast Parkway, Suite 186	Destin	Florida	AS Fit, LLC	174 Watercolor Way #3208, Santa Rosa Beach, FL 32459	Ashley Singleton (850) 231-0147	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	11/7/2013		✓
217	Richmond, VA - Near West End	6235 River Road	Richmond	Virginia	RVA Barre, LLC	256 Silver Sloop Way, Carolina Beach, NC 28428	Carlca C. Brown (703) 323-0776	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	10/15/2013		✓
218	Palm Beach Gardens, FL	11290 Legacy Avenue, Suite K120	Palm Beach Gardens	Florida	MLH Fitness, Inc.	450 Hibiscus St., Apt. 709, West Palm Beach, FL 33401	Melissa Hirsch (856) 685-8075	7.0%	7.0%	1.0%	$1,000	No less than $14,000 in year 1, $17,500 for the TTM after 21 months, $21,000 for the TTM a	12/4/2013		
219	Southampton, NY	5 Windmill Lane, Suite 4	Southampton	New York	PB Southhampton, LLC	78 Fifth avenue, 4th floor, New York, NY 10011	Kaitlin Vandura (704) 651-9381	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/10/2014		✓
220	Bend, OR	520 SW Powerhouse Drive, Suite 150	Bend	Oregon	Erin Anderson Griffith	70 SW Century Drive, Suity 100-460, Bend OR 97702	Erin Anderson Griffith (406) 570-1646	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	10/11/2013		
221	Cumming, GA	410 Peachtree Pkwy, Suite 216	Cumming	Georgia	ATL PB Cumming, LLC	896 Beaverbrook Drive, Atlanta Ga 30318	Philip Russ (404) 822-0675	7.0%	7.0%	1.0%	$1,000	No less than $15,750 in year 1, $17,500 for the TTM after 18 months, $22,750 in year 2	11/19/2013		
222	Orlando, FL - Dr. Phillips	7339 West Sand Lake Road, Suite 412	Orlando	Florida	Pure Dr. Phillips, LLC	1008 Glendalyn Circle, Spartanburg, SC 29302	Ann Hopkins (864) 590-1972	7.0%	7.0%	1.0%	$1,000	No less than $15,750 in year 1, $17,500 for the TTM after 18 months, $22,750 in year 2	11/26/2013		
223	Hingham, MA	18 Shipyard Drive, Suite 1C	Hingham	Massachusetts	PBH Studio, LLC	21 Parker Road, Wellsley, MA 02481	Tracie Reynolds (508) 479-1748	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	11/7/2013		✓
224	Atlanta, GA - Inman Park	240 North Highland Avenue, Building 3, Suite B-2	Atlanta	Georgia	ATL PB Inman, LLC	896 Beaverbrook Dr., Atlanta, GA 30318	Philip Russ (404) 822-0675	7.0%	7.0%	1.0%	$1,000	No less than $15,750 in year 1, $17,500 for the TTM after 18 months, $22,750 in year 2	3/25/2014		
225	San Antonio, TX - Stone Oak	21019 US Highway 281 North, Suite 33	San Antonio	Texas	Santon & Price, LLC	18723 Keegan's Bluff, San Antonio, TX 78258	Kelly Price (901) 428-5593	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	10/11/2013		✓
226	San Rafael, CA	315 3rd Street	San Rafael	California	Shannon Piro	31 McNear Drive, San Rafael, CA 94901	Shannon Piro (925) 324-3251	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	1/15/2014		✓
227	Seattle, WA - Green Lake	406 NE 71st Street	Seattle	Washington	IMAs Holdings, LLC	345 NE 54th St., Seattle, WA 98105	Sami Dinsmore Sweeney (206) 595-2092	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/22/2013		
228	Lake Norman, NC - Mooresville	129 Market Place Drive, Suite C	Mooresville	North Carolina	LKN Barre, LLC	17247 Pennington Drive, Huntersville, NC 28070	Katheryn Moscovitch (203) 994-2914	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	12/31/2013		✓
229	Arlington, VA	1024 North Garfield Street	Arlington	Virginia	G.H. Christianson, II	7516 Highway 70 South, Suite 100, Nashville, TN 37221	G.H. Christianson, II (615) 300-8787	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	11/19/2013		
230	Orlando, FL - Mills Park	1430 North Mills Avenue, Suite 160	Orlando	Florida	Pure Lake Mary, LLC	1008 Glendalyn Circle, Spartanburg, SC 29302	Ann Johnson Hopkins (864) 590-1972	7.0%	7.0%	1.0%	$1,000	No less than $15,750 in year 1, $17,500 for the TTM after 18 months, $22,750 in year 2	10/21/2013		✓
231	Rossmoor, CA - Seal Beach	12501 Seal Beach Boulevard	Seal Beach	California	L&M Fitness, LLC	19172 Lindsay Lane, Hungtington Beach, CA 92646	Alexandria Martinez (714) 323-7569	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	11/11/2013		✓
232	Allen, TX	972 Village Green Drive	Allen	Texas	Amanda Kovach	3430 McFarlin Boulevard #4, Dallas TX, 73205	Amanda Kovach (832) 928-6174	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	2/14/2014		
233	Grosse Pointe MI	75 Kercheval Avenue, Suite 301	Grosse Pointe Farms	Michigan	Lia Amine and Renae Lange	5718 Meadowview Street, Ypsilanti, MI 48197	Lia Amine (248) 633-5310	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	2/27/2014		✓
234	West Omaha, NE	577 North 155th Plaza	Omaha	Nebraska	Emma's PB, LLC	12925 West Dodge Road, Suite 102, Omaha, NE 68154	Emma Sodoro (402) 690-4056	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	2/27/2014		✓

235	Murfreesboro, TN	1970 Medical Center Parkway, Suite C	Murfreesboro	Tennessee	PB Murfreesboro, LLC	3444 Deerview Drive, Murfreesboro, TN 37128	Sunshine Burns (615) 944-4335	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	12/18/2013		✓
236	Chesapeake, VA	733 Eden Way North, Suite 406	Chesapeake	Virginia	Erin Rhamstine	1444 S. Veaux Loop, Norfolk VA, 23509	Erin Rhamstine (757) 620-5735	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	1/6/2014		✓
237	Tucson, AZ - Casas Adobes	7121 North Oracle Road	Tucson	Arizona	Briana Acuna and Vanessa Palestino	3342 North Sierra Springs Drive, Tucson, AZ 85716	Briana Acuna (619) 806-7410	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	2/6/2014		✓
238	Dallas, TX - Preston Hollow	6025 Royal Lane, Suite 203	Dallas	Texas	Pure Lakewood, LLC	2402 College Hills, San Angelo, TX 76904	Britta Lofgren (612) 310-1500	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	12/4/2013		✓
239	Houston, TX - River Oaks	1948A West Gray Street	Houston	Texas	Taylored Dietetics LLC d/b/a Barre Lots	4310 Dunlavy Street, #443, Houston, TX 77006	Taylor Larson (281) 660-5964	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	10/9/2014		✓
240	Clemmons, NC	6252 Towncenter Drive, Suite 104 & 105	Clemmons	NC	PB Piedmont Triad, LLC	114K Reynolda Village, Winston-Salem NC, 27106	Carolyn Hern (202) 538-4980	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/17/2014		✓
241	Rancho Cucamonga, CA	8792 19th Street, Alta Loma Square	Rancho Cucamonga	California	PB Rancho Cucamonga, LLC	301 N. Lake Avenue, 7th Floor, Pasadena, CA 91101	Ashley Sinkeldam (858) 254-1674	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/6/2014		✓
242	Seattle, WA - Redmond	16015 Cleveland Street	Redmond	Washington	IMAs Holdings, LLC	1420 Delridge Way, Seattle, WA 98108	Sami Dinsmore Sweeney (206) 595-2092	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/7/2014		✓
243	Sudbury, MA	435 Boston Post Road	Sudbury	Massachusetts	Studio Thirty-Three, LLC	6 Wintergreen Court, Lunenberg, MA 01462	Elizabeth Tuzzolo (978) 758-8626	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/13/2014		✓
244	Napa, CA	3632 Bel Aire Plaza	Napa	California	Wine Country Sculpt, LLC	2125 Inglewood Avenue, St. helena, CA 94574	Shelley Nicole Sinegal (425) 891-3245	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/6/2014		
245	St. Louis, MO - Ladue	8885F Ladue Road	St. Louis	Missouri	HEJ Fund, LLC	35 Briarcliff St, St. Louis, MO 63124	Ellie Williams (314) 567-7786	7.0%	7.0%	1.0%	$1,000	No less than $15,750 in year 1, $17,500 for the TTM after 18 months, $22,750 in year 2	1/30/2014		✓
246	Chicago, IL - Lincoln Park	2058 North Halsted Street	Chicago	Illinois	Double A Fitness Lincoln Park, LLC	600 N McClurg St, Apt 3502A, Chicago, IL 60611	Ashley Paro (630) 965-1175	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/8/2014		✓
247	Hilton Head Island, SC	38 Shelter Cove Lane, Suite 129	Hilton Head Island	South Carolina	PB Hilton Head, LLC	1297 May River Road, #324, Bluffton, SC 29910	Kara Brandis Letien (803) 468-3950	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/10/2014		✓
248	Portland, OR - Lloyd	1504 NE Broadway Street	Portland	Oregon	Richen PB LLC	2437 N. Alberta Street, Portland, OR 97217	Stephanie Richen (206) 427-8386	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/22/2014		✓
249	Minneapolis, MN - Edina	7101 France Avenue South, Suite 201	Edina	Minnesota	PB Twin Cities LLC	4122 Linden Hills Boulevard, Minneapolis, MN 55410	Margo McCarthy Farrell (612) 655-4281	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/24/2014		
250	Katy, TX	23501 Cinco Ranch Boulevard, Suite D120	Katy	Texas	Queen Tiye Wellness, Inc.	3100 Hazy Park Drive, Houston, TX 77082	Tonia M Jones (310) 612-8296	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/23/2014		
251	Darien, CT	313 Heights Road	Darien	Connecticut	Darien Barre LLC	158 Holmes Avenue, Darien, CT 06820	Kristin McClutchy (203) 247-0165	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/11/2014		
252	Houston, TX - The Heights	1436 Studewood Street	Houston	Texas	PB The Heights, LLC	2121 Mid Lane, #515, Houston, TX 77027	Dorinda M Blackey (713) 396-9851	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/17/2014		✓
253	Park City, UT	1708 Uinta Way, Suite F-2	Park City	Utah	Haase-Eubank Resources LLC	8136 N. Ranch Club Trail, Park City Utah, 84099	Susanna Eubank (859) 806-8801	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/28/2014		✓
254	West Hattiesburg, MS	163 Turtle Creek Drive	Hattiesburg	Mississippi	BRP Enterprises LLC	5 North Bridle Bend, Hattiesburg MS, 39402	Brittany Price (601) 596-3183	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/28/2014		
255	Columbia, MD	8801-1 Centre Park Drive	Columbia	Maryland	LTB Columbia, LLC	5620 44th Avenue, Hyattsville MD, 20781	Carmel McGuire (202) 422-4147	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/13/2014		✓
256	Omaha, NE - Loveland Centre	2501 South 90th Street, Suite 118	Omaha	Nebraska	PBK Enterprises, LLC	702 N 57th Avenue, Omaha, NE 68132	Kristen Papenfuss (402) 332-8551	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	2/28/2014		✓
257	Colorado Springs, CO	5262 North Nevada Avenue, Suite 120	Colorado Springs	Colorado	PB Colorado Springs LLC	301 Delaney Woods Road, Nicholasville, KY 40356	Griffin Wendt (859) 221-1552	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/20/2014		✓
258	Dallas, TX - Uptown	3700 McKinney Avenue, Suite 130	Dallas	Texas	PB UPTOWN, LLC	7035 Orchid Lane, Dallas, TX 75230	Elizabeth Slough (214) 361-2882	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/27/2014		
259	Pleasanton, CA	6750 Bernal Avenue, Suite 730	Pleasanton	California	PB Studios LLC	6750 Bernal Avenue, #730, Pleasanton, CA 94566	Adrienne Richmond (530) 965-0611	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/25/2014		✓
260	Burlington, VT	150 Dorset Street South	Burlington	Vermont	PB Burlington, LLC	83 Tracy Drive, Burlington VT, 05408	Anna-Bridgette Shorten (330) 618-1586	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/8/2014		✓
261	Doylestown, PA	1745 South Easton Road	Doylestown	Pennsylvania	Tradewinds Capital, LLC	4503 Everview Drive, Doylestown, Pennsylvania 18902	Michele Hartung (267) 935-925	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/19/2014		✓
262	El Paso, TX	5610 North Desert Boulevard	El Paso	Texas	PB EP, LLC	877 Forest Willow Circle, El Paso, TX 79922	Joey D'Adarno-Hass (609) 638-2345	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/20/2014		✓
263	Portland, OR - Pearl District	1124 NW 13th Street	Portland	Oregon	PDX Wolfpack, LLc	520 SW Yamhill, Suite 212, Portland, OR 97204	Richard Bourland (808) 264-6933	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/22/2014		✓
264	Fort Mill, SC	734 Stockbridge Drive	Fort Mill	South Carolina	LTBSC, LLC	100 N Tryon Street, 42nd Floor, Charlotte, NC 28202	Jane E. Robinson - Jones (864) 266-8684	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/24/2014		✓
265	Pensacola, FL	6 S Palafox Place	Pensacola	Florida	PB Pensacola, LLC	741 Forgotten Creek Lane, Pensacola, FL 32514	Catalina J Soto-Aguilar (251) 635-9149	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/24/2014		✓
266	Los Angeles, CA - Downtown	740 South Olive Street, Suite 106	Los Angeles	California	K Tini, LLC	1330 California Avenue #303, Santa Monica CA, 90403	Katelin Thompson (310) 923-0496	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	9/27/2013		✓
267	Vancouver, WA - Grand Central	2410 Columbia House Boulevard, Suite 102	Vancouver	Washington	VanderHouwen Fitness, LLC	24320 NE 132nd Circle, Brush Prairie, WA 98606	Cynthia Vanderhouwen (503) 789-6219	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/28/2014		✓
268	Whitefish Bay, WI	418 East Silver Spring Drive	Whitefish Bay	Wisconsin	JHS Holdings, LLC	2217 E. Ivanhoe Place, Milwaukee, WI 53202	Jess H Stark (414) 870-3771	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	10/8/2014		✓
269	Greenville, NC	420 East Arlington Boulevard, Unit J	Greenville	North Carolina	LTB Greenville LLC	500 Cottonport Drive, Grimesland, NC 27837	Jennifer Robinson (801) 502-9146	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/29/2014		✓
270	Addison, TX	5000 Belt Line Road, Suite 200	Dallas	Texas	Giselle Gafford	11272 Russwood Circle, Dallas TX 75229	Giselle Gafford (469) 323-7353	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/5/2014		
271	San Clemente, CA	1041 Avenida Pico, Suite A	San Clemente	California	PB San Clemente, LLC	21731 Rushford Drive, Lake Forrest, CA 92630	Erica McGinley (650) 533-1770	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/17/2014		✓
272	Brooklyn, NY - Park Slope	178 5th Avenue	Brooklyn	New York	Studio TS, LLC	178 5th Avenue, Brooklyn, NY 11217	Tiffany Currid (850) 502-0100	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/22/2014		✓
273	Estero, FL	21740 South Tamiami Trail, Suite 113	Estero	Florida	PB Estero, LLC	7755 Ionio Court, Naples, FL 34114	Jessie Stevens (720) 854-9053	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/5/2014		✓
274	Bradenton, FL	6745 Manatee Avenue West	Bradenton	Florida	Bradenton Barre, LLC	2828 S. Tamiami Trail, Sarasota, FL 34239	Eleanor McComb (941) 323-6111	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/14/2014		✓
275	Berkeley, CA	2055 Center Street, Suite C	Berkeley	California	PB Berkeley LLC	117 Michele Circle, Novato CA 94947	Alexandra Tartour (415) 497-7633	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/25/2014		✓
276	Short Hills, NJ	255 Millburn Avenue	Millburn	New Jersey	M Two Fitness, LLC	175 Helen Street, Fanwood, NJ 07023	Molly D'Allesio (908) 938-0449	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/3/2014		
277	Nashville, TN - White Bridge	21 White Bridge Road, Suite 210	Nashville	Tennessee	Modecktn, LLC	2207 Crestmoor Road, Suite 203; Nashville, TN 37215	Kathryn Decker (615) 504-6520	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/30/2014		✓
278	Jacksonville, FL - San Marco	1988 San Marco Boulevard	Jacksonville	Florida	The Koster Group, Inc.	3612 Eastbury Drive, Jacksonville, FL 32224	Victoria Koster (205) 401-2960	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/18/2014		

279	Fort Myers, FL	7381 College Parkway, Suite 100	Fort Myers	Florida	PB RSW, LLC	5516 Montilla Drive, Fort Myers, FL 33919	Jennifer Hissam (239) 560-8023	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/28/2014		✓
280	Youngstown, OH	1393 Boardman-Canfield Road, Suite J	Boardman	Ohio	Starry Night by Sela, LLC	7432 Christopher Drive, Poland OH, 44514	Beth Klingensmith Karzmer and Jonah Karzmer (330) 518-8187	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/22/2014		
281	Charleston, SC - West Ashley	1300 Savannah Highway, Suite 5	Charleston	South Carolina	PB West Ashley LLC	1054 Anna Knapp Blvd, Unit 4G, Mount Pleasant, SC 29464	Jennifer Vannatta (843) 725-8546	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	9/24/2014		✓
282	Nashua, NH	112 Spit Brook Road	Nashua	New Hampshire	KBOSS, LLC	10 Viau Road, Windham, NH 03087	Adrienne Boss (780) 881-6107	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	12/1/2014		
283	Maui, HI-Kahului	70E Kaahumanu Avenue	Kahului	Hawaii	PB Studios Hawaii, LLC	P.O. Box 171, Paauilo, HI 96776	Kris Batalona Thomas (808) 989-8414	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	9/24/2013		✓
284	Clearwater, FL	2524A North McCullen Booth Road	Clearwater	Florida	Lauren McComb; Elle McComb	1124 North Lake Shore Drive, Sarasota FL, 34231	Elle McComb (941) 323-6111	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/25/2014		✓
285	Augusta, GA	2907 Washington Road	Augusta	Georgia	Jill Kraft	811 Stevens Creek Road, Augusta GA, 30907	Jill Kraft (480) 321-6500	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	1/31/2014		✓
286	Tallahassee, FL - North	3425 Thomasville Road, Suite 8	Tallahassee	Florida	Connie Popwell	1075 Baxter St., Unit A303, Athens, GA 30606	Connie Popwell (901) 356-7316	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	11/19/2014		
287	Weston, FL	4575 Weston Road	Davie	Florida	PBJ Weston, LLC	2505 Eagle Run Drive, Weston FL, 33327	Nicole Anders (954) 612-9579	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/22/2014		✓
288	Atlanta, GA-Decatur	2951 North Druid Hills Road	Atlanta	Georgia	GG Decatur, LLC	1402 North Highland Avenue, Atlanta, GA 30306	Katy Bayless (803) 331-9099	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	7/22/2014		✓
289	New Providence, NJ	1260 Springfield Avenue, Suite 9	New Providence	New Jersey	Wellness Essentials, Limited Liability Company	114 Ashwood Avenue, Summit, NJ 07901	LaRonda Gumm (908) 273-0730	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/28/2014		
290	North Hollywood, CA	4929 Lankershim Boulevard, Suite D	North Hollywood	California	Brittany Egbert LLC	6261 Surfpoint Circle, Huntington Beach, CA 92648	Brittany Egbert (714) 277-6093	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/9/2014		✓
291	Eagle, ID	6700 North Linder Rd. #174	Meridian	Idaho	Bucci Barre, LLC	1393 W. Villa Norte, Boise ID 83702	Lorain Gibson Banducci (208) 250-8666	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	12/9/2014		
292	Denville, NJ	20 West Main St	Denville	New Jersey	Healthy Investments LLC	2 Oakwood Court, Morris Plains NJ, 07950	Elizabeth Billmeier (732) 995-4083	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/23/2014		✓
293	New York, NY - Upper West Side	412 Columbus Ave.	New York	New York	PB TURNING POINT LLC	5713 Rockhill Road, Forth Worth, TX 76112	Margo McCann (817) 721-8966	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/14/2014		
294	Cincinnati, OH-Kenwood	8154 Montgomery Rd #102	Cincinnati	Ohio	The Ranieri Grou, LLC	2517 Pascoli Place, Lexington, TN 40509	Lea Ranier-Warner 859 221 8487	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	12/12/2014		
295	Denton, TX	1400 Loop 288 S Suite 116	Denton	Texas	LTB Guhn Enterprises LLC	1312 Wildflower Lane, Flower Mound, TX 75028	Rita Guhn (214) 914-2934	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	11/5/2014		
296	North Scottsdale, AZ	7000 East Mayo Blvd. #3	Phoenix	Arizona	Weyand Enterprises, LLC	8311 E. Via De Ventura, Scottsdale, AZ 85258	Veronica L Weyand (989) 239-9048	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/18/2014		✓

Schedule 9.27(a)
Dated: June 10, 2015

	Location	Street	City	State	Franchisee Entity Name	Franchisee entity address	Franchisee Phone(s)	Royalty Rate on Services Sales	Royalty Rate on Product Sales	Ad Fee Rate	Minimum Monthly Royalty	Minimum Cumulative Royalties	Franchise Agreement ("FA") Sign Date	Renewal Date (if not 5 Years after FA Sign Date)	Signed Amendment
297	New York, NY - Upper East Side	141 East 88th Street	New York	New York	PB UPPER EAST SIDE, LLC	78 Fifth avenue, 4th floor, New York, NY 10011	Kaitlin T. Vandura (704) 651-9381	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/13/2014		✓
298	Washington, DC - Cathedral Commons	3308 Wisconsin Avenue NW	Washington	DC	PB Cathedral LLC	2033 Huidekoper Place NW, Washington, DC 20007	Michelle Davidson (239) 269-6095	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	9/6/2014		✓
299	Del Mar, CA	5965 Village Haven Trail #202	San Diego	California	Mandofit LLC	76181 Shawnee Circle, Indian Wells CA, 92210	Amanda Eisenhart (760) 625-2535	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/14/2014		
300	Birmingham, MI	--------- *No Lease, Signed Franchise Agreement* ---------			Bedford-Weywand, LLC	5140 State Street, Suite 200, Saginaw, MI 48603	Allison Weyand (989) 992-0840	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	1/15/2015		
301	New York City, NY-Financial District	80 Pine Street	New York	New York	Surrey PB, LLC	40 Fulton Street, 6th Floor, New York, NY 10038	Edward Silvera (732) 740-3415	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/29/2014		✓
302	Reston, VA	12975 Highland Crossing Dr.	Herndon	Virginia	PB Fairfax, LLC	4201 Ridge Top Road, Fairfax, VA 22030	Ashleigh Brooke Sides (704) 796-2982	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/3/2014		✓
303	Murrysville, PA	203 Blue Spruce Way	Murrysville	Pennsylvania	6 Dogs, LLC	5544 Darlington Road, Pittsburgh, PA 15217	Lisa Acquaviva (412) 551 2373	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	2/6/2015		
304	Brooklyn, NY- Green Point	225 Franklin St.	Brooklyn	New York	Portside Group, LLC	204 Wythe Avenue, Brooklyn, NY 11249	Rebecca McCarthy (303) 961-4502	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/14/2014		✓
305	Coppell, TX	230 North Denton Tap Rd. #106a	Coppell	Texas	Minimal Movement, LLC	301 Eastland Drive, Lewisville TX 75056	Karen M Rector (214) 435-1974	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/11/2015		
306	Tustin, CA	17245 17th Street	Tustin	California	Christan Schiefelbein	107 Preakness Drive, Placentia, CA 92870	Christan Schiefelbein (714) 293-5949	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	1/9/2014		✓
307	Pittsburgh, PA-Fox Chapel	1121 Freeport Rd.	Pittsburgh	Pennsylvania	DSP Fitness LLC	1336 James Street, Pittsburgh, PA 15212	Danielle Scott Petrina (724) 322-4152	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/17/2014		
308	Olive Branch, MS	5338 Goodman Road, Suite #TBD	Olive Branch	Mississippi	Laurenzi & Morgan Olive Branch, LLC	7820 Poplar Avenue, Suite 12, Germantown, TN 38138	Lindsey Laurenzi (901) 484-0705	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/22/2014		✓
309	St. Louis, MO- Central West End	4931 Lindell Blvd. #100	Saint Louis	Missouri	HEJ Fund II, LLC	35 Briarcliff St, St. Louis, MO 63124	Julie Belz (901) 484-1326	7.0%	7.0%	1.0%	$1,000	No less than $15,750 in year 1, $17,500 for the TTM after 18 months, $22,750 in year 2	12/22/2014		✓
310	Malibu, CA	--------- *No Lease, Signed Franchise Agreement* ---------			Pure Malibu, LLC	801 Yale Street, Santa Monica, CA 90403	Cynthia Webb (310) 617-3609	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/6/2014		
311	Chicago, IL- West Loop	1170 West Madison St.	Chicago	Illinois	Warner Hudson Corp.	910 S. Michigan Avenue, #1702, Chicago IL, 60605	Susan Parsons Rothman (859) 948-7777	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	10/8/2014		
312	Cambridge, MA	--------- *No Lease, Signed Franchise Agreement* ---------			Lauren Sherman and Rachel Roberts	1300 Centre Street, Newtown MA, 02459	Rachel Roberts (508) 733-4777	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/31/2014		
313	E. Gilbert, AZ	1854 South Val Vista Dr. #108	Mesa	Arizona	Christine Pacheco	3946 N. Pinnacle Hills Circle, Mesa, AZ 85207	Christine Pacheco (480) 213-6748	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	9/30/2014		
314	New York City, NY- West Village	101 Perry Street	New York	New York	2H Investments, LLC	45 Christopher Street Apt 3F, New York, NY 10014	Katharine Hamlin (610) 420-9767	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	11/26/2014		
315	The Woodlands, TX II	--------- *No Lease, Signed Franchise Agreement* ---------			Barre Monies LLC	8000 Research Forrest Drive, Suite 123, The Woodlands, TX 773	Heather Sanders (832) 722-7767	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	11/9/2014		
316	Florham Park, NJ	--------- *No Lease, Signed Franchise Agreement* ---------			PB Hoboken, LLC	115 Clinton Street, No.5, Hoboken, NJ 07030	Ashley Resto (201) 787-9109	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	8/29/2014		✓
317	Nashville, TN- The Gulch	--------- *No Lease, Signed Franchise Agreement* ---------			Modecktn, LLC	4209A Lone Oak Rd., Nashville, TN 37215	Sarah Moats (615) 500-4670	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	12/3/2014		✓
318	Ashburn, VA	Lease signed-Final Street Address TBD	Ashburn	Virginia	L & M Stuidos, LLC	12818 Framingham Court, Herndon VA 20171	Courtney E. Miller (908) 339-7097	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	12/20/2014		
319	Lafayette, LA	4247 Ambassador Caffery Pkway#117	Lafayette	Louisiana	Raferty Domingue, LLC	103 Quinlin Drive, Lafayette, LA 70508	Laura Dominque Rafferty (337) 501-6699	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	1/21/2015		
320	Vienna, VA	218 Maple Avenue West	Vienna	Virginia	PB Vienna LLC	10523 Braddock Road, Suite A, Fairfax, VA 22032	Nicholette Dunleavy (443) 987-8741	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	1/30/2015		
321	Lincoln, NE	2900 Pine Lake Rd	Lincoln	Nebraska	Emma & Brittany, LLC	12925 West Dodge Road, #102, Omaha, NE 68154	Patrick Sodoro (402) 504-9346	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	2/12/2015		
322	Philadelphia, PA- Ardmore	--------- *No Lease, Signed Franchise Agreement* ---------			P.S. Tenacity, LLC	644 N. Valley Forge Road, Devon PA 19333	Laura Sloane (215) 266-9348	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	2/20/2015		
323	McKinney, TX	6840 Virginia Parkway #135	McKinney	Texas	Amanda Kovach	1.. 6 Audrey Way, Allen, TX 75013	Amanda Kovach (832) 928-6174	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/3/2015		
324	Brea, CA	--------- *No Lease, Signed Franchise Agreement* ---------			A&M Fitness, Inc.	7700 E. Misty Glen Court, Anaheim Hills, CA 92808	Michele McCutcheon (949) 735-9980	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/3/2015		
325	Rochester, MI	439 South Main Street	Rochester	Michigan	PB Rochester, LLC	46936 Edgewater Drive, Macomb, MI 48044	Melanie Brown (616) 477-3211	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/3/2015		
326	Minneapolis, MN- Eden Prairie	--------- *No Lease, Signed Franchise Agreement* ---------			M and R Corporation	4605 Wooddale Ave, South Edina MN, 55424	Michele A. Hall (858) 344-7211	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/4/2015		✓
327	St. Louis, MO-Chesterfield	1740 Clarkson Road #7	Chesterfield	Missouri	TBAAB, LLC	504 Belinda Alley Court, Columbia MO 65203	Lauren Matteson (636) 236-4830	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/18/2015		
328	Toronto, ON-The Annex	--------- *No Lease, Signed Franchise Agreement* ---------			Pak Toronto, Inc	1123-B Military Cutoff Road, Wilmington NC, 28405	Ramsey Paige Carper (910) 617-4528	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	3/24/2015		
329	Columbus, GA	--------- *No Lease, Signed Franchise Agreement* ---------			Penny B & ME LLC	481 S. Main Street, Shiloh, GA 31826	William Burns (706) 577-7326	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/8/2015		
330	E. Wichita, KS	1423 N. Webb Road, Suite 119	Wichita	Kansas	Wichita barre LLC	419 N. St. Francis, Wichita, KS 67202	Courtney Somes (970) 471-4150	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/8/2015		
331	Starkville, MS	87 Cotton Mill Drive, Suite 5	Starkville	Mississippi	SGH Enterprises LLC	87 Cotton Mill Drive, Suite 5, Starkville, MS 39759	Sarah Harrelson (662) 574-5611	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/8/2015		
332	Northampton, MA	--------- *No Lease, Signed Franchise Agreement* ---------			Elizabeth Roberts, Kathey Roberts	7 Fox Run Easthampton, MA 01027	Elizabeth Roberts (339) 225-0432	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/14/2015		
333	Hinsdale, IL	--------- *No Lease, Signed Franchise Agreement* ---------			Double A Fitness Hinsdale LLC	558 West Webster Avenue, Unit 202, Chicago, IL 60614	Ashley Paro (630) 965-1175	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/14/2015		
334	Crofton, MD	1153 Maryland 3 #70,	Gambrills	Maryland	Graves Lyate LLC	424 Neale Avenue, Silver Spring, MD 20909	Laura Graves (301) 928-4693	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/15/2015		
335	Littleton, CO	--------- *No Lease, Signed Franchise Agreement* ---------			Bankord Studios, LLC	8568 W. Dartmouth Place, Lakewood, CO 80227	Collette(303)834-0643 & Carson Bankord(303)903-4570	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/27/2015		✓
336	Evansville, IN	--------- *No Lease, Signed Franchise Agreement* ---------			Frame Road Fitness LLC	5311 Frame Road, Newburgh, IN 47630	Jamie Riedford (812) 455-7268	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/28/2015		✓
337	Pinecrest, FL	--------- *No Lease, Signed Franchise Agreement* ---------			Pure Pinecrest AR, LLC	200 South Biscayne Blvd, 6th Floor, Miami, FL 33130	Allison Abreu(978)886-0532 & Ryann Dickinson(305)389-7088	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	4/30/2015		
338	East Montgomery, AL	--------- *No Lease, Signed Franchise Agreement* ---------			PB East, LLC	5009 Moxon Street, Montgomery, AL 36116	Tiffany Bell(334)462-2747 & Katie Lee Lowder(334)322-6248	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/6/2015		
339	Cedar Park, TX	--------- *No Lease, Signed Franchise Agreement* ---------			Barre Dunn, LLC	300 Navigator Drive, Austin, TX 78717	Rebecca Dunn(512) 944-4488	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/11/2015		
340	North Plano, TX	--------- *No Lease, Signed Franchise Agreement* ---------			JPS Stone, LLC	6149 Choctaw Place, Frisco, TX 75034	Jill & Patrick LaMonica (614) 562-1831	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/12/2015		
341	Vancouver, BC-Kitsilano	--------- *No Lease, Signed Franchise Agreement* ---------			Pacific Spirit Movement, Inc.	1275 W 15th, Suite 105, Vancouver, BC V6H1R9	Tanya Schneider(604)314-2433 & Zack Ross(778)385-4505	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/13/2015		

342	Irving, TX	--------- *No Lease, Signed Franchise Agreement* ---------	NBNK Investments, LLC	1032 Saint Francis Lane, Flower Mound, TX 75028	Niki(214)422-1197 & Brian Claeys(214)422-1203	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/14/2015		
343	Belmont, MA	--------- *No Lease, Signed Franchise Agreement* ---------	PB Tuzzolo, LLC	435 Boston Post Rd, Suite 10, Sudbury, MA 01776	Elizabeth Tuzzolo (978) 758-8626	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/18/2015		
344	San Tan Village, AZ	--------- *No Lease, Signed Franchise Agreement* ---------	PB San Tan Village, LLC	4380 S. Rosemary Pl, Chandler, AZ 85248	Nicole Hines (602) 750-5357	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/19/2015		
345	West Cobb, GA	--------- *No Lease, Signed Franchise Agreement* ---------	Purposeful Living, LLC	125 Horseshoe Bend Court, Macon, GA 31211	Natalie Singletary(843)817-2733 & Whitney Berry(770)312-3672	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/26/2015		
346	Henderson, NV	--------- *No Lease, Signed Franchise Agreement* ---------	Raise The Barre, LLC	3700 Christopher Day Road, Doylestown, PA 18902	Cassie O'Neal (702) 686-4097 & Michelle Clinger (908) 295-8745	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/28/2015		
347	Gainesville, FL	--------- *No Lease, Signed Franchise Agreement* ---------	November Enterprises, LLC	701 SW 62nd Blvd, Apt CC-21D, Gainesville, FL 32607	Moana (904) 613-8333 & Marshall Tucker (904) 861-8709	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/29/2015		
348	West Hartford, CT	--------- *No Lease, Signed Franchise Agreement* ---------	SML Studios, LLC	14 Westmont Road, Wethersfield, CT 06109	Stephanie Lin (860)794-7040	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/29/2015		
349	High Point, NC	--------- *No Lease, Signed Franchise Agreement* ---------	PBHP, LLC	1511 Pinehurst Drive, High Point, NC 27262	Melody Emerson (336) 314-0981	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/29/2015		
350	Cypress, TX	--------- *No Lease, Signed Franchise Agreement* ---------	Queen Nefertiti Wellness, Inc	3306 Parkwood Drive, Houston, TX 77021	Tonia Jones (310) 612-8296	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	5/29/2015		
351	Walnut Creek, CA	--------- *No Lease, Signed Franchise Agreement* ---------	Mombo Fitness, LLC	555 Ygnacio Valley Rd,Unit 411, Walnut Creek, CA 94596	Melissa Heinrich (925) 389-0034	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/5/2015		
352	Williamsburg, VA	--------- *No Lease, Signed Franchise Agreement* ---------	C.W. Barre LLC	10610 Merchant Hope Rd,North Prince George, VA 23860	Amy Perkinson (804) 691-2320 & Terri Perkinson (804)691-8285	7.0%	7.0%	1.0%	$1,000	$14,000 over rolling 12 months	6/5/2015		

*Denotes a potential discrepancy regarding the definition of the Franchisee's exclusive territory (refer to the Franchise Agreement file for further details).

The Company has not conceded, and does not concede, that the Franchise Agreements have been amended in that respect but recognizes that the Franchisees under those agreements might assert otherwise.

The Franchise Agreements identified in #328 to #350 (inclusive) on the above list were executed during the period from March 19, 2015 until June 1, 2015. This is the period after a nonbinding letter of intent was executed regarding a potential change in ownership of the Pure Barre franchisor, but possibly prior to the franchisee receiving an amended FDD that described the change in ownership of Franchisor or its parents following the transaction that closed on May 1, 2015. These Franchise Agreements may be subject claims, whether valid or invalid, justified or not, regarding compliance with franchise disclosure rules in connection with the disclosure of the potential change in ownership

(b) CycleBar Area Representative Agreements have been signed with the following parties:

Agreement	**Franchisor**	**Area Rep.**	**Eff. Date**	**Address of Area Representative**	**Territory**	**No. of franchises in Territory***
CycleBar Area Representative Agreement	CBF. LLC	CB-AR, LLC	6/15/17	135 E. Martin St. Suite 201 Raleigh, NC 27601	Dallas, TX Fort Worth, TX Arlington, TX	1
CycleBar Area Representative Agreement	CBF. LLC	CB-AR, LLC	6/15/17	135 E. Martin St. Suite 201 Raleigh, NC 27601	Atlanta, GA Sandy Springs, GA Roswell, GA	1
CycleBar Area Representative Agreement	CBF. LLC	CB-AR, LLC	6/15/17	135 E. Martin St. Suite 201 Raleigh, NC 27601	Seattle, WA Tacoma, WA Bellevue, WA	1
CycleBar Area Representative Agreement	CBF. LLC	CB-AR, LLC	6/15/17	135 E. Martin St. Suite 201 Raleigh, NC 27601	Charlotte, NC Concorde, NC Gastonia, NC	1
CycleBar Area Representative Agreement	CBF. LLC	CB-AR, LLC	6/15/17	135 E. Martin St. Suite 201 Raleigh, NC 27601	Raleigh, NC Durham, NC Chapel Hill, NC	1
CycleBar Area Representative Agreement	CBF. LLC	CB-AR, LLC	6/15/17	135 E. Martin St. Suite 201 Raleigh, NC 27601	Richmond, VA Charlottesville, VA	1
CycleBar Area Representative Agreement	CBF. LLC	CB-AR, LLC	6/15/17	135 E. Martin St. Suite 201 Raleigh, NC	Knoxville, TN	1

				27601		
CycleBar Area Representative Agreement	CBF. LLC	CB-AR, LLC	6/15/17	135 E. Martin St. Suite 201 Raleigh, NC 27601	Greensboro, NC Highpoint, NC Winston-Salem, NC	1
CycleBar Area Representative Agreement	CBF. LLC	CB-AR, LLC	6/15/17	135 E. Martin St. Suite 201 Raleigh, NC 27601	Boise, ID	1
CycleBar Area Representative Agreement	CBF. LLC	CB-AR, LLC	6/20/17	135 E. Martin St. Suite 201 Raleigh, NC 27601	Portland, OR Hillsboro, OR Vancouver, WA	1
CycleBar Area Representative Agreement	CBF. LLC	Pedal Launch, LLC		4290 S. Hudson Parkway, Cherry Hills, CO 80113	The State of Colorado	23

*The structure of each Area Representative Agreement listed above requires CB-AR, LLC to maintain, or in the alternative have access to, a CycleBar studio for the purposes of performing those certain services to CycleBar franchisees as outlined in the Area Representative Agreement. There is no minimum number of studios to be developed or maintained in each Territory.

1. Development Agreements have been signed with the below parties:
    a. Development Agreement – 4 Units – Dan Murphy - JCN Corporation dated March 5, 2015
    b. Development Agreement – 3 Units – Joel and Shirelle Vilmenay - Crescent City Cycle, LLC dated March 5, 2015
    c. Development Agreement – 3 Units – Patrick and Anna Walsh - RYR Colorado, LLC dated March 5, 2015
    d. Development Agreement – 3 Units – Marc & Lisa Palmer - Charlotte Cycle, Inc. dated March 25, 2015
    e. Development Agreement – 3 Units – Joe Rothchild - GHM CB, LLC dated April 6, 2015
    f. Development Agreement – 4 Units – David Safai dated April 9, 2015
    g. Development Agreement – 3 Units – Bryan Lively and Anne & Nick Monigold dated April 16, 2015
    h. Development Agreement – 8 Units – A. David Davis & Jacob Davis & John Krumdieck - MdG Partners, LLC dated April 23, 2015
    i. Development Agreement – 3 Units – Tejal Kamdar & Jason Snyder & Meera Kamdar dated April 29, 2015

j. Development Agreement – 3 Units – Joe Cece & MaryLaurie Cece dated May 6, 2015
k. Development Agreement – 3 Units – Brad Spivey & Trish Harrison - H&S Music City Holdings, Inc. dated July 15, 2015
l. Development Agreement – 3 Units – Jeff Wayne - CB Michigan, LLC dated July 15, 2015
m. Development Agreement – 4 Units – Torsten Schermer & Bob Lee & Catherine Lee - ScherLeeUBike, LLC dated August 6, 2015
n. Development Agreement – 3 Units – Don Dasher & Lisa Hazen - Dog's Breath Inn, Inc. dated September 10, 2015
o. Development Agreement – 3 Units – Ekpedme Udoh & Brandon Grier - LGR LIFESTYLE, LLC dated September 18, 2015
p. Development Agreement – 3 Units – Patty Harte dated October 9, 2015
q. Development Agreement – 3 Units – Lee Oesterling & Kirsten Rickers - Atlanta Cycle Studios, LLC dated October 19, 2015
r. Development Agreement – 10 Units – Joseph Bouhadana & Moshe Klainbaum & Dan Schachtel & Michael Shalom - SFL Cycle, LLC dated September 11, 2015
s. Development Agreement – 3 Units – John Fleming & Barbara Fleming - Corones, Inc. dated November 27, 2015
t. Development Agreement – 3 Units – Lee Williams & Christine Williams dated December 8, 2015
u. Development Agreement – 4 Units – J. Scott McBride & Chris Sommer - HighRev Lifestyle, Inc. & McBride-5 Enterprise, LLC dated January 8, 2016 Development Agreement – 3 Units – Fred Ryser & Katie Ryser - PACKWOLF, LLC dated January 18, 2016
v. Development Agreement – 2 Units – Hayley Killam dated March 9, 2016
w. Development Agreement – 3 Units – Paul Schnapp & Anita Schnapp - Schnapp Enterprises, Inc. dated March 31, 2016
x. Development Agreement – 3 Units – Mike Harris dated April 8, 2016
y. Development Agreement – 3 Units – Kathleen Boss dated April 13, 2016
z. Development Agreement – 4 Units – John Janszen & Michael Olander – JCM Kentucky Cycle, LLC dated April 6, 2016
aa. Development Agreement – 12 Units – Bill McComb & Peter Wolf – CICLO Management, LLC dated April 29, 2015
bb. Development Agreement – 2 Units – Dione & Tom Bailey dated November 24, 2015
cc. Development Agreement – 3 Units – David Busker & David Batschelett – DB2 Fitness One, LLC dated April 18, 2016
dd. Development Agreement – 4 Units – Ryan & Dennis Hardiman – Granny Gear Management, LLC dated August 31, 2016
ee. Development Agreement – 3 Units – David Pelsue – DWP Enterprises, LLC dated October 7, 2016
ff. Development Agreement – 3 Units – Mark Van Kirk dated November 3, 2016
gg. Development Agreement – 3 Units – John & Becky Wick – Wicked Spinning, LLC dated March 1, 2017

hh. Development Agreement – 3 Units – Tony Virella dated March 9, 2017
ii. Development Agreement – 4 Units – Saul & Lisa Locker dated March 10, 2017
jj. Development Agreement – 3 Units – Loma & Bassam Ammar dated April 11, 2017
kk. Development Agreement – 2 Units – Marty & Craig Coffey dated May 17, 2017
ll. Development Agreement – 3 Units – Patrick Hickey dated May 31, 2017
mm. Development Agreement – 3 Units – April Amory & Kevin Grubb dated August 31, 2017
nn. Development Agreement – 3 Units – Jay Smith & Rod King dated October 31, 2017
oo. Development Agreement - 3 Units Joseph E. McGuire – dated 03-08-2018
pp. Development Agreement - 3 Units - Raymond J. Wicks and Joanne Diaz dated 05-01-2018
qq. Development Agreement - 3 Units - Tracy A. Young and Daryl G. Young dated 05-25-2018

CBF has entered into the following Development Agreements since December 31, 2016:

1) Development Agreement - CBF - Wicked Spinning, LLC Eff. 03-01-2017
2) Development Agreement - CBF - Anthony Virella - Socal Spin Group-1, LLC – Eff. 03-09-2017
3) Development Agreement - CBF – Saul & Lisa Locker - Eff. 03-10-2017
4) Development Agreement CBF Canada, ULC – Loma Ammar & Bobby Ammar - Maverick Fitness Corp. – Eff. 04-11 - 2017
5) Development Agreement - CBF – Patrick Hickey – Eff. 05-31-2017
6) Development Agreement - CBF – April Amory & Kevin Grubb – Eff. 08-31-2017
7) Development Agreement – CBF – Jay Smith & Rod King – Eff. 10-31-2017
8) Development Agreement - CBF - Joseph E. McGuire – Eff. 03-08-2018
9) Development Agreement - CBF - Raymond J. Wicks and Joanne Diaz - Eff.05-01-2018
10) Development Agreement - CBF - Tracy A. Young and Daryl G. Young - Eff. 05-25-2018

2. Master Franchise Agreements have been signed with the following parties:
   a. Master Franchise Agreement – 5 Units – Jeet Khanchandani – JSK Fitness, L.L.C. dated August 22, 2016
   b. Master Franchise Agreement – 30 Units – Oliver Chipp – Elan Fitness Ltd. dated March 2, 2017

3. CBF Franchise Agreements and Development Agreements have been amended, modified, accelerated, cancelled, or terminated since December 31, 2016 as follows

1) CycleBar Termination Letter- Patrick Hickey (05-17-2018)
2) CycleBar Guarantor Release- Kathryn Maguire (eff. 04-13-2018)
3) CycleBar and Anthony Bonidy- Resale Assistance Agreement (ex. 04-11-2018)
4) CycleBar and Scott Openshaw- Opening Deadline Amendment (ex. 04-04-2018)
5) CycleBar and Sharon Elizabeth- Resale Assistance Agreement (ex. 04-03-2018)
6) CycleBar and Amy Snow- Resale Assistance Agreement (ex. 03-30-2018)
7) CycleBar and 313 Fitness- Resale Assistance Agreement (ex. 03-29-2018)
8) CycleBar and CB-AR APA eff. 03-21-2018
9) Interim Studio Operations Agreement _CBF_M.D. Dolenc Enterprise_Eff. 7/27/17
10) Territory Swap Amendment - CBF_M.D. Dolenc Enterprise_Eff. 12/2/15
11) Development Agreement Amendment - CBF_RYR Colorado_Eff. 3/8/17
12) Resale Agreement - CBF_GHM_Eff. 3/16/17
13) Interim Studio Operations Agreement Renewal - CBF_Finition Inc._Eff. 4/25/17
14) Studio A/V Modification Agreement - CBF_Cycle Syndicate_Eff. 1/25/17
15) Transfer and Assignment Control (change of ownership transfer)- CBF_CICLO 3_Josabella_Eff. 7/10/17 (transferring CycleBar Winter Park to Matthew and Lauren Steinberg)
16) Transfer and Assignment Non-control transfer (entity transfer) - CBF_M.Schneider_CB Westend_Eff. 1/10/17
17) Interim Studio Operations Agreement - CBF_Simjah Inc._Eff. 1/3/17
18) Transfer and Assignment Control (change of ownership transfer)- CBF_Simjah Inc._CB-DO, LLC_Eff. 7/16/17 (transfer to Olander)
19) Termination Agreement - CBF_CB Raleigh_Eff. 4/3/17
20) Transfer and Assignment Control (change of ownership transfer)- CBF_CB Raleigh_CBBrier, LLC_Eff. 4/3/17 (transfer to Olander)
21) Construction Modification Agreement - CBF_7Knots_Eff. 5/3/17
22) Territory Swap Amendment (2) - CBF_CB Michigan_Eff. 6/27/17
23) Studio A/V Modification Agreement - CBF_Philly Cycle Inc._Eff. 5/19/17
24) Studio A/V Modification Agreement - CBF_Sloboda Inc._Eff. 1/31/17
25) Studio A/V Modification Agreement - CBF_K&K Cycling_Eff. 4/10/17
26) Studio A/V Modification Agreement - CBF_LiquiD RVA_Eff. 3/14/17
27) Opening Deadline Extension and Release (2) - CBF_D.Dasher & L.Hazen_Eff. 3/12/17
28) Termination Agreement - CBF_LGR LIFESTYLE_Eff. 1/31/17
29) Transfer and Assignment Control (change of ownership transfer)- CBF_K.Hoss & F.Clark_L.Lewis_Eff. 8/7/17 (transfer to Lisa Lewis)

30) Opening Deadline Extension and Release (4) - CBF_JMT Fitness Hillcrest_Eff. 1/20/17
31) Studio A/V Modification Agreement - CBF_Fit Endeavors I_Eff. 6/12/17
32) Studio A/V Modification Agreement - CBF_JM Cycle_Eff. 2/22/17
33) Termination Agreement - CBF_C.Goutal & C.Galle_Eff. 5/8/17
34) Site Acquisition Extension and Release - CBF_TDW Properties_Eff. 7/14/17
35) Resale Agreement - CBF_Next Level Cycling_Eff. 6/5/17
36) Resale Agreement - CBF_A.Rath & R.Rath_Eff. 1/27/17
37) Transfer and Assignment Non-control (entity transfer)- CBF_R.Korabik & E.Korabik_HTC Wellness_Eff. 3/20/17
38) Studio A/V Modification Agreement - CBF-Dev-Pro_Eff. 2/28/17
39) Transfer and Assignment Control (change of ownership transfer)- CBF_HighRev Lifestyle_HighRev Lifestyle2_Eff. 2/16/17 (transfer to new entity)
40) Termination Agreement - CBF_DalKor_Eff. 1/20/17
41) Opening Deadline Extension and Release - CBF_Fit Investments_Eff. 1/5/17
42) Opening Deadline Extension and Release - CBF_Schnapp Enterprises_Eff. 1/5/17
43) Studio A/V Modification Agreement - CBF_Schnapp Enterprises_Eff. 7/27/17
44) Opening Deadline Extension and Release - CBF_RockStrong Texas_Eff. 2/23/17
45) Studio A/V Modification Agreement - CBF_RockStrong Texas_Eff. 5/10/17
46) Opening Deadline Extension and Release - CBF_M.Harris_Eff. 2/28/17
47) Opening Deadline Extension and Release - CBF_A.Telford_Eff. 2/22/17
48) Studio A/V Modification Agreement - CBF_A.Telford_Eff. 3/3/17
49) Studio A/V Modification Agreement - CBF_JCM Kentucky Cycle_Eff. 3/3/17
50) Opening Deadline Extension and Release - CBF_K.Boss_Eff. 3/1/17
51) Opening Deadline Extension and Release - CBF_DB2 Fitness One_Eff. 2/22/17
52) Termination Agreement - CBF_D.Conway_Eff. 1/20/17
53) Opening Deadline Extension and Release - CBF_N.Fennell & C.Shill_Eff. 2/28/17
54) Opening Deadline Extension and Release - CBF_S.Zubrzycki & Jane Zubrzycki_Eff. 2/23/17
55) Transfer and Assignment Non-control transfer (entity transfer) - CBF_S.Zubrzycki & Jane Zubrzycki_Cycle Revolution Inc._Eff. 3/7/17
56) Opening Deadline Extension and Release - CBF_G.Venbrux & N.Venbrux_Eff. 2/23/17
57) Transfer and Assignment Non-control transfer (entity transfer) - CBF_C.Yates_Elevate Partners_Eff. 2/14/17
58) Opening Deadline Extension and Release - CBF_Elevate Partners_Eff. 2/23/17
59) Opening Deadline Extension and Release - CBF_Cycle City_Eff. 2/22/17
60) Opening Deadline Extension and Release - CBF_Off Islander_Eff. 2/23/17

61) Termination Agreement Extension - CBF_L.Smith-Emeri & B.Emeri_Eff. 6/5/17
62) Opening Deadline Extension and Release - CBF_T.D.Douglas_Eff. 2/22/17
63) Transfer and Assignment Non-control transfer (entity transfer)- CBF_T.D.Douglas_Cycle WS_Eff. 5/24/17
64) Opening Deadline Extension and Release - CBF_Echappe_Eff. 3/14/17
65) Opening Deadline Extension and Release - CBF_Spinenergy_Eff. 3/10/17
66) Termination Agreement - CBF_C.Gentry & C.Gentry & K.Wison-Torres_Eff. 8/14/17
67) Opening Deadline Extension and Release - CBF_L.Barela & G.Barela & J.Thornton_Eff. 3/23/17
68) Opening Deadline Extension and Release - CBF_J.Lundberg & E.Lundberg_Eff. 3/9/17
69) Site Acquisition Extension and Release - CBF_S.McCaulley & J.Lanigan_Eff. 1/10/17
70) Opening Deadline Extension and Release - CBF_C.Powell_Eff. 6/22/17
71) Opening Deadline Extension and Release - CBF_The Sharda Group_Eff. 5/24/17
72) Opening Deadline Extension and Release - CBF_MAGM Fitness_Eff. 8/14/17
73) Studio A/V Modification Agreement - CBF_MAGM Fitness_Eff. 5/15/17
74) Termination Agreement - CBF_B.Crell & E.Crell_Eff. 1/25/17
75) Site Acquisition Extension and Release - CBF_J.DiChiaro & K.DiChiaro_Eff. 1/10/17
76) Opening Deadline Extension and Release - CBF_J.DiChiaro & K.DiChiaro_Eff. 8/8/17
77) Transfer and Assignment Non-control transfer (entity transfer)- CBF_D.Bland_Positive Spin, LLC_Eff. 1/17/17
78) Site Acquisition Extension and Release - CBF_D.Bland_Eff. 1/5/17
79) Opening Deadline Extension and Release - CBF_Positive Spin_8/7/17
80) Transfer and Assignment Non-control transfer (entity transfer)- CBF_S.Sklar-Mulcahy_On Your Left Side_Eff. 6/26/17
81) Site Acquisition Extension and Release - CBF_KaiNir_Eff. 1/10/17
82) Opening Deadline Extension and Release - CBF_KaiNir_Eff. 8/8/17
83) Transfer and Assignment Non-control transfer (entity transfer)- CBF_R.Giese & L.Sumner_Ideal Cadence_Eff. 3/9/17
84) Site Acquisition Extension and Release - CBF_R.Giese & L.Sumner_Eff. 2/22/17
85) Site Acquisition Extension and Release - CBF_DWP Enterprises_Eff. 2/27/17
86) Site Acquisition Extension and Release - CBF_Hatfield Spinco_Eff. 3/1/17
87) Opening Deadline Extension and Release - CBF_Hatfield Spinco_Eff. 8/16/17
88) Site Acquisition Extension and Release - CBF_K&K FIT 4 LIFE_Eff. 2/28/17
89) Site Acquisition Extension and Release - CBF_M.Van Kirk_Eff. 3/8/17
90) Site Acquisition Extension and Release - CBF_Challenger 728_Eff. 2/23/17
91) Site Acquisition Extension and Release - CBF_MNM VENTURES_Eff. 3/6/17
92) Site Acquisition Extension and Release - CBF_A.Smith & N.Smith_Eff. 2/28/17

93) Site Acquisition Extension and Release - CBF_Desert Ventures CB1_Eff. 3/12/17
94) Site Acquisition Extension and Release - CBF_I&C Cycle_Eff. 3/15/17
95) Site Acquisition Extension and Release - CBF_L.Aquino_Eff. 5/23/17
96) Transfer and Assignment Non-control transfer (entity transfer)- CBF_K.Anderson & E.Anderson_Lucky4_Eff. 8/1/17
97) Site Acquisition Extension and Release - CBF_K.Anderson & E.Anderson_Eff. 5/24/17
98) Site Acquisition Extension and Release - CBF_S.Stelmach_Eff. 6/5/17
99) Site Acquisition Extension and Release - CBF_A.Virella_Eff. 8/7/17
100) Transfer and Assignment Non-control transfer (entity transfer)- CBF_A.Virella_Socal Spin Group-1_Eff. 8/7/17
101) Site Acquisition Extension and Release - CBF_S.Locker & L.Locker_Eff. 8/2/17
102) Site Acquisition Extension and Release - CBF_ Mind Body Innovations_Eff. 8/7/17
103) Site Acquisition Extension and Release - CBF_Marshall CB_Eff. 8/2/17
104) Transfer and Assignment Non-control transfer (entity transfer)- CBF_T.Lotzer & J.Lotzer_Spinsation_Eff. 6/6/17
105) Site Acquisition Extension and Release - CBF_Horology New_Eff. 8/10/17
106) Site Acquisition Extension and Release - CBCanadaF_Maverick Fitness Corp._Eff. 8/12/17
107) Site Acquisition Extension and Release - CBF_I.Pross & L.Pross_Eff. 8/14/17
108) Site Acquisition Extension and Release - CBF_E.Schiller_Eff. 8/8/17
109) Site Acquisition Extension and Release - CBF_H.Pool & K.Boynton_Eff 8/15/17
110) Site Acquisition Extension and Release - CBF_ALWAYS4WARD_Eff. 8/16/17
111) Transfer and Assignment Non-control transfer (entity transfer)- CBF_ M.Coffey_Coffey Bar_Eff. 7/16/17
112) Site Acquisition Extension and Release - CBF_Coffey Bar_Eff. 8/16/17
113) Transfer and Assignment Non-control transfer (entity transfer)- CBF_J.Bass_J Bass Inc._Eff. 7/10/17
114) Site Acquisition Extension and Release - CBF_J Bass Inc._Eff. 8/21/17
115) Site Acquisition Extension and Release - CBF_C.Straughan & K.Droby_Eff. 8/16/17
116) Transfer and Assignment Control (change of ownership transfer)-CBF_K.Hoss & F.Clark_It's Cyclical_Eff. 8/7/17 (transfer of FA from Kim Hoss and Frances Clark to Lisa Lewis)
117) Studio A/V Modification Agreement - CBF_Heather Sommers, LLC_Eff. 4/10/17
118) Studio A/V Modification Agreement - CBF_Alpha Team Holdings LLC_Eff. 4/24/17
119) Studio A/V Modification Agreement - CBF_CB3 LLC_Eff. 5/30/17
120) Studio A/V Modification Agreement - CBF_Ohana Fitness, Inc._Eff. 9/7/17
121) Studio A/V Modification Agreement - CBF_Kraken Cycleworks, LLC_Eff. 9/11/17
122) Studio A/V Modification Agreement - CBF_Positive Spin, LLC_Eff. 9/13/17

123) Transfer and Assignment Control (change of ownership transfer)- CBF_Patricia Harte to Peak Cycle Holdings_Eff. 10/13/17 (transfer to new entity)
124) Termination Agreement- Wicked Spinning Eff. 10/18/2017
125) Opening Deadline Extension and Release - CBF_Desert Ventures CBI_Eff. 10/16/17
126) Opening Deadline Extension and Release - CBF_Challenger 728, LLC Eff. 10/16/17
127) Opening Deadline Extension and Release - CBF_Laura Aquino Eff. 10/16/17
128) Site Acquisition Extension and Release - CBF_Velo Fitness LLC Eff. 10/30/17
129) Transfer and Assignment Non-control transfer (entity transfer)- CBF_ K. Boss & S. Pineault to Novaturient_Eff. 10/30/17
130) Studio A/V Modification Agreement - CBF_Dev-Pro, LLC_Eff. 10/30/17
131) Termination Agreement - CBF_Eminence 3 Holdings_Eff. 10/30/17
132) Opening Deadline Extension and Release - CBF_I & C Cycle, LLC Eff. 10/31/17
133) Opening Deadline Extension and Release - CBF_VK2, LLC Eff. 11/3/17
134) Site Acquisition Extension and Release - CBF_ Minty, Minesh, Davesh Patel Eff. 11/3/17
135) Site Acquisition Extension and Release - CBF_ Breathe Fitness, LLC Eff. 11/3/17
136) Opening Deadline Extension and Release - CBF_K. & E. Anderson Eff. 11/3/17
137) Resale Assistance Agreement – Holm Family Holdings_Eff. 11/13/17
138) Resale Assistance Agreement – Next Level Cycling_Eff. 11/13/17
139) Interim Studio Operations Agreement - CBF_MD Dolenc._Eff. 11/15/17
140) Studio A/V Modification Agreement - CBF_ MdG Seville, LLC_Eff. 11/15/17
141) Termination Agreement - CBF_S. & J. Jonietz Eff. 11/17/17
142) Transfer and Assignment Control (change of ownership transfer)- CBF_Eminence3 Holdings, LLC to CBBrier, LLC_Eff. 11/20/17 (transfer to new entity)
143) Transfer and Assignment Non-control transfer (entity transfer)- CBF_ Avante-garde Fitness to AG3_Eff. 11/22/17
144) Studio A/V Modification Agreement - CBF_ Zellman_Eff. 12/1/17
145) Transfer and Assignment Control (change of ownership transfer)- CBF_DCL Fitness, Inc. to JCM Kentucky Cycle, LLC_Eff. 12/15/17 (transfer to new entity)
146) Termination Agreement - CBF_Smith-Emeri Eff. 12/15/17
147) Studio A/V Modification Agreement - CBF_ JCM Kentucky, LLC_Eff. 12/15/17
148) Transfer and Assignment Control (change of ownership transfer)- CBF_Deep Enterprises Eff. 12/18/17 (added new owner-Bernstein)
149) Studio A/V Modification Agreement – CBF Spinergy_Eff. 1/3/18

150) Studio A/V Modification Agreement – CBF Benson_Eff. 1/4/18
151) Transfer and Assignment Non-control transfer (entity transfer)- CBF_ Williams to LJW74, Inc._Eff. 1/19/18
152) Transfer and Assignment Control (change of ownership transfer)- CBF_ RYR Colorado to Locker Fit Lifestyle DTC Eff. 2/2/18 (transfer to new entity)
153) Transfer and Assignment Control (change of ownership transfer)- CBF_ RYR Colorado to Locker Fit Lifestyle LoHi Eff. 2/2/18 (transfer to new entity)
154) Termination Agreement - CBF_N. & A. Smith Eff. 2/22/18

(c)

Area Development Agreement (ADA Summary) - excluding terminations

	As of:	06/18			Franchisee Information								Studio Information						
	Area Name	State	Owner ID	CP License	Last Name	First Name	Franchisee Phone	Franchisee Email	ADA Date	Total # Studios in ADA	Development Fee	# Studios Open (PreSale)	Street	City	State	Zip	Studio Phone	Development Schedule	# Add'l Studios to be Opened
1	Stamford	CT	7001	1297	Ackerman	Scott	917.692.8894	scott.ackerman@clubpilates.com	10/25/16	6	$210,000	2	1063 Boston Post Road	Darien	CT	6880		03/25/17	4
			7001	1299									427 Post Road East	Westport	CT	6880	203-990-1011	01/25/18	
			7001	1298														08/25/17	
			7001	1300														06/25/18	
			7001	1301														11/25/18	
			7001	1302														04/25/19	
2	Manhattan	NY	7002	1392	Acquista	Dominick	Dom: 917.774.2853	dominick.acquista@clubpilates.com	01/31/17	3	$125,000	1	47 Murray Street	New York	NY	10007	646-289-5099	12/04/16	2

			7002	1393														01/31/18	
			7002	1394														07/31/18	
3	Renton	WA	7003	1036	Adams	Nikki	(253) 709-1446	nikki.adams @clubpilates.com; paul.adams @clubpilates.com	12/04/14	4	n/a - pre-acquisition	3	124 4th Ave South	Kent	WA	98032	253. 709. 1446	12/04/16	1
			7003	1180									13382 Newcastle Commons Dr	Newcastle	WA	98059	253-499-2233	12/30/16	
			7003	1035									143 106th Ave NE	Bellevue	WA	98004	253-709-1446	08/17/15	
			7003	1037														12/04/17	
4	South Carolina	SC	7004	1430	Agnoff	Steve & Mindy	910-313-0230	steve.agnoff @clubpilates.com; mindy.agnoff @clubpilates.com	03/08/17	3	$125,000	2	1121-F Military Cutoff Rd.,	Wilmington	NC	28405	910. 408. 2630	09/08/17	1
			7004	1431									1407 Barclay Pointe Blvd, Suite 403	Wilmington	NC	28412	(910) 260-5511	03/08/18	
			7004	1432														09/08/18	
5	Chicago	IL	7008	1303	Asbury	Janet	773. 983. 8165	janet.asbury @clubpilates.com	10/26/16	3	$125,000	2	1849 Green Bay Road, Suite 109	Highland Park	IL	60035	224. 707. 0171	04/26/17	1

			7008	1304									1442 Waukegan Rd.					10/26/17	
			7008	1305														04/26/18	
6	Madison	WI	7014	1329	Baldwin	Nathan & Erica	N: 608. 609. 5152	nathan.baldwin @clubpilates.com; erika.baldwin @clubpilates.com	11/18/16	3	$125,000	2	390 S Grand Ave	Madison	WI	53711	608-855-9132	05/18/18	1
			7014	1330									2623 Monroe St Suite 130	Sun Prairie	WI	53590	608-371-1901	11/18/17	
			7014	1328														05/18/18	
7	Chicago	IL	7014	1383	Baldwin	Nathan & Erica	N: 608. 609. 5152	nathan.baldwin @clubpilates.com; erika.baldwin @clubpilates.com	01/24/17	4	$165,000	2	901 W Madison St.					07/23/17	2
			7014	1384														01/23/18	
			7014	1385														07/23/18	
			7014	1386														01/23/19	
8	New Braunfels	TX	7020	1365	Becker	Lance & Sara	L: 512. 787. 3703	lance.becker @clubpilates.com; sarah.becker @clubpilates.com	12/16/16	4	$165,000	3	1935 W State Hwy 46, Suite 104	New Braunfels	TX	78132	830. 632. 9666	06/16/17	1

			7020	1367									20210 Stone Oak Parkway, Suite 105	San Antonio	TX	78258	866-808-1212	06/16/18	
			7020	1366									3300 East Broad St #130	Mansfield	TX	76063	817-592-2555	12/16/17	
			7020	1649														05/15/18	
9	Simi Valley	CA	7023	1209	Bloore	Ken & Allison	K: 818. 917. 8114	ken.bloore @clubpilates.com; allison.drury @clubpilates.com	08/17/16	3	$125,000	2	2955 Cochran St #B201	Simi Valley	CA	93065	805. 261. 1444	02/19/17	1
			7023	1210									4020 E. Main St. #B-1-2	Ventura	CA	93003	805. 856. 4424	08/19/17	
			7023	1211														02/19/18	
10	Savage	MN	7029	1276	Bounds	Steve & Angela	S: 303. 883. 4605	steve.bounds @clubpilates.com; angela.bounds @clubpilates.com	09/29/16	6	$210,000	3	14010 Highway 13 South	Minneapolis	MN	55378	952. 777. 5905	02/28/17	3
			7029	1277									16106 Pilot Knob Road, Suite 130	Minneapolis	MN	55345	(952) 467-8727	07/29/17	

			7029	1278									17760 MN-7, Minnetonka	Minnetonka	MN	55345	952-777-4440	12/29/17	
			7029	1279														05/29/18	
			7029	1280														10/29/18	
			7029	1281														03/29/19	
11	Plano	TX	7032	1140	Buck	Chris and Nathalie	N: 214.770.5525	nathalie.buck@clubpilates.com; chris.buck@clubpilates.com	04/11/16	3	$125,000	1	6959 Lebanon Road, Ste 121	Frisco	TX	75034	469.701.1252	10/12/16	2
			7032	1141														04/12/17	
			7032	1142														10/12/17	
12	Richmond	VA	7033	1452	Burleigh	Brian	804-402-0353	bryan.burleigh@clubpilates.com	04/10/17	3	$125,000	1	5454 Wyndham Forest Drive	Glen Allen	VA	23059	804-250-5170	10/10/17	2
			7033	1453														04/10/18	
			7033	1454														10/10/18	
13	Highlands Ranch West	CO	7034	1574	Busse	Mary	Mary (760) 801-9416	mary.busse@clubpilates.com	09/17/13	3	n/a - pre-acquisition	3	200 Quebec, Bldg. 500, Unit 109	Denver	CO	80230		02/15/18	-

			7034	1066									2229 Wildcat Reserve Parkway	Highlands Ranch	CO	80129	720.557.9606	01/10/16	
			7034	1017									3033 E 1st Ave Suite 102	Denver	CO	80206	720-233-1352	02/15/18	
14	Colorado State	CO	7034	1575	Busse	Mary	Mary (760) 801-9416	mary.busse @clubpilates.com	03/31/14	2	$99,000	-						08/15/18	2
			7034	1576														02/15/19	
15	Norfolk	VA	7045	1455	Celia	Joe	917-991-0400	joe.celia @clubpilates.com	04/10/17	3	$125,000	1	4640 Casey Blvd Suite 110	Williamsburg	VA	23188	757-772-6316	10/10/17	2
			7045	1456														04/10/18	
			7045	1457														10/10/18	
16	Tulsa	OK	7048	1372	Clark	Curt	918.740.0777	curt.clark @clubpilates.com; victoria.clark @clubpilates.com	12/19/16	3	$125,000	2	11476 S Union Ave Ste 102	Jenks	OK	74037	918.291.1420	12/19/17	1
			7048	1371									9130 S Sheridan Rd	Tulsa	OK	74133	918-770-7391	06/19/17	
			7048	1373														06/19/18	

17	Short Hills	NJ	7052	1125	Collins	Caroline & Dennis	C: 917. 796. 9618	caroline.collins @clubpilates.com; dennis.collins @clubpilates.com	03/23/16	3	$125,000	3	53 Main St	Madison	NJ	07940	973-765-6260	03/23/17	-
			7052	1124									770 Morris Turnpike	Short Hills	NJ	07078	973. 710. 4755	09/23/16	
			7052	1126									25 Mountainview Blvd.					09/23/17	
18	Missoula & Asheville	MT/ NC	7056	1449	Cropp	Kevin & Hadley	K: 919-593-0337	kevin.cropp @clubpilates.com; hadley.cropp @clubpilates.com	04/07/17	3	$125,000	1	One Town Square Blvd Ste 155	Asheville	NC	28803	828-318-8800	10/07/17	2
			7056	1450														04/07/18	
			7056	1451														10/07/18	
19	Lafayette	CA	7236	1102	Siva/Swift	Jan/Darrell	520. 289. 0439	jan.siva @clubpilates.com; darrel.swift @clubpilates.com	02/23/16	3	$125,000	1	3506 Mt. Diablo Blvd., Suite E	Lafayette,	CA	94549	925. 900. 5788	08/23/16	2
			7236	1103														02/17/17	
			7236	1104														08/16/17	
20	Naples	FL	7063	1400	Deutsch	Adam	614. 309. 9890	adam.deutsch @clubpilates.com	02/15/17	6	$210,000	-						07/15/17	6

			7063	1401														12/15/17	
			7063	1402														05/15/18	
			7063	1403														10/15/18	
			7063	1404														03/15/19	
			7063	1405														08/15/19	
21	Westfield	NJ	7007	1136	Dimitrios/ Helen / Arnold/Amy	Angelis / DeGarcia	D: 914. 772. 9973 A: 917. 921. 2595	dimitrios.angelis @clubpilates.com; helen.angelis @clubpilates.com; arnold.degarcia @clubpilates.com; amy.degarcia @clubpilates.com	03/31/16	3	$125,000	2	225 Broad Ave	Westfield	NJ	07090	908. 233. 0950	10/04/16	1
			7007	1137									277 Eisenhower Pkwy	Livingston	NJ	7039	973. 62a521	04/04/17	
			7007	1138														10/04/17	
22	Belmar	CO	7073	1069	Easterly	Kevin	760. 845. 5686	kevin.easterly @clubpilates.com	12/08/14	3	n/a - pre-acquisition	3	11757 West Ken Caryl Avenue, Suite G	Littleton	CO	80127	720. 579. 7285	01/00/00	-

			7073	1068									437 S Wadsworth Blvd, Suite F	Lakewood	CO	80226	720-789-1011	01/00/00	
			7073	1070									7600 Landmark Way, Suite B-106	Greenwood Village	CO	80111	720-546-2100	10/01/17	
23	Lehi	UT	7074	1346	Edmonds/Miller	Mike & Becky/Scott & Karie	801.707.5630	mike.edmonds@clubpilates.com; scott.miller@clubpilates.com	11/22/16	6	$210,000	3	1140 E. Brickyard Rd. #30	Salt Lake City	UT	84106	801-939-2300	09/29/17	3
			7074	1345									1881 W. Traverse Parkway, Ste B	Lehi	UT	84043	385-831-7077	04/29/17	
			7074	1347									530 W 500 S Suite D	Bountiful	UT	84010	801-317-1766	03/01/18	
			7074	1348														07/29/18	
			7074	1349														12/29/18	
			7074	1350														05/29/19	
24	Pembroke Pines	FL	7075	1288	Elgarresta / Harper	Ed / Christina	E: 305.606.6198	ed.elgarresta@clubpilates.com; christina.elgarresta@clubpilates.com	10/07/16	4	$165,000	2	10045 Cleary Blvd	Plantation	FL	33324	(954) 280-2582	10/11/17	2

			7075	1287									14954 Pines Blvd	Pembroke Pines	FL	33027	954-500-2582	04/11/17	
			7075	1289														04/11/18	
			7075	1290														10/11/18	
25	Klein	TX	7078	1087	Fichaud / Bryan	Chris / Susan	C: 713-254-0213 S: 713.882.8873	chris.fichaud @clubpilates.com; susan.bryan @clubpilates.com	11/30/15	3	$125,000	2	7316 Louetta Road #B302	Spring	TX	77379	(281) 607-2485	05/30/16	1
			7078	1088									9955 Barker Cypress Ste 215	Cypress	TX	77433	832-653-9419	11/30/16	
			7078	1089														05/30/17	
26	Indian Lake	TN	7079	1246	Fielder	Tom	615.579.3070	tom.fielder @clubpilates.com	09/22/16	6	$210,000	2	217 Indian Lake Blvd. Ste. 1002	Hendersonville	TN	37075	615.270.2470	02/23/17	4
			7079	1247									4326 Harding Pike, Suite 105	Nashville	TN	37205	615.988.4488	07/23/17	
			7079	1248														12/23/17	

			7079	1249														05/23/18	
			7079	1250														10/23/18	
			7079	1251														03/23/19	
27	Austin	TX	7081	1333	Fraser	Theresa & Glenn	T: 858. 750. 8595	theresa.fraser @clubpilates.com	11/21/16	3	$125,000	2	166 Hargraves Drive, Suite 500	Austin	TX	78737	512-212-7525	11/22/17	1
			7081	1332									2712 Bee Cave Rd	Austin	TX	78746	512. 515. 1440	05/22/17	
			7081	1334														05/22/18	
28	Cleveland	OH	7085	1425	Gage	Anita	330-714-6792	anita.gage @clubpilates.com	03/02/17	6	$210,000	4	311 Park Ave., Ste. 123	Orange	OH	44122	440-703-6077	01/07/18	2
			7085	1426									34348 Aurora Rd Unit 19	Solon	OH	44139	440-201-7064	06/07/18	
			7085	1424									8474 East Washington St. Unit 11	Chagrin Falls	OH	44023	440-804-5110	08/07/17	
			7085	1427									118 W Streetsboro St., Room 25					11/07/18	

			7085	1428														04/07/19	
			7085	1429														09/07/19	
29	Tucson	AZ	7087	1284	Garrison	Kathy	520. 444. 0163	kathy.garrison @clubpilates.com	10/06/16	3	$125,000	3	6872 EAST SUNRI SE DRIVE, #150	Tucson	AZ	85750	520. 428. 0130	04/06/17	-
			7087	1285									7972 N Oracle Rd	Oro Valley	AZ	85704	(520) 244- 3300	10/06/17	
			7087	1296									9245 Virginia Pkwy, Suite #200					04/06/18	
30	Scottsdale	AZ	7088	1153	Gatzemeier	Don & Emma	602. 663. 2049	don.gatzemeier @clubpilates.com	05/16/16	3	$125,000	2	16447 N. Scottsdale Rd. Suite 119	Scottsdale	AZ	85254	480. 447. 4044	11/17/16	1
			7088	1155									20910 N. Tatum Blvd., Suite 110	Phoenix	AZ	85050	480. 795. 3357	11/17/17	
			7088	1154														05/17/17	

31	New York	NY	7093	1357	Goldenberg	Louisa	646. 729. 3230	louisa.goldenberg @clubpilates. com; michael.goldenberg @clubpilates.com	12/12/16	3	$125,000	1	485 Kings Highway	Brooklyn	NY	11223	(718) 701-0109	06/12/17	2
			7093	1358														06/12/18	
			7093	1359														12/12/17	
32	Winter Park	FL	7094	1145	Goldman	Christine	321. 231. 5262	christine.goldman @clubpilates.com	04/15/16	3	$125,000	1	1222 N. Orange Ave. Ste B	Winter Park	FL	32789	407. 960. 7042	10/15/16	2
			7094	1147														10/15/17	
			7094	1689														10/15/17	
33	Sugar Land	TX	7098	1282	Gowens	Bret	832. 659. 4501	bret.gowens @clubpilates.com	09/29/16	2	$99,000	2	3157 Highway 6	Sugar Land	TX	77478	281. 369. 4977	03/29/17	-
			7098	1283									8740 Hwy 6 #100					09/29/17	
34	Jacksonville	FL	7099	1212	Graham	Rick & Dawn	R: 210. 559. 1732	rick.graham @clubpilates.com; dawn.graham @clubpilates.com	08/23/16	3	$125,000	2	14035 Beach Blvd. Suite G	Jacksonville	FL		904-289-8300	02/23/17	1
			7099	1213									11112 San Jose Blvd. # 6					08/23/17	
			7099	1214														02/23/18	

35	DC	VA	7100	1291	Grams	Michael	703-949-0378	michael.grams@clubpilates.com	10/10/16	3	$125,000	2	1101 S. Joyce St., Suite B14	Arlington	VA	22202	571-429-4690	04/12/17	1
			7100	1292									1521 Boyd Pointe Way Suite B					10/12/17	
			7100	1293														04/12/18	
36	St. Petersburg	FL	7103	1165	Griffin	Jim	224.436.0647	jim.griffin@clubpilates.com; catherine.griffin@clubpilates. com	05/31/16	6	$210,000	4	11677 San Vicente Blvd Ste, 304	Los Angeles	CA	90049	424-368-2650	11/31/16	2
			7103	1167									15230 Sunset Blvd	Pacific Palisades	CA	90272	424-252-9868	11/31/17	
			7103	1164									120 Central Avenue	St. Petersburg	FL	33701	(727) 550-0100	11/31/18	
			7103	1163									938 South Howard Ave	Tampa	FL	33606	813-607-2990	05/31/18	
			7103	1166														05/31/17	
			7103	1168														05/31/19	
37	Maryland	MD	7104	1318	Grover	Jan & Chuck	240.578.0093	jan.grover@clubpilates.com; chuck.grover@clubpilates.com	11/15/16	3	$125,000	1	4959 Westview Dr. Suite D	Frede rick	MD	21703	301-304-4880	05/16/17	2

			7104	1319														11/16/17	
			7104	1320														05/16/18	
38	Tempe	AZ	7108	1133	Guzick	Bill / Jennifer	J: 480. 695. 7116 Bill: 480. 826. 4181	jennifer.guzick @clubpilates.com; bill.guzick @clubpilates.com	03/31/16	3	$125,000	2	1825 East Guadalupe Ste F-102	Tempe	AZ	85283	480. 566. 0335	09/30/16	1
			7108	1134									4085 South Gilbert Road, Shops B - Suite 5	Chandler	AZ	85249	480. 771. 4459	03/31/17	
			7108	1135														09/30/17	
39	Orange County	CA	7109	1052	Hammett	Emily	Emily (626) 233- 9220	emily.hammett @clubpilates.com	03/04/15	4	$165,000	4	15080 Kensington Park Dr, Suite G300	Tustin	CA	92782	949. 529. 0704	10/23/16	-
			7109	1050									17767 Santiago Blvd., Suite 610	Villa Park	CA	92861	714. 202. 6404	01/00/00	

			7109	1051									21612 Plano Trabuco Road, Suite A	Trabuco Canyon	CA	92679	949. 534. 2023	10/23/16	
			7109	1053									802 Avenida Talega Ste 104	San Clemente	CA	92673	949-391-3704	05/15/17	
40	Charlotte	NC	7113	1169	Harris	Doug	704. 491. 6717	doug.harris @clubpilates.com; kris.harris @clubpilates.com	06/03/16	3	$125,000	2	10822 Providence Rd Ste 800	Charlotte	NC	28277	980. 272. 481	12/01/16	1
			7113	1170														06/01/17	
			7113	1171														12/01/17	
41	Longmont	CO	7115	1072	Hendricks	Joe	Joe 303-513-4498 Kelly 720-355-1954	kelly.hendricks @clubpilates.com	08/17/15	3	$125,000	3	2850 Baseline Road	Boulder	CO	80303	720-675-9435	02/07/17	-
			7115	1073									535 W south Boulder Rd.	Lafayette	CO	80026	720-442-0842	08/11/16	
			7115	1071									700 Ken Pratt Boulevard	Longmont	CO	80501	720. 442. 8385	02/13/16	

42	Austin	TX	7117	1336	Hernandez/Lindner	Hector / Molly	512. 593. 3652	hector.hernandez @clubpilates. com; molly.lindner @clubpilates.com	11/22/16	3	$125,000	2	2800 South IH-35, Suite 160	Round Rock	TX	78681	512- 399- 5216	11/23/17	1
			7117	1335									5001 183A Toll Road Suite G400	Cedar Park	TX	78613	512. 399. 5212	05/23/17	
			7117	1337														05/23/18	
43	Sacramento	CA	7120	1189	Holmes	Brian	B: 661. 332. 2233	brian.holmes @clubpilates.com; adrian.holmes @clubpilates.com	07/01/16	4	$165,000	3	2529 Fair Oaks Blvd	Sacramento	CA	95825	916. 400. 9225	07/01/17	1
			7120	1190									2766 E. Bidwell St. Suite 100	Folsom	CA	95630	916- 597- 0799	12/28/17	
			7120	1188									8235 Laguna Blvd. #120	Elk Grove	CA	95758	916. 936. 2582	01/02/17	
			7120	1191														06/26/18	
44	Hoboken	NJ	7122	1175	Horvath	Emese	770. 910. 2934	emese.horvath @clubpilates.com	06/20/16	3	$125,000	2	1400 Hudson Street Suite 3C	Hoboken	NJ	07030	201- 839- 6648	12/21/16	1

			7122	1176									45-4 Riverwalk Pl.,	West New York	NJ	07093	201. 875. 1550	06/21/17	
			7122	1177														12/21/17	
45	Scottsdale	AZ	7128	1205	Jacobs	Keith	K: 910-274-8201	keith.jacobs @clubpilates.com; yvette.jacobs @clubpilates.com	07/29/16	3	$125,000	3	3750 E. Indian School Road	Phoenix	AZ	85018	480. 372. 4692	01/29/18	-
			7128	1204									8787 N. Scottsdale Rd. Ste23 2	Scottsdale	AZ	85253	480-462-1299	07/29/17	
			7128	1203									9301 E. Shea Unit 104	Scottsdale	AZ	85260	480. 771. 3774	01/29/17	
46	Baltimore	MD	7133	1368	Kay / Bateman	Karla / Liana	717. 825. 6150	karla.kay @clubpilates.com; liana.bateman @clubpilates.com	12/16/16	3	$125,000	2	100 Shawan Rd. Suite C	Hunt Valley	MD	21030	443-541-5505	06/16/17	1
			7133	1369									10209 GRAND CENTRAL AVE., SUITE 110	Owings Mills	MD	21117	443. 541. 5424	12/16/17	

			7133	1370														06/16/18	
47	Ft. Lauderdale	FL	7136	1271	Kennedy	Kelly	305. 389. 5399	kelly.kennedy @clubpilates.com	09/22/16	3	$125,000	3	7050 W. Palmetto Park Rd #49/50	Boca Raton	FL	33433	561. 717. 2120	03/27/17	-
			7136	1270									Linton Blvd. & Lavers Ave.	Delray Beach	FL	33444	0	09/27/17	
			7136	1272									#N/A					03/27/18	
48	Sarasota	FL	7138	1462	Kilcullen / Keith	Peter / Gary	P: 727. 647. 0429	0	04/14/17	3	$125,000	2	5408 Lockwood Ridge Rd	Bradenton	FL	63385	636- 856- 5270	10/14/17	1
			7138	1463									8210 S. Tamiami Trail	Sarasota	FL	34238	941- 567- 6128	04/14/18	
			7138	1464														10/14/18	
49	Saratoga	CA	7141	1112	Ko/Wu	Ken/Jessie	k: 408. 641. 1511	ken.ko @clubpilates.com; jessie.wu @clubpilates.com	03/15/16	3	$125,000	2	14410 Big Basin Way, STE E	Saratoga	CA	95070	669. 256. 5200	09/16/16	1
			7141	1113									4338 Moorpark Ave	San Jose	CA	95129	669- 200- 5098	03/16/17	

			7141	1114														09/16/17	
50	Chicago	IL	7144	1433	Kohn	Eric & Kristin	773-580-9602	eric.kohn@clubpilates.com; kristin.kohn@clubpilates.com	03/08/17	6	$210,000	2	810 E. Ogden Ave., Unit 25	Westmont	IL	60559	630-538-7235	08/08/17	4
			7144	1434									708 Lake St.					01/08/18	
			7144	1435														06/08/18	
			7144	1436														11/08/18	
			7144	1437														04/08/19	
			7144	1438														09/08/19	
51	San Carlos	CA	7151	1184	Lance	Renata and Sean	Renata (650) 759-3283	renata.lance@clubpilates.com; sean.lance@clubpilates.com	05/12/14	3	n/a - pre-acquisition	3	1921 Douglas Boulevard, Suite 104	Roseville	CA	95661	916.318.9908	12/31/16	-
			7151	1019									490 South California Ave	Palo Alto	CA	94306	843-800-8991	02/01/16	
			7151	1018									50 El Camino Real, #50	San Carlos	CA	94070	650-722-4710	01/00/00	
			7151	1363														06/15/17	

52	Atlanta	GA	7155	1354	Ledford	Mandy	828.925.3263	mandy.ledford@clubpilates.com	11/30/16	3	$125,000	2	Church St & N Decauter Rd	Deautur	GA		(770) 299-9513	05/30/17	1
			7155	1355									2943 N. Druid Hills Rd. NE #460					11/30/17	
			7155	1356														05/30/18	
53	Alexandria	VA	7156	1439	Lee	Mindy	540-419-5079	mindy.lee@clubpilates.com	04/18/17	3	$125,000	-						09/13/17	3
			7156	1465														03/18/18	
			7156	1466														09/18/18	
54	New Hyde Park	NY	7160	1306	Lo	David	D: 646.379.0824 M: 516.527.4712	david.lo@clubpilates.com; michelle.lo@clubpilates.com	10/26/16	3	$125,000	1	1632 Marcus Ave.	New Hyde Park	NY	11040	516-654-6938	04/26/17	2
			7160	1307														10/26/17	
			7160	1308														04/26/18	
55	Brickell	FL	7106	1105	Maria Gutierrez	Tania Peck	T: 786.218.3572 M: 954.673.1536	Tania.peck@clubpilates.com; Mariaisabel.gutierrez@clubpilates.com	02/26/16	2	$99,000	2	117 SW 10th Ste #103	Miami	FL	33130	786.509.9831	08/24/16	-
			7106	1107									30 NW 34th St #2	Miami	FL	33127	(blank)	08/24/17	

			7106	1106									5855 SW 72 St	South Miami	FL	33143	(786) 577-9651	08/24/17	
56	Highland Village	TX	7168	1255	Martin	Todd & Debi	D: 972. 977. 7277	debi.martin @clubpilates.com; todd.martin @clubpilates.com	09/26/16	7	$300,000	4	2317 North Tarrant Parkway, Suite 423	Fort Worth	TX	76177	682. 312. 6030	05/23/18	3
			7168	1252									2540 Justin Rd. Suite 177	Highland Village	TX	75077	972. 597. 4275	02/23/17	
			7168	1253									4000 N. MacArthur Blvd. Ste #A122	Irving	TX	75038	469. 214. 4822	07/23/17	
			7168	1254									4701 Colleyville Blvd. Ste 430	Dallas	TX	76034	817. 409. 6970	12/23/17	
			7168	1256														10/23/18	
			7168	1257														03/23/19	
			7168	1258														08/23/19	
57	DFW	TX	7177	1259	Millwee	Sarah	310-795-7465	sarah.millwee @clubpilates.com	04/05/18	3	$30,000							10/05/18	

			7177	1260														04/05/19	
			7177	1261														10/05/19	
58	Portland	OR	7171	1421	McCartney	Alyssa	503-740-5025	alyssa.mccartney@clubpilates.com	03/02/17	3	$125,000	1	12900 SE 162nd Ave., Ste. 101	Happy Valley	OR	97086	(971) 236-7634	09/03/17	2
			7171	1422														03/03/18	
			7171	1423														09/03/18	
59	Emeryville	CA	7175	1118	Miller	Jerry & Melissa	M: 510. 919. 4484	melissa.miller@clubpilates.com; jerry.miller@clubpilates.com	03/18/16	3	$125,000	1	2651 Blanding Avenue, Suite D	Alameda	CA	94501	(510) 578-8593	09/18/16	2
			7175	1119														03/18/17	
			7175	1120														09/18/17	
60	Framingham	MA	7176	1221	Miller	Mike & Tammy	T: 860. 817. 8995	tammy.miller@clubpilates.com; mike.rizzo@clubpilates.com	08/25/16	6	$210,000	2	25 Prospect St	Framingham	MA	01701	774. 999. 0209	01/25/17	4
			7176	1222									389 Revolution Dr	Somerville	MA	02145	857-997-2580	06/25/17	
			7176	1223														11/25/17	

			7176	1224														04/25/18	
			7176	1225														09/25/18	
			7176	1226														02/25/19	
61	Miami	FL	7178	1243	Mochon / Rosentgberg	Daniela / Horacio	D 786. 301. 2759	daniela.mochon @clubpilates. com; horacio.rosentgberg @clubpilates.com	09/16/16	3	$125,000	2	16850 Collins Ave #113D	Sunny Isles Beach	FL	33160	786-765-4646	03/11/17	1
			7178	1244									19021 Biscayne Blvd.					09/11/17	
			7178	1245														03/11/18	
62	St. Paul	MN	7185	1339	Nelson	Topher	612. 723. 6075	topher.nelson @clubpilates.com	11/23/2016*	6	$210,000	3	3845 Lexington Avenue North, Suite 111	Arden Hills	MN	55126	651-383-4640	11/23/17	3
			7185	1338					**Amended* 11/21/17				4717 N. Highway 61	White Bear Lake	MN	51110	651. 505. 4200	05/23/17	
			7185	1340									10945 Club Westparkway NE Suite 150					05/23/18	

63			7185	1646														10/23/18	
			7185	1647														03/23/19	
			7185	1648														08/23/19	
64	Seattle	WA	7186	1441	Nicholson	Candi	206-661-7334	candi.nicholson@clubpilates.com	03/03/17	3	$125,000	1	124 Denny Way	Seattle	WA	98109	206-661-7334	09/14/17	2
			7186	1442									425 Fairview Ave N					03/14/18	
			7186	1443														09/14/18	
65	Santa Clarita	CA	7191	1458	Ovakimian	Sarkis / Esther	S: 818. 675. 5061	sarkis.ovakimian@clubpilates.com; ester.plavdjian@clubpilates.com	04/10/17	4	$165,000	2	27736 McBean Pkwy	Valencia	CA	91354	(661) 977-6622	10/10/17	2
			7191	1092									5077 Lankershim Boulevard Suite F	North Hollywood	CA	91601	818-2103 422	06/22/16	
			7191	1459														04/10/18	
			7191	1460														10/10/18	
66	Symmes Township	OH	7192	1115	Pallatroni	Bob	513. 225. 4475	bob.pallatroni@clubpilates.com	03/17/16	3	$125,000	1	12088 Montgomery Road	Cincinnati	OH	45249	513. 766. 9008	09/17/16	2

			7192	1116														03/17/17	
			7192	1117														09/17/17	
67	Mooresville	NC	7196	1262	Pennypacker	John	980.240.1792	john.pennypacker@clubpilates.com	09/20/16	3	$125,000	3	146 Mooresville Commons Way Unit 25	Mooresville	NC	28117	980.260.0000	03/23/17	-
			7196	1263									9525 Birkdale Crossing Drive Ste 102	Huntersville	NC	28078	704-631-5600	09/23/17	
			7196	1264									2373 Len Patterson Road Suite 103					03/23/18	
68	Lincoln Park	IL	7200	1127	Phelps	Abby	312.399.3256	abby.phelps@clubpilates.com	03/30/16	3	$125,000	2	2047 N. Clybourn Ave	Chicago	IL	60614	312.734.1069	09/30/16	1
			7200	1128									4023 N Lincoln Ave	Chicago	IL	60618	773-789-7507	03/30/17	
			7200	1129														09/30/17	

69	Carrollwood	FL	7201	1172	Philyaw	Nathan	904. 635. 0298	nathan.philyaw @clubpilates.com	06/03/16	3	$125,000	2	13158 N Dale Mabry Hwy	Tampa	FL	33618	813. 773. 3880	12/03/16	1
			7201	1173									28249 Paseo Drive #190	Wesley Chapel	FL	33543	813. 607. 6655	06/03/17	
			7201	1174														12/03/17	
70	Marin	CA	7203	1240	Poletti	Natalie	650. 302. 1285	natalie.poletti @clubpilates.com	08/30/16	3	$125,000	1	208 Vintage Way, Ste G-10	Novato	CA	94945	415. 761. 1315	03/02/17	2
			7203	1241														08/30/17	
			7203	1242														03/02/18	
71	Spring Valley	NV	7210	1028	Rechester	Victoria/ Emil	Victoria (323) 899- 7083	emil.rechester @clubpilates.com	11/06/14	4	n/a - pre- acquisition	3	10525 S. Eastern Ave. Ste 140	Henderson	NV	89052	702. 907. 2758	02/06/17	1
			7210	1027									5060 S Fort Apache Ste 115	Las Vegas	NV	89148	702- 608- 1396	01/00/00	
			7210	1029									7460 W Lake Mead Blvd. #E1	Las Vegas	NV	89108	702- 979- 2422	08/06/18	
			7210	1030														02/06/20	

72	Scarsdale	NY	7212	1192	Rhyu	Heather	310. 972. 8786	heather.rhyu @clubpilates.com	07/14/16	3	$125,000	2	365 Central Park Avenue	Scarsdale	NY	10583	914. 449. 4411	01/15/17	1
			7212	1193									875 Saw Mill River Rd	Ardsley	NY	10502	914- 292- 1292	07/15/17	
			7212	1194														01/15/18	
73	Louisville	KY	7217	1396	Ryser	Fred	F: 347. 997. 2052 K: 917. 597. 4334	fred.ryser @clubpilates.com; katie.ryser @clubpilates.com	01/31/17	3	$125,000	2	12955 Shelbyville Road, suite 102	Louisville	KY	40243	502- 907- 2364	01/31/18	1
			7217	1395									4600 Shelbyville Road, suite 104	Louisville	KY	40243	502- 907- 1577	07/31/17	
			7217	1397														07/31/18	
74	Portland	OR	7220	1228	Sander	Scott & Misty	S: 971. 998. 0279	scott.sander @clubpilates.com; misty.sander @clubpilates.com	08/25/16	3	$125,000	2	2725 SW Cedar Hills Blvd., Suite 100	Beaverton	OR	97005	205- 440- 2953	08/25/17	1
			7220	1227									7515 SW Barnes Rd. Ste 102	Portland	OR	97225	971. 249. 8555	02/25/17	

			7220	1229														02/25/18	
75	Paramus	NJ	7223	1090	Sapka	Allison / Chris	C: 201. 916. 3359 A: 973. 951. 2074	allison.sapka @clubpilates.com; chris.sapka @clubpilates.com	07/01/16	3	$125,000	3	525 Cedar Hill Ave	Wyckoff	NJ	07481	201. 447. 2500	06/22/16	-
			7223	1185									West Grand Aveand Mercedes Drive	Montvale	NJ	7645	201-822-5260	12/28/16	
			7223	1186									700 Paramus Park					06/26/17	
76	Chicago	IL	7225	1215	Schlichting	Steve & Robin	S: 815. 985. 1337	steve.schlichting @clubpilates.com; robin.schlichting @clubpilates.com	08/23/16	3	$125,000	2	3065 N. Perryville Rd., Ste #147	Rockford	IL	61114	815. 860. 0710	02/23/17	1
			7225	1216									2517 N. County Line Rd.					08/23/17	
			7225	1217														02/23/18	
77	Texas	TX	7228	1361	Schriever	Delma / Rick	281. 840. 0864	delma.schriever @clubpilates.com; rick.schriever @clubpilates.com;	12/14/16	3	$125,000	2	2323 Clear Lake City Blvd, Suite 183	Houston	TX	77062	832-584-4120	12/14/17	1

			7228	1360									3875 E. League City Pkwy	League City	TX	77573	832-920-3198	06/14/17	
			7228	1362														06/14/18	
78	North Raleigh	NC	7229	1230	Schuck/Smith/ Ruggieri	David / Jon / Joe	D: 336. 404. 7871	david.schuck @clubpilates.com; jon.smith @clubpilates.com; joe.ruggieri @clubpilates.com	08/25/16	6	$210,000	4	9400 Fallsof Neuse Rd	Raleigh	NC	27615	919. 670. 3077	01/25/17	2
			7229	1232									1800 E. Franklin Street #9	Chapel Hill	NC	27514	919. 781. 8089	06/25/17	
			7229	1234									1104 Parkside Main Street	Cary	NC	27519	919. 899. 9035	11/25/17	
			7229	1233										Raleigh	NC	27609	(707) 559-9110	04/25/18	
			7229	1231										Holly Springs	NC			09/25/18	
			7229	1235														02/25/19	

79	Pleasanton	CA	7232	1096	Shiraki	Robert/ Jessica	R: 650. 766. 5900	robert.shiraki @clubpilates.com; jessica.shiraki @clubpilates.com	02/15/16	6	$210,000	2	6766 Bernal Ave. Suite 530	Pleasonton	CA	94566	925. 255. 0880	03/28/17	4
			7232	1097									3418 Camino Tassajara	Danville	CA	94506	925 854 5500	09/28/17	
			7232	1098														03/28/18	
			7232	1099														02/15/18	
			7232	1100														08/15/18	
			7232	1101														02/15/19	
80	Dallas	TX	7242	1273	Springer	Bobby	615. 268. 9432	bobby.springer @clubpilates.com/ sonya.springer @clubpilates.com	09/21/16	3	$125,000	2	1221 Flower Mound Rd Ste 320	Flower Mound	TX	75028	817. 668. 0108	03/28/17	1
			7242	1274									480 W. Southlake Boulevard, suite 131	Southlake	TX	76092	817-668-0011	09/28/17	
			7242	1275														03/28/18	
81	San Francisco	CA	7243	1159	Srivastava	Amit & Seema	408. 202. 9619	seema.srivastava @clubpilates.com; amit.srivastava @clubpilates.com	05/20/16	3	$125,000	1						11/20/16	2

			7243	1160														05/20/17	
			7243	1161														11/20/17	
82	Brookhaven	GA	7245	1094	Stennett	Kellen	K: 404. 456. 4110 M: 609. 605. 4315	kellen.stennett @clubpilates.com; matt.omiatek @clubpilates.com	02/10/16	3	$125,000	3	2391 Peachtree Rd, NE Suite B3AB	Atlanta	GA	30305	470. 885. 0623	02/10/17	-
			7245	1093									5001 Peachtree Blvd Suite 630	Chamblee	GA	30341	(678) 996-1988	08/10/16	
			7245	1095									5968 Roswell Road					08/10/17	
83	Sherman Oaks	CA	7249	1238	Stromblad	Katya	818. 257. 3047	katya.stromblad @clubpilates.com	11/10/16	3	$125,000	2	10732 Jefferson Blvd.	Culver City	CA	90230	310. 424. 5290	02/28/17	1
			7249	1309									18741 Ventura Blvd	Tarzana	CA	91356	818-949-2727	08/28/17	
			7249	1310														02/28/18	
84	Temecula	CA	7255	1196	Teranchi	Shahin	951. 237. 2379	shahin.tehranchi @clubpilates.com; zohal.tehranchi @clubpilates.com	07/22/16	6	$210,000	3	33175 Temecula Pkwy Ste C	Temecula	CA	92562	951. 396. 7000	12/19/16	3

			7255	1197									341 E. Alessandro Blvd #2G	Riverside	CA	92508	951. 708. 3600	05/18/17	
			7255	1198									450 Stuart Ave. Suite D-120	Redlands	CA	92374	909-474-7470	10/15/17	
			7255	1199														03/14/18	
			7255	1200														08/11/18	
			7255	1201														01/08/19	
85	Carmel	IN	7259	1130	Thorpe	Ralph / Julie	317. 696. 4600	ralph.thorpe @clubpilates.com	03/30/16	3	$125,000	1	2482 E. 146th Street	Carmel	IN	46033	317) 565-4828	09/30/16	2
			7259	1711														09/02/18	
			7259	1712														09/30/17	
86	Boston	MA	7262	1444	Trauzzi / Hard	Christopher / Marjie	617-880-9987	chris.trauzzi @clubpilates.com; marjie.hard @clubpilates.com	03/14/17	3	$125,000	2	43 Middlesex Turnpike, Unit 12	Burlington	MA	01803	781-300-7525	09/16/17	1
			7262	1445									600 Market St., Suite 671	Lynnfield	MA	1940	781-342-0401	03/16/18	

			7262	1446														09/16/18	
87	Chino Hills	CA	7263	1109	Truong	Amy / Anthony	949. 278. 7719	amy.truong @clubpilates.com; tong.truong @clubpilates.com	02/26/16	3	$125,000	1	13920 City Center Drive Suite 4010	Chino Hills	CA	91709	909. 529. 1041	08/26/16	2
			7263	1110														02/26/17	
			7263	1111														08/26/17	
88	Wauwatosa	WI	7264	1149	Tsuchiyama	Robert & Beth	R: 404. 307. 5634	robert.tsuchiyama @clubpilates.com; beth.tsuchiyama @clubpilates.com	05/11/16	3	$125,000	2	6929 W. North Ave.	Wauwatosa	WI	53213	414- 395- 1122	11/11/16	1
			7264	1150														05/11/17	
			7264	1151									340 N. Milwaukee St.,					11/11/17	
89	New Jersey	NJ	7266	1343	Uku	Richard	917. 670. 7396	richard.uku @clubpilates.com	11/23/16	4	$165,000	3	3056 Route 10 West	Denville	NJ	7834	(blank)	11/25/17	1
			7266	1342									770 Bloomfield Ave.,	West Caldwell	NJ	07006	973- 787- 9074	05/25/17	
			7266	1344									170 Hanover Ave					05/25/18	
			7266	1414														11/25/18	

90	Englewood	NJ	7267	1267	Untener	Scott	914. 261. 1219	scott.untener @clubpilates.com	09/20/16	3	$125,000	2	269 Livingston Street Ste P	Northvale	NJ	7647	201-588-5403	09/23/17	1
			7267	1265									19 W. Palisade Ave.	Englewood	NJ	07631	201. 568. 1700	03/23/17	
			7267	1266														03/23/18	
91	Campbell	CA	7269	1078	Venkatatesan	Hema & Anathan	208. 863. 0943	hema.venkatesan @clubpilates.com; venkat.ananthan @clubpilates.com	11/20/15	3	$125,000	1	10 E Hamilton Ste# 300	Campbell	CA	95008	408. 412. 0130	05/20/16	2
			7269	1079														11/20/16	
			7269	1080														05/20/17	
92	Los Angeles	CA	7271	1056	Violas	Stephanie	(310)-489-9803	stephanie.violas @clubpilates.com	04/17/17	3	$125,000	2	1119 S. Hope Street	Los Angeles	CA	90015	213-204-6900	01/00/00	1
			7271	1468									200 S. Los Angeles Street, Suite E	Los Angeles	CA	90012	213 536 5203	10/20/17	
			7271	1469														04/20/18	
			7271	1470														10/20/18	
93	OC-LA	CA	7281	1009	Watson / Lombardi	Keely / Ed	Keely (619) 261-5898	keely.watson @clubpilates.com; ed.lombardi @clubpilates.com	12/31/14	5	n/a - pre-acquisition	5	33611 Del Obispo St.	Dana Point	CA	92692		01/00/00	-

			7281	1057									7318 Santa Monica Blvd. Suite #20	West Hollywood	CA	90046	323-774-2701	01/00/00	
			7281	1031									25800 Jeronimo Road Ste 404	Mission Viejo	CA	92691	949-446-8243	01/00/00	
			7281	1032									30100 Town Center Drive, Suite B-1	Laguna Niguel	CA	92677	949-257-2292	01/00/00	
			7281	1058									1720 West Sunset Blvd	Echo Park	CA	90026	323-505-4355	12/09/15	
94	Orange County	CA	7280	1322	Watson / Lombardi	Keely / Ed	Keely (619) 261-5898	keely.watson @clubpilates.com; ed.lombardi @clubpilates.com	11/16/16	3	$125,000	2						05/16/17	1
			7280	1324														11/16/17	
			7280	1323									1040 Bayside Drive					05/16/18	

95	Houston	TX	7284	1325	Wells	Daniela & David	832. 923. 0228	david.wells @clubpilates.com; daniela.wells @clubpilates.com	11/18/16	3	$125,000	2	16430 W. Lake Houston Pkwy., Suite 300-	Houston	TX	77044	832. 779. 2622	05/16/17	1
			7284	1326									730 Kingwood Dr.	Kingwood	TX	77399	(832) 592- 7953	11/16/17	
			7284	1327														05/16/18	
96	Long Island	NY	7287	1315	Wolk	David	914. 260. 7489	david.wolk @clubpilates.com	11/08/16	3	$125,000	1	6226 Jericho Turnpike	Commack	NY	11725	631- 600- 3072	05/09/17	2
			7287	1316														11/09/17	
			7287	1317														05/09/18	
97	Alpharetta	GA	7288	1218	Worley	Mark	678. 488. 0785	mark.worley @clubpilates.com	08/23/16	3	$125,000	2	3005 Old Alabama Rd	Alpharetta	GA	30022	678. 919. 8733	02/23/17	1
			7288	1219									7160 Avalon Blvd	Alpharetta	GA	30009	678- 996- 5336	08/23/17	
			7288	1220														02/23/18	
98	East Montgomery	AL	7030	1473	Brazell	Craig/Lanie	(334) 538- 8102	Craig.Brazell @clubpilates.com	05/19/17	3	$125,000	3	2311 Bent Creek RD STE 400	Auburn	AL	36830	334- 414- 4548	11/19/18	-

			7030	1472									2940 #D Zelda Rd	Montgomerty	AL	36106	334-328-2465	05/19/18	
			7030	1471									8143 Vaughn Rd	Montgomery	AL	36116	334-603-8055	11/19/17	
99	Tampa	FL	7140	1474	Kitchen/Erickson	Kim/Joe		Kim.Kitchen @clubpilates.com	05/19/17	3	$125,000	1	12454 State Rd 54	Odessa	FL	33556	(813) 563-5353	11/19/17	2
			7140	1475														05/19/18	
			7140	1476														11/19/18	
100	Napa	CA	7035	1477	Campton	Lois	(415) 722-8690	Lois.Campton @clubpilates.com	05/22/17	3	$125,000	1	289 N. McDowell Blvd	Petaluma	CA	94954		11/22/17	2
			7035	1478									7735 N Blackstone #101	Fresno	CA	93720		05/22/18	
			7035	1479														11/22/18	
101	Chicago	IL	7147	1480	Kulkarni	Pradnya	847. 630. 2081	Pradnya.Kulkarni @clubpilates.com	05/22/17	3	$125,000	2	388 half day road	buffalo grove	IL	60089	224 377 0305	11/22/17	1
			7147	1481									1614 S. Milwaukee Ave.,					05/22/18	
			7147	1482														11/22/18	
102	Plano	TX	7184	1483	Mullins	John	713. 598. 2785	John.Mullins @clubpilates.com	05/22/17	3	$125,000	1	6850 N Shiloh Rd Suite H1	garland	TX	75044		11/22/17	2

												00		Shiloh Rd Suite H1			4			
			7184	1484															05/22/18	
			7184	1485															11/22/18	
103	New Mexico	NM	7216	1486	Rule	Brian / Jessica	(505) 270-3494	Brian.Rule @clubpilates.com	05/22/17	6	$210,000	1	11000 Montgomery Blvd NE, Ste 3	Albuquerque	NM	87111	505-395-9511	11/22/17	5
			7216	1487															05/22/18	
			7216	1488															11/22/18	
			7216	1539															05/22/19	
			7216	1540															11/22/19	
			7216	1541															05/22/20	
104	Florida	FL	7000	1491	Abbe/Willits	Steve/Shannon		Steve.Abbe @clubpilates.com	05/23/17	2	$99,000	2	13211 McGregor Blvd, Suite 105-A	Fort Myers	FL	33919	239-603-7300	05/23/18	-
			7000	1490									13451 Brookshire Lake Blvd	Ft Myers	FL	33966	239-603-7300	11/23/17	
105	Rancho Mirage	CA	7066	1492	Dordell/ Fenske	Chris/Jason		Chris.Dordell @clubpilates.com	05/23/17	2	$99,000	2	42-440 Bob Hope Drive, Suite 42440 -1B	Rancho Mirage	CA	92270	760-209-9722	11/23/17	-

			7066	1493									425 S. Sunrise, Bldg H2A,	Palm Springs	CA	92262		05/23/18	
106	Park Ridge	IL	7089	1495	Gentner	Andy	(630) 329-9580	Andy.Gentner @clubpilates.com	05/23/17	3	$125,000	2	142 South 1st St.	St. Charles	IL	60174	630. 283. 3700	05/23/18	1
			7089	1494									70 N. Northwest Highway	Park Ridge	IL	60068	847-744-6464	11/23/17	
			7089	1496														11/23/18	
107	Sacramento	CA	7240	1498	Smith	Katie	(404) 210-2270	Katie.Smith @clubpilates.com	05/23/17	3	$125,000	1	2860 Del Paso Rd., Ste. 300	Sacramento	CA	95834	(916) 900-6473	11/23/17	2
			7240	1499														05/23/18	
			7240	1500														11/23/18	
108	Chicago	IL	7161	1504	London	Larry/Crystal	(708) 269-6964	Larry.London @clubpilates.com	05/25/17	3	$125,000	1	1107 N. Elmhurst Rd.					11/25/17	2
			7161	1505														05/25/18	
			7161	1506														11/25/18	

109	Charleston	FL	7291	1507	York/Schlobohm	Shaun/Zach		Shaun.York @clubpilates.com	05/25/17	3	$125,000	1	3438 Lithia Pinecrest Road,	Valrico	FL	33956	813-540-2425	11/25/17	2
			7291	1508														05/25/18	
			7291	1509														11/25/18	
110	Central NJ	NJ	7060	1510	Davis	Brennan	(973) 214-7810	Brennan.Davis @clubpilates.com	05/26/17	3	$125,000	1	12 Route 9 North	Marlboro	NJ	7751	732-984-9696	11/26/17	2
			7060	1511														05/26/18	
			7060	1512														11/26/18	
111	Red Bank	NJ	7149	1513	Laden	Gary	(347) 678-4141	Gary.Laden @clubpilates.com	05/26/17	3	$125,000	1	1377 Route 35	Middletown	NJ	7748	732-639-1046	11/26/17	2
			7149	1514														05/26/18	
			7149	1515														11/26/18	
112	New Jersey	NJ	7241	1516	Spidare	Todd & Karen	(513) 254-8407	Todd.Spidare @clubpilates.com	06/15/17	3	$125,000	2	100 Reaville Ave., Unit #5	Flemington	NJ	8822	908-483-7888	12/15/17	1
			7241	1517									334 Chimney Rock Rd.,					06/15/18	
			7241	1518														12/15/18	
			7241	1389														12/15/18	

113	San Antonio	TX	7246	1519	Stephens	Michelle	(512) 563-8040	Michelle.Stephens @clubpilates.com	06/15/17	3	$125,000	1	1150 N. Loop 1604 W., Suite 140	San Antonio	TX	78248	0	12/15/17	2
			7246	1520														06/15/18	
			7246	1521														12/15/18	
114	Charleston	SC	7086	1525	Garrett	Jim / Patty	(603) 491-7240	Jim.Garrett @clubpilates.com	06/19/17	6	$210,000	3	9512 Dorchester Rd, Suite 150	Sumerville	SC	29485	843-800-8990	06/19/18	3
			7086	1524									1739 Maybank Hwy, Suite L	Charleston	SC	29412	843-800-8986	12/19/17	
			7086	1526										Mt Pleasant	SC	29464	0	12/19/18	
			7086	1527														06/19/19	
			7086	1528														12/19/19	
			7086	1529														06/19/20	
115	Winchester	MA	7062	1533	Day	Tim	(857) 488-0989	Tim.Day @clubpilates.com	06/20/17	2	$99,000	-						12/20/17	2
			7062	1534														06/20/18	

116	Phoenix	AZ	7110	1535	Hansen	Peter	(218) 349-9728	Peter.Hansen @clubpilates.com	06/27/17	3	$125,000	3	3130 N. Recker Road Suite 103	Mesa	AZ	85215	480-562-3501	12/27/17	-
			7110	1536														06/27/18	
			7110	1388									2122 East Baseline Rd, Ste 3	Mesa	AZ	85204	480-795-5916	12/26/18	
117	Seattle	WA	7231	1543	Shah	Vishrut		Vishrut.Shah @clubpilates.com	07/21/17	3	$125,000	2	2601 76th Ave SE	Mercer Island	WA	98040	(206) 227-4343	01/21/18	1
			7231	1544									213 Park Lane					07/21/18	
			7231	1545														01/21/19	
118	Greenville	SC	7194	1546	Patterson / Cole	John / Daniel		John.Patterson @clubpilates.com	07/26/17	3	$125,000	1	2107 Augusta St	Greenville	SC	29605	864-469-2330	01/26/18	2
			7194	1547														07/26/18	
			7194	1548														01/26/19	
119	Virginia Beach	VA	7069	1530	Dunn	Ray	(757) 449-0434	Ray.Dunn @clubpilates.com	07/28/17	3	$125,000	1	237 Hanbury Rd. East, Suite 12					01/28/18	2
			7069	1532														07/28/18	
			7069	1551														01/28/19	

120	North Dallas	TX	7083	1552	Furniss	Mike	(734) 634-5979	Mike.Furniss @clubpilates.com	07/28/17	3	$125,000	1	3301 N Goliad St. Suite 103	Rockwall	TX	75087		12/28/17	2
			7083	1553														07/28/18	
			7083	1554														12/28/18	
121	Bethesda	MD	7092	1555	Goldberg	Sue / Phil		Sue.Goldberg @clubpilates.com	07/28/17	3	$125,000	1	4959 Elm Street,	Bethesada	MD	20814	301-541-8807	01/28/18	2
			7092	1556														12/28/17	
			7092	1557														07/28/18	
122	DFW	TX	7125	1558	Howard	Kendall	(806) 438. 0840	Kendall.Howard @clubpilates.com	07/28/17	6	$210,000	2	821 E Lamar Blvd					12/28/17	4
			7125	1559														05/28/18	
			7125	1560									3220 Teasley					10/28/18	
			7125	1561														03/28/19	
			7125	1562														08/28/19	
			7125	1563														01/28/20	
123	Ridgefield	CT	7077	1566	Fay	Ken & Jennifer	(203) 253-3980	Ken.Fay @clubpilates.com	08/09/17	3	$125,000	1	85 Mill Plain Rd V1	Fairfield	CT	6824	(203) 659-0090	02/09/18	2
			7077	1567														08/09/18	

			7077	1568													02/09/19	
124	DFW & Santa Barbara	TX/ CA	7261	1570	Tortolani	Cynthia	214. 558. 1075	Cynthia.Tortolani @clubpilates.com	08/09/17	3	$125,000	1	3951 State Street	Santa Barbara	CA	93105	805- 618- 1012	02/09/18	2
			7261	1571														08/09/18	
			7261	1569														02/09/19	
125	Manhattan	NY	7290	1572	Yang / Barletta	John / Renee		John.Yang @clubpilates.com	08/09/17	2	$99,000	-						02/09/18	2
			7290	1573														08/09/18	
126	Dayton	OH	7234	1577	Shumway	Jeff & Lisa	(937) 545- 5114	Jeff.Shumway @clubpilates.com	08/15/17	3	$125,000	1	2451 Lakeview Dr., Ste. 104	Beavercreek	OH	45431	(937) 365- 2929	02/15/18	2
			7234	1578														08/15/18	
			7234	1579														02/15/19	
127	Central NJ	NJ	7105	1580	Guirguess	David	(201) 341- 9001	David.Guirguess @clubpilates.com	08/17/17	3	$125,000	-						02/17/18	3
			7105	1581														08/17/18	
			7105	1582														02/17/19	

128	Pittsburgh	PA	7129	1584	Johansen	Trey & Christina	(412) 992-7641	Trey.Johansen @clubpilates.com	08/17/17	3	$125,000	2	8013 McKnight Rd, 200B	Pittsburg	PA	15237	412. 278. 7435	02/17/18	1
			7129	1583														08/17/18	
			7129	1585														02/17/19	
129	Billings	MT	7143	1586	Koeplin	David & Kristin	(406) 579-2237	David.Koeplin @clubpilates.com	08/24/17	5	$175,000	1	7901 NE 6th Ave., Suite 109					06/24/18	4
			7143	1587														11/24/18	
			7143	1588														04/24/19	
			7143	1589														09/24/19	
			7143	1590														01/24/18	
130	Rockville	MD	7252	1592	Swingler	Kevin	(301) 379-3998	Kevin.Swingler @clubpilates.com	08/28/17	3	$125,000	1	18119 Town Center Drive					02/28/18	2
			7251	1591														08/28/18	
			7251	1593														02/28/19	
131	Atlanta	GA	7209	1601	Rebala	Sekhar		Sekhar.Rebala @clubpilates.com	08/31/17	3	$125,000	-						02/28/18	3
			7209	1602														08/31/18	
			7209	1603														02/28/19	

132	Colorado	CO	7044	1607	Cavanaugh	Josh & Elizabeth	303-915-2372	Josh.Cavanaugh @clubpilates. com		4	$210,000	1	5935 Dublin Blvd.	Colorado Springs	CO	80923		02/15/18	3
			7044	1608														07/15/18	
			7044	1609														12/15/18	
			7044	1610														05/15/19	
133	Oklahoma City	OK	7055	1613	Creecy	David & Janelle	(405) 370-7538	David.Creecy @clubpilates.com	09/15/17	3	$125,000	2	7550 N. May Ave., #100	Oklahoma City	OK	73116	405-607-3355	03/15/18	1
			7055	1614									15124 Lleyton Court, Ste. 105	Edmond	OK	73013		09/15/18	
			7055	1615														03/15/19	
134	Carmel/ Central CA	CA	7080	1690	Foster	Michele & Dale	(310) 373-2292	Michele.Foster @clubpilates.com		2	$125,000	-						02/22/19	2
			7080	1691														08/24/18	
135	West Boston	MA	7031	1663	Bruce	Jeff / Michaela	(508) 981-8181	michaela.bruce @clubpilates.com	12/22/2017	6	$210,000	1					0	05/22/18	5
			7031	1664														10/22/18	
			7031	1665														03/22/19	

			7031	1666														08/22/19	
			7031	1667														01/22/20	
			7031	1668														06/22/20	
136	New York	NY	7042	1680	Cavallo	Jason/Darin	(917) 698-2739	jason.cavallo @clubpilates.com	01/25/18	3	$125,000	-						06/25/18	3
			7042	1681														12/25/18	
			7042	1682														06/25/19	
137	Atlanta	GA	7065	1631	Devos	Jack / Teresa	(404) 824-7229	teresa.devos @clubpilates.com	10/23/17	3	$125,000	1	5552- B Chamblee Dunwoody RD	Dunwoody	GA	30338	770-573-0241	04/24/18	2
			7065	1632													770-573-0241	10/24/18	
			7065	1633														10/24/18	
138	Ft Collins	CO	7070	1623	Durand	Jordan	(970) 381-3736	jordan.durand @clubpilates.com	10/2/2017	2	$99,000	2	244 North College Ave Suite 125	Fort Collins	CO	80524	970-300-9707	04/03/18	-
			7070	1624									2720 Council Tree Avenue, Suite 102	Fort Collins	CO	80525	970-999-0150	10/03/18	

139	Brooklyn	NY	7091	1352	Gevinski	Sarah	(646) 425-8244	sarah.gevinski @clubpilates.com	11/30/16	4	$165,000	1	30 E Main St					05/30/18	3
			7091	1650														11/30/18	
			7091	1651														05/30/19	
			7091	1652														11/30/19	
			7091	1653														11/30/19	
140	Columbus	OH	7173	1694	McTigue	Caitlin	(614) 832-5985	caitlin.mctigue @clubpilates.com	02/06/18	3	$125,000	-						08/08/18	3
			7173	1695														02/07/19	
			7173	1696														08/09/19	
141	Cave Creek	AZ	7202	1497	Pickens	Kim	(602) 790-0769	kim.pickens @clubpilates.com	05/23/17	3	$125,000	1	31313 N Scottsdale Rd.	Scottsdale	AZ	85266	480-900-7278	11/23/17	2
			7202	1671														06/28/18	
			7202	1672														12/28/18	
142	Long Island	NJ	7213	1643	Rosenbluth	Allen & Pamela	(516) 432-7704	pamela.rosenbluth @clubpilates.com	11/13/17	3	$125,000	1	3197 Long Beach Rd.					05/13/18	2
			7213	1644														11/13/18	
			7213	1645														05/13/19	

143	Long Beach	CA	7214	1351	Rubin	Michael & Alyssa	(562) 754-4204	Michael.Rubin @clubpilates.com	11/29/16	2	$99,000	1	5939 E. Spring Street,					04/20/18	1
			7214	1630														10/20/18	
144	Avon	OH	7222	1656	Sapitro	Jim & Dianne	(440) 665-7941	jim.sapitro @clubpilates.com	11/15/17	6	$210,000	1						05/15/18	5
			7222	1657									4223 East Royalton Rd					10/15/18	
			7222	1658														03/15/19	
			7222	1659														08/15/20	
			7222	1673														01/15/21	
			7222	1678														06/15/21	
145	Ann Arbor	MI	7272	1178	Vogel	Nick	(989) 992-8422	nick.vogel @clubpilates.com	06/28/16	2	$99,000	1	3372 Washtenaw Ave	Ann Arbor	MI	48104	734. 887. 1938	02/24/19	1
			7272	1697														08/26/19	
			7272	1698														08/26/19	
146	Miami- Ft. Lauderdale	FL	7277	1683	Wance/Caneppa/ Cazzani/ Morais	Felipe/Felipe/ Fabian/guilherme	(954) 544-0609	felipe.wance @clubpilates.com	01/30/18	3	$125,000	-						12/28/18	3
			7277	1684														06/28/19	
			7277	1685														12/28/19	

147			7289	1091	Wynkoop	Dan	(503) 720-9556	dan.wynkoop @clubpilates.com	12/22/15	3	$125,000	2	12305 SW Horizon Blvd Suite J207	Beaverton	OR	97007	(503) 605-1453	06/22/16	1
			7289	1202									21370 SW Langer Pkwy. Ste.14 4	Sherwood	OR	97140	503-352-4543	01/28/17	
			7289	1744														11/30/18	
***148**	DC	DC	7017	1713	Beale	Will	202-868-1545	will.beale @clubpilates.com	03/29/18	3	$125,000	-						09/29/18	3
			7017	1714														02/28/19	
			7017	1715														08/29/19	
149	Fresno	CA	7058	1594	Danzig		248-561-1641	dan.danzig @clubpilates.com	04/05/18	3	$125,000	-						09/05/18	3
			7058	1595														05/05/19	
			7058	1596														11/05/19	
150	Long Island		7061	1724	Davis/ Stalek	Martin/ Rebecca		martin.davis @clubpilates.com	05/11/18	3	$125,000	-						11/11/18	3
			7061	1725														05/11/19	
			7061	1726														11/11/19	

151	Jacksonville	FL	7071	1705	Durbin	Josh & Elizabeth	(843) 408-1675	josh.durbin @clubpilates.com	03/02/18	3	$125,000	-						09/03/18	3
			7071	1706														02/03/19	
			7071	1707														08/03/19	
152	Long Island	NY	7095	1597	Goldstein	David	516-527-4040	david.goldstein @clubpilates.com	04/05/18	3	$125,000	-						10/02/18	3
			7095	1598														04/05/19	
			7095	1599														10/05/19	
153	Houston	TX	7265	1721	Uffelman	Brian	281-630-3484	brian.uffelman @clubpilates.com	05/03/18	3	$125,000	-						11/02/18	3
			7265	1722														11/03/19	
			7265	1723														11/03/20	
154	Lexington		7170	1716	McCarter		(859)-552-8055	rob.mccarter @clubpilates.com	05/31/18	2	$99,000	-						09/30/18	2
			7170	1738														03/30/19	
155	Indianapolis	IN	7259	1711	Thorpe	Ralph/Julie	(317) 696-4600	ralph.thorpe @clubpilates.com	03/02/18	2	$99,000	-						09/02/18	2
			7259	1712														09/29/18	
156	Arkansas	AK	7254	1727	Teater/Neblett	Bryce		bryce.teater @clubpilates.com	05/21/18	6	$210,000	-						10/21/18	6
			7254	1728														03/21/19	
			72	17														08/2	
			54	29														1/19	

		7254	1730														01/21/20		
		7254	1731														06/21/20		
		7254	1732														09/21/20		
157	Denver	CO	7268	1741	Van Horn	Erik	605-645-1465	erik.vanhorn@clubpilates.com	05/31/18	3	$125,000	-						11/30/18	3
			7268	1742														05/31/19	
			7268	1743														11/30/19	

(d)

1. Pursuant to the terms of that certain Asset Purchase Agreement (the "AKT Purchase Agreement") between AKT Franchise, LLC (the "Licensor"), AKT inMotion Inc., (the "Licensee") and certain other parties thereto, Licensor licenses its intellectual property to the Licensee (which was purchased by the Licensor from the Licensee pursuant to the Purchase Agreement) for Licensee to use in its operation of "AKT" studios. Such arrangement will remain in place until the Licensor and the Licensee enter separate written Franchise Agreements (collectively this disclosure is referred to herein as the "License Arrangement").

2. Pursuant to the terms of that certain Asset Purchase Agreement (the "Row House Purchase Agreement") dated December 8, 2017 between Row House Franchise, LLC (the "Row House Licensor"), Row House Holdings, Inc., (the "Row House Licensee") and certain other parties thereto, the Row House Licensor licenses its intellectual property to the Row House Licensee (which was purchased by the Row House Licensor from Row House Licensee pursuant to the Row House Purchase Agreement) for Row House Licensee to use in its operation of "Row House" studios. Such arrangement will remain in place until the Row House Licensor and Row House Licensee enter separate written Franchise Agreements (collectively this disclosure is referred to herein as the "Row House License Arrangement").

3. Pursuant to the terms of that certain Asset Purchase Agreement (the "Stretch Lab Purchase Agreement") dated November 15, 2017 between Stretch Lab Franchise, LLC (the "Stretch Lab Licensor"), Stretch Lab, LLC (the "Stretch Lab Licensee") and certain other parties thereto, the Stretch Lab Licensor licenses its intellectual property to the Stretch Lab Licensee (which was purchased by the Stretch Lab Licensor from Stretch Lab Licensee pursuant to the Stretch Lab Purchase Agreement) for Stretch Lab Licensee to use in its operation of "Stretch Lab" studios. Such arrangement will remain in place until the Stretch Lab Licensor and Stretch Lab Licensee enter separate written Franchise Agreements (collectively this disclosure is referred to herein as the "Stretch Lab License Arrangement").

4. Pursuant to the terms of that certain Asset Purchase Agreement (the "Yoga Six Purchase Agreement") dated July 26, 2018 between Yoga Six Franchise, LLC (the "Yoga Six Licensor"), and Yoga 6 Company, LLC (the "Yoga Six Licensee") Yoga Six Licensor licenses its intellectual property to the Yoga Six Licensee (which was purchased by the Yoga Six Licensor from the Yoga Six Licensee pursuant to the Purchase Agreement) for Yoga Six Licensee to use in its operation of "Yoga Six" studios. Such arrangement will remain in place until the Yoga Six Licensor and the Yoga Six Licensee enter separate written Franchise Agreements (collectively this disclosure is referred to herein as the "Yoga Six License Arrangement").

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5. PB Franchising, LLC Franchise Disclosure Document, Issuance Date: October 2012
6. PB Franchising, LLC Franchise Disclosure Document, Issuance Date: March 27, 2013
7. PB Franchising, LLC Franchise Disclosure Document, Issuance Date: March 26, 2014
8. PB Franchising, LLC Franchise Disclosure Document, Issuance Date: March 18, 2015

9. PB Franchising, LLC Franchise Disclosure Document, Issuance Date: March 18, 2015, as amended May 7, 2015
10. Disclosure Document of PB Franchising, LLC [Canada], Issuance Date: May 9, 2014
11. Statement of Material Change to the Disclosure Document of PB Franchising, LLC [Canada] dated May 9, 2014, Issuance Date: September 4, 2014.

(e)

As of the Closing Date, no Franchise Agreements have been signed for FCF.

As of the Closing Date, LBF Franchise Agreements and S415 Franchise Agreements have been granted to the following franchisees:

LBF

Robert Palazzi and Diane Palazzi
Business Entity: Diane Palazzi One, LLC
Agreement: LBF Franchise Agreement_LBF_Diane Palazzi One, LLC_Eff. 06/26/17
Territory: Northern New Jersey
Address: 59 May Dr., Chatham, NJ 07928
Phone: (973) 408-9019

Carl Kirkham Peacock and Pamela J. Tanase
Business Entity: N/A
Agreement: LBF Franchise Agreement_LBF_C.Peacock&P.Tanase_Eff. 4/20/17
Territory: Los Angeles, CA
Address: 220 Salido del Sol, Santa Barbara, CA 93109
Phone: (805) 455-5983

Daniel S. van Zeyl
Business Entity: N/A
Agreement: LBF Franchise Agreement_LBF_D.vanZeyl_Eff. 12/28/16
Territory: Miami, FL
Address: 950 Brickell Bay Dr., Unit 510 Miami, FL 33131
Phone: (305) 753-7434

Lezlie A. Snoozy-Kaitfors and Michael B. Kaitfors
Business Entity: N/A
Agreement: LBF Franchise Agreement_LBF_L.Snoozy-Kaitfors&M.Kaitfors_Eff. 1/20/17
Territory: Phoenix, AZ
Address: 2407 N. 3rd St., Spearfish, SD 57783
Phone: (605) 641-0433

Venkat Sunil Mentreddi
Business Entity: N/A
Agreement: LBF Franchise Agreement_LBF_V.Mentreddi_Eff. 7/28/17

Territory: Dallas-Fort Worth, TX
Address: 4140 Newton Ave., Unit 5 Dallas, TX 75219
Phone: (251) 458-9698

S415

Jane K. Fletcher
Business Entity: N/A
Agreement: S415 Franchise Agreement_S415_J.Fletcher_Eff. 09/08/17
Territory: Denver, CO
Address: 1169 South York Street, Denver, CO 80210
Phone: (303) 284-6739

Megan E. Lawler and Timothy G. Lawler
Business Entity: N/A
Agreement: S415 Franchise Agreement_S415_M.Lawler & T.Lawler_Eff. 09/11/17
Territory: Denver, CO
Address: 3341 Vrain Street, Denver, CO 80212
Phone: (708) 334-7108

Margaux P. Chandler and William R. Chandler
Business Entity: N/A
Agreement: S415 Franchise Agreement_S415_M.Chandler & W.Chandler_Eff. 09/12/2017
Territory: Milwaukee, WI
Address: 1622 N. Richmond Street, Chicago, IL 60647
Phone: None provided

Craig A. Brummell and Marta R. Brummell
Business Entity: N/A
Agreement: S415 Franchise Agreement_S415_C.Brummell & M.Brummell_Eff. 09/12/2017
Territory: Denver, CO
Address: 2709 Twixwood Lane, South Bend, IN 46617
Phone: (574) 286-9026

Corey Goldberg, Sara Goldberg, and Domenic V. Poeta
Business Entity: N/A
Agreement: S415 Franchise Agreement_S415_C.Goldberg, S.Goldberg, & D.Poeta_Eff. 09-12-2017
Territory: Milwaukee, WI
Address: 1350 Bayberry Lane, Deerfield, IL 60015
Phone: (847) 912-1289

David Jones and Kathleen Jones
Business Entity: N/A
Agreement: S415 Franchise Agreement_S415_D.Jones & K.Jones_Eff. 9/25/17
Territory: Louisville, KY

Address: 516 Saddle Ridge Dr. Knoxville, TN 37934
Phone: (865) 567-1163

Bradley Howard & Joy Howard
Business Entity: N/A
Agreements (2): S415 Franchise Agreement_S415_B.Howard & J.Howard_Eff. 09/25/2017
S415 Franchise Agreement_S415_B.Howard & J.Howard_Eff. 09/25/2017* *(Opening Deadline for this Franchise Agreement modified to 03/19/2019)
Territory: Greenville, SC
Address: 223 Lakefront Rd., Townville, SC 29689
Phone: (864) 420-3493

Katie Blickhan, Scott Blickhan, Chad Hemminger, Sara Wortman
Business Entity: N/A
Agreement: S415 Franchise Agreement_S415_K.Blickhan S.Blickhan C.Hemminger S.Wortman_Eff.09/28/2017)
Territory: Columbus, OH
Address: 7749 Mellacent Dr., Columbus, OH 43235
Phone: (614) 769-1728

Jim Murrin
Business Entity: N/A
Agreement: S415 Franchise Agreement_S415_J.Murrin_Eff.09/29/2017
Territory: Orlando, FL
Address: 541 N Brainard Ave., La Grange, IL 60526
Phone: (773) 551-6597

Hall Pass Fit, LLC – Jeff Hall
Business Entity: Hall Pass Fit, LLC
Agreement: S415 Franchise Agreement_S415_Hall Pass Fit, LLC_Eff. 10/28/2017
Territory: Memphis, TN
Address: 717 Riverside Drive, Unit 1509, Memphis, TN 38103
Phone: (901) 335-1292

Shaunda Chin-Bonds
Business Entity: N/A/
Agreement: S415 Franchise Agreement_S415_S.Chin-Bons_Eff.10/31/2017
Territory: Detroit, MI
Address: 22628 Lilly Pad Lane, Frankfort, IL 60423
Phone: (312) 285-7761

Giovanni De Choudens & Lilliam Cordero
Business Entity: N/A
Agreement: S415 Franchise Agreement_S415_G.DeChoudens & L.Cordero_Eff. 12/27/2017

Territory: San Francisco, CA
Address: 762 Liquidamber Pl. Danville, CA 94506
Phone: (479) 366-2261

Adria Swindle, Jeff Swindle, Christopher Cocke & Marty Olsen
Business Entity: N/A
Agreement: S415 Franchise Agreement_S415_A.Swinlde J.Swindle C.Cocke. M.Olsen_Eff.02/05/2018
Territory: Salt Lake City, UT
Address: 1389 Harvard Ave., Salt Lake City, UT 84105
Phone: (801) 897-3777

Jennifer Coopman, Katie Horner, Scott Thompson
Business Entity: N/A
Agreement: S415 Franchise Agreement_S415_J. Coopman K.Horner S.Thompson_Eff. 02/05/2018
Territory: Madison, WI
Address: 531 Jo Ann Ct., Sun Prairie, WI 53590
Phone: (262) 749-0426

Salil Bhatnagar
Business Entity: N/A
Agreement: S415 Franchise Agreement_S415_S.Bhatnagar_Eff.02/22/2018
Territory: Northern VA
Address: 22354 N. Greenmeadow Drive, Kildeer, IL 60047
Phone: (312) 420-0105

CycleBar:

1. All Franchise Agreements have 7% royalty rate and minimum royalty of $250 per week (provided, that the royalty rate with respect to Spynergy, LLC will increase from 0% to 4% if sold within 90 days, or 7% if not sold in 90 days from the Closing.
2. CB Kenwood increase in royalty rate from 0% to 7%, with90-day grace period from the Closing.
3. All franchise agreements have up to 2% marketing fund
4. All franchise agreements have 10-year renewal

Agreement Date	Franchisee Name	Market Purchased	#Units	Franchisee Entity Name	Address	City	State	ZIP	Telephone
26-Feb-15	Douglas A. Dolenc & Mindy R.	Indianapolis, IN	1	M.D. Dolenc Enterprise Inc.	2661 Old Vines Dr	Westfield	IN	46074	248-709-0204

	Dolenc								
5-Mar-15	Shirelle & Joel Vilmenay	New Orleans, LA	3	Crescent City Cycle, LLC	671 Arabell a Street	New Orleans	LA	70115	(703) 477-9501
5-Mar-15	Patrick & Anna Walsh	Denver, CO	1	RYR Colorado, LLC	2271 South Joyce Street	Lakewood	CO	80228	303-717-7708
5-Mar-15	Dan Murphy	Dallas-Fort Worth, TX	4	JCN Corporation	3305 Cotton wood Drive	Flower Mound	TX	75028	(617) 413-9080
13-Mar-15	David Schay and Haley Arthur	Memphis, TN	1	N/A	2394 Cedar Dale Drive	Germantown	TN	38139	901-491-3838
27-Mar-15	Dave Bridges	Detroit, MI	1	N/A	37722 Southampton	Livonia	MI	48154	248-229-1731
30-Mar-15	Susan Grant	Chicago, IL	1	Fit Lilly LLC	725 S. Kensington Ave	LaGrange	IL	60525	(317) 354-6990
25-Mar-15	Marc & Lisa Palmer	Charlotte, NC	3	Charlotte Cycle, Inc.	1401 Funny Cide Drive	Waxhaw	NC	28173	(314) 403-6068
31-Mar-15	Kevin & Sharon Thompson	Nashville, TN	1	Sharon Elizabeth, LLC	265 Stanley Park Lane	Franklin	TN	37069	(615) 268-3540
2-Apr-15	Claire & Sheila Hayes	Newport, RI	1	N/A	11 Daniel Street	Newport	RI	02840	(401) 662-2232
3-Apr-15	Peter DeLuca	Boston, MA	1	N/A	82 Prospect Hill Drive	Weymouth	MA	02191	617-842-6178
6-Apr-15	Craig & Marilyn	Minneapolis, MN	1	Holm Family	2166 Highlan	Hastings	MN	55033	651-492-

	Holm			Holdings, LLC	d Dr.				8662
6-Apr-15	Joe Rothchild	Houston, TX	3	MacPherson Rothchild I, LLC	3010 Ginter Lane	Katy	TX	77494	713-857-0567
9-Apr-15	Eric & Debbie Huffine	Indianapolis, IN	1	Deep Enterprises, LLC	7203 Lakeside Woods Drive	Indiana polis	IN	46278	317-697-2692
9-Apr-15	Shelby Faubion & James Moller	Dallas-Fort Worth, TX	1	Finition, Inc	2341 Maidens Castle Drive	Lewisville	TX	75056	214-417-6356
10-Apr-15	Yvonne Denslow & Ken & Heather Gotaas	Denver, CO	1	Affinity Cycle, Inc	4726 Bluegate Drive	Highlands Ranch	CO	80130	(303) 709-3376
16-Apr-15	Bryan Lively and Annie & Nick Monigold	Detroit, MI	3	N/A	1527 Traceky Drive	Rochester Hills MI	MI	48306	248-705-3956
7-Apr-15	Gary Dellovade	Pittsburgh, PA	1	N/A	916 Valleyview Rd	Pittsburgh	PA	15243	412-260-3237
20-Apr-15	Eric Skoloff & Keith Boettiger	Greenville, SC	1	Cycle Syndicate, LLC	14 Ridgeland Dr.	Greenville	SC	29601	864-979-1200
27-Apr-15	Joseph Purton	Cleveland, OH	1	Lucky Star Holdings, Inc.	2643 Kerwick Rd.	University Heights	OH	44118	(216) 308-4411
23-Apr-15	A. David Davis (Jake Davis,	Los Angeles/Phoenix	8	MdG Partners LLC	8125 Brill Road	Cincinnati OH	OH	45243	(513) 702-1717

	Jon Krumdieck)								
29-Apr-15	Bill McComb & Peter Wolf	Tampa, Orlando	12	CICLO Management, LLC	1124 North Lakeshore Dr	Sarasota	FL	34231	(941)504-4462
6-May-15	Joe & Mary Laurie Cece	Raleigh, NC	3	N/A	3417 Birk Bluff Court	Cary	NC	27518	919-345-7388
7-May-15	Rod Reyes	Phoenix, AZ	2	CB Chandler, LLC	3551 Cactus Gulch Way	Las Cruces	NM	88011	(575)636-4522
12-May-15	Julie Pfaff & Michelle Denny (Morris)	San Jose, CA	1	JM Power Group Inc.	1551 Brenner Way	San Jose	CA	95118	(408)266-7479
22-Dec-15	Marc Krasner	Denver, CO	1	Spin City Colorado, LLC	7998 E 25th Ave.	Denver	CO	80238	(720)635-6537
26-May-15	Heather Sommers	Carmel, CA	1	Heather Sommers, LLC	18871 Hidden Lakes Lane	Acampo	CA	95220	209-598-2800
15-May-15	Mark Schneider	Minneapolis, MN	1	N/A	3430 Oakton Drive	Minnetonka	MN	55305	612 716-2364
26-May-15	Gregorio & Maria Serrata	Las Vegas, NV	1	Serrata, LLC	12116 Vista Linda Ave	Las Vegas	NV	89138	801-913-9610
28-May-15	David Eichelberger	Columbus, OH	1	DCL Fitness, Inc.	5952 Lower Bremo Lane	New Albany	OH	43054	614.571.9658
2-Jun-15	Jeff DeLorme	**A**tlanta, GA	1	N/A	2897 Stone Brook Park NE	Atlanta	GA	30319	617-281-9877

5-Jun-15	Gary & Laura Stinnett & Rick and Linda Algea	San Antonio, TX	1	Rick's & Stick's Cycle Corp.	77 Champions Run	San Antonio	TX	78258	210-669-2139
9-Jun-15	Cindi King, Julie Kertzman, Stacey Agoustari	San Francisco, CA	1	JSC Ventures, Inc	100 Sycamore Avenue	Mill Valley	CA	94941	415-613-3013
26-May-15	Amy Snow	Columbus, OH	1	Amy Snow Enterprise, Inc.	5760 Whitecraigs Ct.	Dublin	OH	43017	614 354 3293
10-Jun-15	Ken Stuttaford	Orange County, CA	1	Seaside Clean Living, Inc.	310 Lake Street Unit 112	Huntington Beach	CA	92648	(949)981-4651
15-Jun-15	K. Greg Jackson and Gladys Jackson	Atlanta, GA	1	Simjah Inc	5495 Copper Creek Pass	Cumming	GA	30040	(571)287-0086
16-Jun-15	Suzanne and Bryn Wells, Jean and Mark Wells	Miami, FL	1	Ohana Fitness, Inc.	19366 sw 14 st	Pembroke Pines	FL	33029	(954)551-9032
17-Jun-15	Michelle & Brad Elder	Lubbock, TX	1	MicheHill, LLC	9001 Juneau Avenue	Lubbock	TX	79424	(707)631-6110
18-Jun-15	Christie Meyers	Raleigh, NC	2	CB Raleigh, LLC	112 Beacon Falls Ct	Cary	NC	27519	(919)816-7474
9-May-16									

18-Jun-15	Dan Lorenz, John Ghabra and Sean O'Conn or	Washington DC	1	7 Knots LLC	715 6th st. NW	Washington	DC	20001	(703)963-6320
22-Jun-15	McLean Coble & David Noffsinger	Houston, TX	2	Ionic Capital Partners, LLC	3315 Wrangler Sky Ct	Katy	TX	77494	(281)750-1780
22-Jun-15	Chris & Casey Bushey	Virginia Beach, VA	1	N/A	2237 Childeric Road	Virginia Beach	VA	23456	757-241-1260
29-Jun-15	Jackie & Michael Benson	Chicago, IL	1	N/A	731 Fair Oaks Ave	Oak Park	IL	60302	(312)343-1570
30-Jun-15	Paul and Patrice Hulseman	Chicago, IL	1	13HKC Inc	120 Evergreen Lane	Winnetka	IL	60093	(847)867-9322
30-Jun-15	John & Marina Ryan	Northern VA	1	Ryan Ventures, Inc.	16503 Boatswain Circle	Woodbridge	VA	22191	(703)477-7653
2-Jul-15	Zach Pettus & Jean Nitchals	Minneapolis, MN	1	Alpha Team Holdings, LLC	2836 Colfax Ave, #343	Minneapolis	MN	55401	612-735-8775
13-Jul-17	Zach Pettus, Jean Nitchals, Paul Jevnick & Jennifer Rondest vedt	Minneapolis, MN	1	NORTH FITNESS HOLDINGS LLC	2836 Colfax Ave, #343	Minneapolis	MN	55401	612-735-8775

15-Jul-15	Brad Spivey and Trish Harrison	Nashville, TN	3	N/A	3725 Woodmont Blvd	Nashville	TN	37215	423-748-0131
17-Jul-15	Ken & Eileen Plotkin	Long Island, NY	1	Elite Enterprises of NY, Incorporated	76 Wildwood Drive	Dix Hills	NY	11746	631-586-8303
15-Jul-15	Jeff Wayne	Detroit, MI	3	CB Michigan, LLC	4446 Middles boro	Clarkston	MI	48348	248-408-5600
23-Jul-15	Robert “Bob” Wexler	Philadelphia, PA	1	N/A	1723 Sylvan Lane	Gladwyne	PA	19035	(610) 710-5243
27-Jul-15	Rob Janda	Phoenix, AZ	2	N/A	9450 W Cabela Dr, Apt 2328	Glendale	AZ	85305	(630) 207-0409
27-Jul-15	Teresa & Michael Campbe ll, Carly & John Weyand	Dallas-Fort Worth, TX	1	Ever Heard of It? LLC	2920 River Forest Dr	Fort Worth	TX	76116	(281) 414-2381
22-Jul-15	Cyril Hertz	Chicago, IL	1	Sloboda, Inc.	107 Bailey Circle	Kennett Square	PA	19348	484-354-6132
31-Jul-15	Joe Bonidy	Pittsburgh, PA	1	N/A	131 Crofton Drive	Pittsburgh	PA	15238	(412) 612-0883
6-Aug-15	Tosten Schermer & Bob and Catherine Lee	Charleston, SC & Charlotte, NC	4	ScherLee UBike, LLC	7205 Piper Point Lane	Charlotte	NC	28277	704-907-1000
11-Aug-15	Jeff Cohen	Philadelphia, PA	1	JBJ Exton Investments, LLC	71 Fairfield Lane	Chester Springs	PA	19425	610-256-4270

18-Aug-15	Pedro Trujillo & Jodi Johnson	Northern NJ	1	PTSS9010, Inc.	112 Spruce lane	North Haledon	NJ	07508	201-414-1193
20-Aug-15	Christine Wallin & Andrew Aiello	San Diego, CA	1	AGCM Enterprises	1669 Tabletop Way	Encinitas CA	CA	92024	(949)293-5396
27-Aug-15	Kristin & Kelly Allen	Oklahoma City, OK	1	K & K Cycling, LLC	2016 Worthington Lane	Edmond	OK	73013	405-824-7832
28-Aug-15	Katie & Rob Knowles	Hilton Head, SC	1	LBSC, LLC	15 Jarvis Creek Court	Hilton Head	SC	29926	(917)406-3634
28-Aug-15	Justin Beck, Jack Weston, Scott Weiss	Cincinnati, OH	2	J2 Fitness, LLC	Jack: 1335 Pendleton St	Cincinnati	OH	45202	513-290-0056
1-Sep-15	Donna Suro & Libbie Crane	Richmond, VA	1	LiquiD RVA, LLC	1 Ridge Road South	Richmond	VA	23229	(804)387-0035
10-Sep-15	Don Dasher & Lisa Hazen	San Jose, CA	3	N/A	21151 Deepwell Ct	Saratoga	CA	95070	(408)741-8233
11-Sep-15	Rafael Ponce	Seattle, WA	1	MV Fitness, LLC	3818 Corliss Ave N	Seattle	WA	98103	206.972.9628
11-Sep-15	Joelle Bouhadana,	Miami, FL	1	CYCLE26, LLC	1281 South 13 Avenue	Hollywood	FL	33019	(954)600-9896

27-Nov-15	Joseph Bouhadana, Motty Klainbaum, Danny Schactel, Mike Shalom	Miami, FL	9	SFL Cycle, LLC	1150 Hatteras Lane	Hollywood	FL	330 19	(786)395-8852
14-Sep-15	Curt Buttiker	Houston, TX	1	313 Fitness, LLC	35 S.Sage Sparrow Circle	The Woodlands	TX	773 89	(330)421-1016
15-Sep-15	Steve Braverman	Northern NJ	2	BraveRide I, LLC & BraveRide II, LLC	50 Jean Drive	Englewood Cliffs	NJ	076 32	(201)696-7441
22-Sep-15	Charlotte Jones- Burton & Delvin Burton	Northern NJ	1	Burton Inspires LLC	50 Valley Wood Drive	Somerset	NJ	088 73	[NONE]
22-Sep-15	Lauren & Scott Schroeder	Milwaukee, WI	1	Schroeder Enterprises LLC	7850 N.Club Circle	Milwaukee	WI	532 17	(414)690-1789
24-Sep-15	Chris McIntyre	Kansas City, KS	1	cMc Enterprise	3901 N. Mulberry Drive, Apt. 1112	Kansas City	MO	641 16	(816)808-1633
25-Sep-15	Marcus Capone, Mike Murphy & Steve Nichols	Dallas-Fort Worth, TX	2	Eminence3 Holdings, LLC	1405 Bentley Court	Southlake	TX	760 92	757-816-6104
29-Sep-15	Kim Hoss & Frances Clark	Jupiter, FL	2	N/A	270 Caravelle Drive	Jupiter	FL	334 59	561-629-2267

30-Sep-15	John & Renee Duncan	Long Island, NY	1	JRD Jumping Corp.	23 Vassar Place	Rockville Centre	NY	11570	(516)524-0052
1-Oct-15	Jonathan Bernard & Dan Kruse	Pittsburgh, PA	1	TES Solutions LLC	199 Paradise Road	Industry	PA	15052	
6-Oct-15	Leslie Anderson	Hattiesburg, MS	1	Anderson Holdings, Inc.	11109 Channelside Drive	Gulfport	MS	39503	(228)341-4524
9-Oct-15	Patty Harte	Salt Lake City, UT	3	N/A	850 Donner Way Apt 503	Salt Lake City	UT	84108	801-949-0026
12-Oct-15	Robert “Bob” Franzetta	San Diego, CA	1	JMT Fitness Hillcrest, Inc.	1922 Mission Cliff Drive	San Diego	CA	92116	858-952-8816
19-Oct-15	Lee Oesterling & Kirsten Rickers	Atlanta, GA	3	Atlanta Cycle Studios, LLC	3236 Waldwick Way	Marietta	GA	30067	(770)850-1049
20-Oct-15	Irving & Melissa Chung	Dallas-Fort Worth, TX	1	Fit Endeavors I, LLC	5822 Knights bridge Drive	Dallas	TX	75252	214-908-9791
21-Oct-15	Lee Singer & Ronnie Singer	Orange County, CA	1	N/A	929 B Fatherland Street	Nashville	TN	37206	949-872-8884
27-Oct-15	JP Green & Michael Olander	Seattle/Portland/Boise	10	JM Cycle, LLC	4140 N. Mountain View Dr.	Boise	ID	83704	208-340-2221
27-Nov-15	Barbara & Jonathan Fleming	Ft. Lauderdale, FL	3	Corones, Inc.,	91 Isle of Venice Dr.	Fort Lauder dale	FL	33301	(703)229-3783

24-Nov-15	Dione & Tom Bailey	San Francisco, CA	2	N/A	2454 Oregon Ave.	Redwood City	CA	94061	408-821-3098
8-Dec-15	Travis & Debbie Jacobson	Indianapolis, IN	1	TDW Properties, LLC	3201 Wildlife Trail	Zionsville	IN	46077	317-973-5314
8-Dec-15	Lee & Christine Williams	Long Island, NY	3	N/A	14 River Lane	Westport CT	CT	06880	(917)208-1121
21-Dec-15	Chuck Jones & Glenn Flessas	Nashua, NH	1	N/A	20 Abbey Road	Merrimack	NH	03054	603-682-4482
21-Dec-15	Heather Branstetter & Chuck Schneider	San Francisco, CA	2	NextLevel Cycling LLC	86 Chula Vista Drive	San Rafael	CA	94901	510-735-6003
31-Dec-16	Bob & Betty Korabik	Chicago, IL	1	N/A	341 Kent Rd	Riverside	IL	60546	773-907-5337
28-Dec-15	Liz Hatch & Tom Epstein	Denver, CO	1	Avant-garde Fitness	801 S Cherry St #200	Glendale	CO	80246	(720)556-1051
5-Jan-16	Shelley & Brandon Baca	Boulder, CO	2	B3 Evolution, LLC & B4 Evolution, LLC	2746 Spruce Meadows Drive	Broomfield	CO	80023	(720)312-3459
7-Jan-16	Rachael & Peter Orlando	Fresno, CA	2	Dev-Pro, LLC	9580 N Sunnyside Ave	Clovis	CA	93619	(559)243-6693
26-Jan-16	Rachael & Peter Orlando	Fresno, CA	2	Dev-Pro, LLC	9580 N Sunnyside Ave	Clovis	CA	93619	(559)243-6693
8-Jan-16	J. Scot McBride & Chris	Miami, FL	4	N/A	13253 SW 25th Place	Davie	FL	33325	305-794-7045

	Sommer								
14-Jan-16	Lindsay Sanders & Robin Ferguson	Lafayette, LA	1	N/A	149B Grand Ave	Lafayette	LA	70503	(337) 322-2235
18-Jan-16	Katie Kannapell & FredRyser	Louisville, KY	3	PACKWOLF, LLC	3112 Arden Rd.	Louisville	KY	40222	(917) 597-4334
29-Jan-16	Shelley & Joseph Jonietz	Austin, TX	1	Fast Gear, LLC	7508 Valburn Drive	Austin	TX	78731	512-922-9325
29-Feb-16	Chris Andras & Mike Silas	Dallas-Fort Worth, TX	1	N/A	5964 Kensington Dr	Plano	TX	75093	817-729-4048
29-Feb-16	Danielle & Doug King	Columbus, OH	1	DD Cycle, Inc.	5225 Augusta Drive	Westerville	OH	43082	614-570-3445
9-Mar-16	Hayley Killam	Aspen, CO	2	N/A	304 Ridge Rd	Laredo	TX	78041	512-771-4214
28-Mar-16	Dave Jones	Fargo, ND	1	Fit Investments, LLC	4602 Woodhaven Drive S	Fargo	ND	58104	701-371-6606
31-Mar-16	Paul & Anita Schnapp	St. Louis, MO	3	**S**chnapp Enterprises, Inc.	661 Carman Meadows Drive	Ballwin	MO	63021	314-324-3040
8-Apr-16	Roger, Grant, & Lucas Hendren	Dallas-Fort Worth, TX	1	RockStrong Texas LLC	6505 Camelback Drive	McKinney TX	TX	75071	972-816-6375
8-Apr-16	Mike Harris	Houston, TX	3	N/A	5114 Rolling	Richmond	TX	77407	713-377-

					stone Road				0453
12- Apr-16	Alan Telford	Sacramento, CA	1	N/A	1431 Q Street, Apt 310	Sacramento	CA	95811	916-276-4035
6-Apr-16	John Janszen & Michael Olander	NKY, Lexington, Knoxville	4	JCM Kentucky Cycle, LLC	3850 Foxtail Lane	Cincinnati	OH	45248	513-616-3369
13-Apr-16	Kathleen Boss and Stephen Pineault	Jacksonville, FL	3	N/A	916 Spinnakers Reach Drive	Ponte Vedra Beach	FL	32082	772-539-1294
18-Apr-16	David Busker & David Batschelett	St. Louis, MO	3	DB2 Fitness One, LLC	13 Heather Hill Lane	Saint Louis	MO	63132	(314)221-6595
29-Nov-16	David Busker & David Batschelett	St. Louis, MO	1	DB2 Fitness Two, LLC	13 Heather Hill Lane	Saint Louis	MO	63132	(314)221-6595
18-Apr-16	Nate Fennell & Chris Shill	Portland, OR	1	N/A	1303 NW 5th Ave	Camas	WA	98607	360-823-7223
9-May-16	Steve & Jane Zubrzycki	Dayton, OH	1	N/A	7823 Old Woods Court	Springboro	OH	45066	937-557-8225
10-May-16	Greg & Nuch Venbrux	Pittsburgh, PA	1	Kraken Cycleworks LLC	6653 Wilkins Avenue	Pittsburgh	PA	15217	412-606-3116
10-May-16	Chris Yates	Cleveland, OH	1	Elevate Partners, LLC	6452 Dorset Ln	Solon	OH	44139	440-318-1458
11-May-16	Ashley Robbins	Midland, TX	1	Cycle City, LLC	809 Keystone Ct	Midland	TX	79705	806-470-5804

12-May-16	Lisa O'Rourke	Providence, RI	1	Off Islander Inc.	48 Cara Court	North Kingstown	RI	02852	401-885-3398
13-May-16	Jen & Joe DeMarco, Nick & Carol Sheehan	Hoboken, NJ	1	Cycle Hoboken West LLC	302 First Street, Suite 301	Hoboken	NJ	07030	917-495-5126
13-May-16	Courtney & Eric Stachowski	Charlotte, NC	1	TeamStac Fitness, LLC	18944 Peninsula Point Dr.	Cornelius	NC	28031	704-287-3405
24-May-16	Thomas Dixon Douglas	Winston-Salem, NC	1	Motion2 Consulting LLC	1221 Yale Place	Charlotte	NC	28209	704-619-1487
7-Jun-16	Jennifer "Becky" McGinnis & Jason Stubbs	Northern NJ	1	Echappe LLC	88 Morgan Street, Apt 4104	Jersey City	NJ	07302	208-760-0134
13-Jun-16	Bhumika & Ankitaben Patel and Shaifali Gondaliya	Chicago, IL	1	Spinenergy, LLC	23713 N Sanctuary Club Drive	Kildeer	IL	60047	847-220-3234
30-Jun-16	Leonard & Gail Barela & Jeremy Thornton	Los Angeles, CA	1	Makarios	176 E. Clarion Drive	Carson	CA	90745	310-989-8942
1-Jul-16	Joanna and Erik Lundberg	Tusla, OK	1	N/A	1602 S. Columbia Pl.	Tulsa	OK	74104	918-955-7339

11-Jul-16	Stephanie McCaulley & Jaime Lanigan	Philadelphia, PA	1	N/A	182 Twining Road	Richboro	PA	18954	215-498-6984
29-Jul-16	Claire Powell	San Francisco, CA	1	N/A	11409 Bloomington Way	Dublin	CA	94568	925-325-9312
2-Aug-16	Jayesh Patel & Jeetendra Patel	Waco	1	The Sharda Group, LLC	17021 Star Canyon Drive	Woodway	TX	76712	817-919-2564
17-Aug-16	Andrea & Marlon Byrd	Los Angeles, CA	1	MAGM Fitness, Inc	3801 Prado del Trigo	Calabasas	CA	91302	818-922-4050
16-Aug-16	Doug Lennox, Derek Tennant, Ram Ramkumar	Toronto, Canada	1	InCycle Investments Inc	315 Perrin Ave Newmarket	Ontario	ON	L3 Y 8B2	905-967-2793
22-Aug-16	Jeet Khanchandani	UAE	5	JSK FITNESS L.L.C.	Saleh Mohammad Al Khamis Building No. 3 – Dubai Municipality No.312741 Ali Bin Abi Talib Street,	Bur Dubai, Dubai – United Arab Emeriates		P.O. Box: 51568	[NONE]
31-Aug-16	Ryan “Buddy” Hardiman & Dennis	Tampa, FL	4	Granny Gear Management LLC	302 Knights Run Ave, Suite 100	Tampa	FL	33602	813-892-5954

	Hardiman								
9-Sep-16	John & Kiersten DiChiaro	Boston, MA	1	N/A	24 Fletcher Way	Norton	MA	02766	401-829-6481
17-Sep-16	David Bland	Los Angeles, CA	1	Positive Spin, LLC	130 W Dayton St, Unit 1012	Pasadena	CA	91105	(949) 910-8928
26-Sep-16	Stephanie Sklar-Mulcahy	Los Angeles, CA	1	N/A	7141 Knowlton Pl	Los Angeles	CA	90045	323-573-3227
21-Sep-16	Praful Shrivastava	San Diego, CA	1	KaiNir LLC	17212 Eagle Canyon Pl	San Diego	CA	92127	760-525-1321
6-Oct-16	Rick Giese and Leann Sumner	Riverside County, CA	1	N/A	25363 Lisa Marie Cicle	Temecula	CA	92590	951-216-8346
7-Oct-16	David Pelsue	Madison & Milwaukee, WI	3	DWP Enterprises, LLC	1502 N. Sedgwich St, Unit 6S	Chicago	IL	60610	608-359-1720
12-Oct-16	Greg & Sidney Hatfield	Houston, TX	1	Hatfield Spinco, LLC	5013 Gibson St	Houston	TX	77007	281-881-3945
31-Oct-16	Keith & Kelly Weier	San Diego, CA	1	K&K Fit 4 Life, Inc.	1720 Weatherwood Court	San Marcos	CA	92078	760-840-1726
3-Nov-16	Mark VanKirk	Northern VA	3	N/A	1411 Mayflower Drive	McLean	VA	22101	(703) 283-9700
21-Nov-16	John Wood	Cleveland, OH	1	Challenger 728 LLC	9141 Ruby Ridge St NW	Canal Fulton	OH	44614	330-936-8069

29-Nov-16	Macelon D'Sa, Neelpa D'Sa, and Melanie Dimemmo	Northern NJ	1	MNM Ventures LLC	1125 Maxwell Lane, Apt 730	Hoboken	NJ	07030	917-847-9942
30-Nov-16	Nadine & Andrew Smith	Annapolis, MD	1	N/A	1209 tailwind ct	Crownsville	MD	21032	(410)271-5927
5-Dec-16	Mark & Holly Mussmann	Phoenix, AZ	1	Desert Ventures CB1, LLC	18345 N 93rd Way	Scottsdale	AZ	85255	602-738-6959
15-Dec-16	Heath Trowell	Atlanta, GA	1		75 Malachi Path	Dallas	GA	30132	352-262-3328
21-Dec-16	Carin & Ian Zellman	Northern NJ	1	I & C Cycle, LLC	449 Nevada Street	Paramus	NJ	07652	201-264-2083
19-Jan-17	Laura Aquino	Northern NJ	1	N/A	61 Franklin Turnpike	Allendale	NJ	07401	917-842-1651
30-Jan-17	Kevin & Elizabeth Anderson	Hartford, CT	1	N/A	86 Poplar Hill Drive	Farmington	CT	06032	860-404-5249
22-Jan-17	Stacey Stelmach	Pompano Beach, FL	1	N/A	1402 Brickell Bay Drive, #1601	Miami	FL	33131	832-477-5384
1-Mar-17	John & Becky Wick	Indianapolis, IN	3	Wicked Spinning, LLC	15182 Worsley Park	Carmel	IN	46033	317-428-8467
9-Mar-17	Tony Virella	Los Angeles, CA	3	N/A	5959 Murphy Way	Malibu	CA	90265	310-622-5205
10-Mar-17	Saul & Lisa Locker	Denver, CO	4	N/A	1133 14th St, Unit 4250	Denver	CO	80202	303-981-0916

16-Mar-17	Devika Kumar	Nashville, TN	1	Mind Body Innovations, LLC	1301 Lone Oak Cir	Nashville	TN	37215	615-292-7033
13-Mar-17	Scott Marshall	Denver, CO	1	Marshall CB LLC	9591 E Hidden Hill Lane	Lone Tree	CO	80124	303-507-6651
24-Mar-17	Todd & Julie Lotzer	Detroit, MI	1	Spinsation, LLC	1562 Galena	Rochester Hills	MI	48306	612-423-6191
24-Mar-17	Mark Pastolove	Westchest County, NY	1	Horology Now LLC	3 Harrison Ct	Cortland Manor	NY	10567	917-399-9513
11-Apr-17	Loma and Bassam “Bobby” Ammar	Edmonton, AB, Canada	3	Maverick Fitness Corp.	43 Lacombe Drive	St. Albert	AB	T8N4G8	780-498-1137
18-Apr-17	Inga & Larry Pross	Brooklyn, NY	1	N/A	199 Woodside Drive	Hewlett	NJ	11557	917-449-2048
25-Apr-17	Erin Schiller	Wellington, FL	1	N/A	13 Grandview Place	North Caldwell	NJ	07006	386-882-6018
25-Apr-17	Kreg Boynton & Hollie Pool	Wichita, KS	1	N/A	320 Mooney Dr	Benton	KS	67017	
17-May-17	Mark Washburn	Naples, FL	1	N/A	82 Cudworth Lane	Sudbury	MA	01776	617-529-2800
17-May-17	Marty & Craig Coffey	Colorado Springs, CO	2	Coffey Bar, Inc	404 Scottsdale Drive	Colorado Springs	CO	80921	719.96 4.2882
2-Mar-17	Oliver Chipp	United Kingdom	30	Elan Fitness Ltd.	207 Regent St, 3rd Floor	London	UK	W1B3HH	

31-May-17	Jeff Bass	Boston, MA	1	N/A	30 White St.	Winchester	MA	01890	978-314-9394
31-May-17	Catherine Straughan & Kimberley Drobny	Dallas-Fort Worth, TX	1	N/A	1051 Harvest Hill Dr	Prosper	TX	75078	(918)519-9663
31-May-17	Patrick Hickey	Detroit/Toledo	3	N/A	1952 Brim Drive	Toledo	OH	43613	(419)261-0832
8-Jun-17	Natalie Rix	Milwaukee, WI	1	Breathe Fitness, LLC	N69W29754 Ridgeveiw Court	Hartland	WI	53029	773-396-7300
24-Jul-17	John & Amber Reid	Atlanta, GA	1	Velo Fitness LLC	1732 Johnson Rd NE	Atlanta	GA	30306	(305)726-8767
27-Jul-17	Minty & Minesh Patel	Savannah, GA	1	N/A	1102 Bradley blvd	Savannah	GA	31419	(706)340-7223
7-Aug-17	Lisa Lewis	West Palm Beach, FL	1	It's Cyclical LLC	120 Bent Tree Drive	Palm Beach Gardens	FL	33418	561-309-7836
15-Aug-17	Stefanie and Kirk Nelson	Bend, OR	1	SK10 LLC	1360 NW Promontory Drive	Bend	OR	97703	[NONE]
17-Aug-17	Jeffrey and Calleen Hodges	Des Moines	1	N/A	2814 NW Sharmin Drive	Ankeny	IA	50023	[NONE]
31-Aug-17	April J. Amory and Kevin C. Grubb	Virginia Beach	3	N/A	1344 Penguin Circle	Virginia Beach	VA	23451	[NONE]
31-Aug-	Jennifer Sims	Sante Fe, NM	1	N/A	11 Entrada	Sante Fe	NM	87506	[NONE]

17					Descanso				
19-Sep-17	Joseph S. Ruiz and Cassia L. Ruiz	Lancaster, PA	1	N/A	1328 Jasmine Lane	Lancaster	PA	17601	717-715-5688
28-Sep-17	Bryna B. Podwoiski	Nashville, TN	1		1020 Andover	Northville	MI	48167	
5-Oct-17	David W. Pelsue	Madison, WI	1	DWP Enterprises EW LLC	1502 N. Sedgwick St., Unit 6S	Chicago	IL	60610	608-359-3457
6-Oct-17	David W. Pelsue	Madison, WI	1	DWP Enterprises HD LLC	1502 N. Sedgwick St., Unit 6S	Chicago	IL	60610	608-359-3457
6-Oct-17	Alexandria L. Pilon	Phoenix, AZ	1		6775 Horned Owl Trail	Scottsdale	AZ	85266	
6-Oct-17	Barry A. Hamilton	Colorado	AR-23	Pedal Launch, LLC	4290 S. Hudson Parkway	Cherry Hills	Colorado	80113	
13-Oct-17	Jay S. Smith	Salt Lake City, UT	3	Peak Cycle Holdings, Inc.	6690 Morrison Drive	Denver	CO	80221	
29-Dec-17	William Pryor	Wellesley, CT	1	Spynergy, LLC	386 Washington Street	Wellesley	MA	02481	
29-Dec-17	Jeffrey D. Herr	Hyde Park, OH	1	CycleBar Hyde Park, LLC	3825 Edwards Road, Suite 103	Norwood	OH	45209	
29-Dec-17	Jimmy Wilde & Lisa Hillman	Royal Oak, MI	1	Go Cycle, LLC	413 N. Main St.	Royal Oak	MI	48067	
29-Dec-17	Jeffrey D. Herr	Kenwood, OH	1	Cycle Seven Ventures Kenwood, LLC	3825 Edwards Road, Suite 103	Norwood	OH	45209	
7-Feb-18	Adnan A. Khazaal	Detroit, MI	1		217 S. Beech Daly	Dearborn Heights	MI	48125	
27-Feb-18	Carrie Touchette	Hartford, CT	1		653 Main Street	Hampden	MA	01036	
8-Mar-18	Joseph E. Maguire	Raleigh NC & Greenville SC	1		15675 Bellanca Lane	Wellington	FL	33414	
15-Mar-18	Paul A. Schnapp	St. Louis, MO	1	Schnapp Enterprises, Inc.	661 Carman Meadows Drive	Ballwin	MO	63201	
18-Mar-18	Jeremiah Renner	Columbus, OH	1		3010 Oakridge Road	Upper Arlington	OH	43221	
15-Mar-18	Paul A. Schnapp	St. Louis, MO	1	Schnapp Enterprises, Inc.	661 Carman Meadows Drive	Ballwin	MO	63201	
18-Mar-18	Jeremiah Renner	Columbus, OH	1		3010 Oakridge Road	Upper Arlington	OH	43221	
19-Mar-18	Julie J. Marchese, Paige M Vashon and Michele M. Shems- Then	Portland, ME	1		8 Lantern Lane	Cumberland	ME	04110	

4-Apr-18	Scott J. Openshaw	Provo & Orem, UT (84042, 84057, 84058, 84062, 84097, 84601, 84602, 84604, and 84606)	1		1453 Annie Lace Way	Draper	UT	84020	
4-Apr-18	Scott J. Openshaw	Lehi, UT (84003, 84043, and 84045)	1		1453 Annie Lace Way	Draper	UT	84020	
11-Apr-18	Robert F. Friend	19087 and 19406	1		1320 Dell Road	Eagleville	PA	19403	
11-Apr-18	Elizabeth A. Boselli	80026 and 80027	1		3510 Raintree Lane	Dacono	CO	80514	
30-Apr-18	Todd G. Adams, Michelle L. Adams, Michael Van Drunen, Lisa Van Drunen, Robert Adams, Adelaide Adams	32501, 32502, 32503, 32504, and 32514	1	AdaVan Fitness, LLC	673 Wildwood Drive	Meridian	MS	39301	
1-May-18	Raymond J. Wicks and Joanne Diaz	Morristown, New Jersey	1		215 Miln Street, Unit 6	Cranford	NJ	07016	
17-May-18	Janae L. Dunn and Gayle Lacour	78613 and 78717	1	GJ Services, LLC	1708 Snyder Trail	Leander	TX	78641	
25-May-18	Tracy A. Young and Daryl G. Young	Wesley Chapel, FL	1		1503 Lake Polo Drive	Odessa	FL	33556	

1. Opening Deadline and Site Acquisition Extensions and Releases

Franchisee - Entity	**Opening Deadline Extension and Release**	**Site Acquisition Extension and Release**
Marcus Capone & Mike Murphy & Steve Nichols - Eminence3 Holdings, LLC (2)	20-Jun-15	
Dan Murphy - JCN Corporation	19-May-16	
Jeff Wayne - CB Michigan, LLC	19-May-16	11-Feb-16
Cyril Hertz - Sloboda Inc.	19-May-16	4-Feb-16
Dave Bridges - DCB Cycling, LLC	19-May-16	
Eric Skoloff & Keith Boettiger - Cycle Syndicate, LLC	19-May-16	11-Jan-16
Gary & Laura Stinnett and Richard & Linda Algea - Rick's and Stick's Cycle Corp.	19-May-16	
Greg Jackson & Gladys Jackson - Simjah, Inc.	19-May-16	
Gregorio Serrata & Maria Serrata - Serrata, LLC	19-May-16	25-Jan-16
Heather Sommers-Sambado - Heather Sommers LLC	19-May-16	15-Jan-16

Joe Bonidy	19-May-16	5-Feb-16
Maclean Coble & David Noffsinger - Ionic Capital Partners, LLC	19-May-16	
Mark Schneider - CB Westend Inc.	19-May-16	27-Jan-16
Susan Grant - Fit Lilly Inc.	19-May-16	
Suzanne Wells & Bryn Wells & Jean Wells & Mark Wells - Ohana Fitness, Inc.	19-May-16	25-Jan-16
Yvonne Denslow and Ken & Heather Gotaas - Affinity Cycle, Inc.	19-May-16	
Justin Beck & Scott Weiss & Robert Weston - J2 Fitness, LLC	20-May-16	
Paul Hulsemen & Patrice Hulseman - 13HKC Inc.	20-May-16	26-Jan-16
Julie Kertzman & Cynthia King & Stacey Agnoustari - JSC Ventures, Inc.	23-May-16	
Ken Plotkin & Eileen Plotkin - Elite Enterprises of NY, Incorporated	23-May-16	28-Jan-16
Pedro Trujillo & Jodi Johnson	23-May-16	7-Jan-16
Peter DeLuca	23-May-16	12-Jan-16
Rod Reyes - CB Chandler, LLC (1)	23-May-16	
Brad Spivey & Trish Harrison - H&S Music City Holdings, Inc.	24-May-16	27-Jan-16
Claire Hayes & Sheila Hayes	24-May-16	12-Jan-16
Donna Suro & Libbie Crane - LiquiD RVA, LLC	24-May-16	
Jackie Benson & Michael Benson	24-May-16	2-Feb-16
Kevin & Sharon Thompson - Sharon Elizabeth, LLC	24-May-16	
Michelle Morris & Julie Pfaff - JM Power Group, Inc.	24-May-16	
Tim Ross - Eminence3 Holdings, LLC	24-May-16	
Bob Wexler	25-May-16	10-Feb-16
Christine Wallin & Andrew Aiello - AGCM Enterprises	25-May-16	8-Feb-16
Gary Dellovade	25-May-16	8-Jan-16
John Ryan & Marina Ryan - Ryan Ventures Inc.	25-May-16	
Katie Knowles & Robert Knowles - LBSC, LLC	25-May-16	
Kristin Hill & Kelly Allen - K&K Cycling, LLC	25-May-16	
Michelle Elder & Brad Elder - MicheHill LLC	25-May-16	
Rob Janda - Cycle Norterra, LLC	25-May-16	8-Feb-16
Zach Pettus & Jean Nitchals - Alpha Team Holdings, LLC	25-May-16	
Ken Stuttaford - Seaside Clean Living, Inc.	26-May-16	8-Feb-16

Joe Cece & MaryLaurie Cece	27-May-16	12-Jan-16
Don Dasher & Lisa Hazen - Dog's Breath Inn, Inc.	7-Jun-16	
Joelle Bouhadana - CYCLE26, LLC	7-Jun-16	
Lauren Schroeder & Scott Schroeder – Schroeder Enterprises LLC	7-Jun-16	
Steve Braverman - Braveride I, LLC	7-Jun-16	
Steve Braverman - Braveride II, LLC	7-Jun-16	
John Duncan & Renee Duncan - JRD Jumping Corp.	10-Jun-16	
Rafael Ponce - MV Fitness, LLC	13-Jun-16	
Chris McIntyre - cMc Enterprise, LLC	14-Jun-16	
Jonathan Bernard & Dan Kruse - TES Solutions LLC	14-Jun-16	
Joel and Shirelle Vilmenay - Crescent City Cycle, LLC	16-Jun-16	
Kim Hoss & Frances Clark (1)	16-Jun-16	29-Feb-16
Jeff Cohen - JBJ Exton Investments, LLC	17-Jun-16	
Charlotte Jones-Burton & Delvin Burton - Burton Inspires LLC	20-Jun-16	21-Mar-16
Bryan Lively and Anne & Nick Monigold	18-Jul-16	6-Jan-16
Leslie Anderson - Anderson Holdings, LLC	19-Jul-16	
Irving Chung & Melissa Chung - Fit Endeavors I, LLC	20-Jul-16	
Bob Franzetta - JMT Fitness Hillcrest, Inc.	21-Jul-16	
Jack Cauley & Deanna Cauley - JCD Colorado, LLC	21-Jul-16	24-Feb-16
Curt Buttiker - 313 Fitness LLC	4-Aug-16	
John Fleming & Barbara Fleming - Corones, Inc.	16-Aug-16	12-Jul-16
Thom Bailey & Dione Bailey (1)	16-Aug-16	5-Jul-16
Marc Krasner - Spin City Colorado, LLC	28-Sep-16	29-Jun-16
Charles Jones & Glenn Flessas	30-Sep-16	25-Jul-16
Travis Jacobson & Debbie Jacobson - TDW Properties, LLC	3-Oct-16	14-Jul-17
Heather Branstetter & Chuck Scheider (2) - Next Level Cycling, LLC	4-Oct-16	7-Jul-16
Heather Branstetter & Chuck Schneider (1) Next Level Cycling, LLC	4-Oct-16	7-Jul-16
Liz Hatch & Tom Epstein - Avant-garde Fitness, LLC	13-Oct-16	8-Jul-16
Brandon Baca & Shelley Baca - B3 Evolution, LLC	2-Dec-16	29-Jun-16
Brandon Baca & Shelley Baca - B4 Evolution, LLC	2-Dec-16	29-Jun-16

Robin Ferguson & Lindsay Sanders	2-Dec-16	27-Jun-16
Rachel Orlando & Peter Orlando (1) Dev-Pro, LLC	6-Dec-16	8-Jul-16
Danielle King & Doug King - DD Cycle Inc.	14-Dec-16	29-Jun-16
Chris Andras & Michael Silas	15-Dec-16	28-Jun-16
Paul Schnapp & Anita Schnapp - Schnapp Enterprises, Inc.	5-Jan-17	8-Jul-16
Dave Jones - Fit Investments, LLC	5-Jan-17	28-Jun-16
Alan Telford	22-Feb-17	21-Jul-16
David Busker & David Batschelett - DB2 Fitness One, LLC	22-Feb-17	19-Jul-16
Chris Yates - Elevate Partners, LLC	23-Feb-17	10-Aug-16
Greg Venbrux & Nuchanart Venbrux - Kraken CycleWorks LLC	23-Feb-17	13-Aug-16
Roger Hendren & Grant Hendren & Lucas Henden - RockStrong Texas LLC	23-Feb-17	22-Jul-16
Steve Zubrzycki & Jane Zubrzycki - Cycle Revolution Inc.	23-Feb-17	12-Aug-16
Mike Harris	28-Feb-17	
Nate Fennell & Chris Shill	28-Feb-17	21-Jul-16
Kathleen Boss	1-Mar-17	21-Jul-16
Marc & Lisa Palmer - Charlotte Cycle, Inc.	UNDATED	
Dan Lorenz & Sean O'Connor & John Ghabra - 7 Knots, LLC	UNDATED	
David Safai		12-Jan-16
Tejal Kamdar & Jason Snyder & Meera Kamdar		13-Jan-16
Houston Ross & Karin Ross		13-Jan-16
Nigel Brown & Michelle McGlocklin - Drury Lane Ventures, Inc.		25-Jan-16
Torsten Schermer & Bob Lee & Catherine Lee - ScherLeeUBike, LLC		12-Feb-16
Lee Oesterling & Kirsten Rickers - Atlanta Cycle Studios, LLC		23-Feb-16
Patty Harte		28-Feb-16
Joseph Amon & Blair Amon & James Yourinson & Rebecca Yourinson - YAE Corporation (2 Agreements)		29-Feb-16
Lee Williams & Christine Williams		27-Jun-16
Fred Ryser & Katie Ryser - PACKWOLF, LLC		28-Jun-16
Liz Ullathorne & Bill Ullathorne - ELU, LLC		28-Jun-16
Shelley Jonietz & Joseph Jonietz		29-Jun-16
Amy Rath & Ryan Rath		5-Jul-16

Robert Korabik & Elizabeth Korabik - HTC Wellness, Inc.		5-Jul-16
Hayley Killam - (1)		6-Jul-16
Tim Hughes - DalKor Inc.		6-Jul-16
Chris Mullen		8-Jul-16
Clint Privett (1)		11-Aug-16
Chris Bushey & Casey Bushey - CB3, LLC		1-Sep-16
Desert Ventures CBI_	16-Oct-17	
Challenger 728, LLC	16-Oct-17	
Laura Aquino	16-Oct-17	
Velo Fitness LLC		30-Oct-17
I & C Cycle, LLC	31-Oct-17	
VK2, LLC	3-Nov-17	
Minty, Minesh, Davesh Patel		3-Nov-17
Breathe Fitness, LLC		3-Nov-17
K. Anderson	3-Nov-17	

1. Groupon Modification Agreements

Franchisee - Entity	**Groupon Modification Agreement**
Doug and Mindy Dolenc - M.D. Dolenc Enterprise Inc.	30-Jun-15
Jeff Delorme	27-Jun-16
Maclean Coble & David Noffsinger - Ionic Capital Partners, LLC	28-Jun-16
Susan Grant - Fit Lilly Inc.	28-Jun-16
Christie Meyers & Kristofer Meyers - CB Raleigh, LLC	28-Jun-16
David EichelBerger - DCL Fitness Inc.	28-Jun-16
JCN Corporation	28-June-16
Eric & Debbie Huffine - Deep Enterprises, LLC	5-Jul-16
Patrick and Anna Walsh - RYR Colorado, LLC	6-Jul-16
Craig & Marilysn Holm - Holm Family Holdings LLC	11-Aug-16
JSC Ventures, Inc.	14-Nov-16
JBJ Exton Investments, LLC	16-Nov-16

2. Resale Agreements

Franchisee - Entity	**Resale Agreement**
Chris Bushey & Casey Bushey - CB3, LLC	28-Mar-16
Ekpedme Udoh & Brandon Grier - LGR LIFESTYLE, LLC	6-Apr-16
Lee Singer & Ronnie Singer	1-Jun-16
Steven Ruby & Lisa Ruby - Redgem Holdings LLC	2-Jun-16
Doug and Mindy Dolenc - M.D. Dolenc Enterprise Inc.	11-Jul-16
David Conway	11-Jul-16
Chris Andras & Michael Silas	25-Aug-16
William McComb & Peter Wolf - Ciclo Management, LLC	28-Aug-16

Gary Dellovade	2-Sep-16
Christie Meyers (2)	5-Sep-16
Kenneth G. & Gladys C. Jackson - Simjah Inc.	14-Oct-16
Bryan Lively and Anne & Nick Monigold	2-Nov-16
Latasha D. & Brian C. Emeri	10-Nov-16, as amended 5-Jun-17
Craig R. & Cathleen G. Gentry & Karen C. Wilson-Torres	9-Dec-16
Amy Rath & Ryan Rath	27-Jan-17
Joe Rothchild and Bradley Macpherson - GHM CB, LLC	16-Mar-17
Heather Branstetter & Chuck Scheider (2) - Next Level Cycling, LLC	5-Jun-17
Holm Family Holdings	13-Nov-17
Next Level Cycling	13-Nov-17
313 Fitness, LLC	29-Mar-18
Amy Snow	30-Mar-18
Sharon Elizabeth, LLC	3-Apr-18
Anthony Bonidy	11-Apr-18

3. Reacquisition and Release Agreements

Franchisee - Entity	**Reacquisition and Release**
Andrew Lambie & Pamela Lambie	24-Feb-16
Kira Knickrehm	1-Jun-16
A. David Davis & Jacob Davis & John Krumdieck - MdG Partners, LLC	9-Feb-32
Michelle Marks	UNDATED

4. Interim Studio Operations Agreements & Renewals

Franchisee - Entity	Interim Studio Operations Agreement	Interim Studio Operations Agreement Renewal
Shelby Faubion & James Moller - Finition Inc.	31-Oct-16	25-Apr-17
Dan Murphy - JCN Corporation	15-Nov-16	N/A
Greg Jackson & Gladys Jackson - Simjah, Inc.	3-Jan-17	N/A
Doug and Mindy Dolenc - M.D. Dolenc Enterprise Inc.	27-Jul-17	N/A

5. Transfer and Assignment Agreements

Franchisee - Entity	Transfer and Assignment Non-control transfer (entity transfer)	Transfer and Assignment Control (change of ownership transfer)
Joel and Shirelle Vilmenay - Crescent City Cycle, LLC	12-Mar-15	
Joseph Purton - Lucky Star Holdings, LLC	1-May-15	
Shelby Faubion & James Moller - Finition Inc.	9-Jun-15	16-Jul-17
Craig & Marilysn Holm - Holm Family Holdings LLC	20-Jul-15	
David EichelBerger - DCL Fitness Inc.	23-Jul-15	
Steven Ruby & Lisa Ruby - Redgem Holdings LLC	21-Aug-15	
Christie Meyers & Kristofer Meyers - CB Raleigh, LLC	4-Sep-15	3-Apr-17
Julie Kertzman & Cynthia King & Stacey Agnoustari - JSC Ventures, Inc.	8-Sep-15	
Jill & Carl Isaacs - CMCJ, LLC	24-Sep-15	
Gregorio Serrata & Maria Serrata - Serrata, LLC	9-Oct-15	
Ken Stuttaford - Seaside Clean Living, Inc.	30-Oct-15	
A. David Davis & Jacob Davis & John Krumdieck - MdG Colony, LLC	2-Nov-15	
Rod Reyes - CB Chandler, LLC (1)	24-Nov-15	
Rod Reyes - CB Chandler, LLC (2)	24-Nov-15	
Greg Jackson & Gladys Jackson - Simjah, Inc.	30-Nov-15	16-Jul-17

Nigel Brown & Michelle McGlocklin - Drury Lane Ventures, Inc.	4-Jan-16	
Kristin Hill & Kelly Allen - K&K Cycling, LLC	23-Jan-16	
Kevin & Sharon Thompson - Sharon Elizabeth, LLC	26-Jan-16	
Curt Buttiker - 313 Fitness LLC	17-Feb-16	
Katie Knowles & Robert Knowles - LBSC, LLC	21-Feb-16	
Patrick and Anna Walsh - RYR Colorado, LLC	16-Mar-16	
John Fleming & Barbara Fleming - Corones, Inc.	22-Mar-16	
Danielle King & Doug King - DD Cycle Inc.	24-Mar-16	
Brandon Baca & Shelley Baca - B3 Evolution, LLC	31-Mar-16	
Brandon Baca & Shelley Baca - B4 Evolution, LLC	31-Mar-16	
Liz Ullathorne & Bill Ullathorne - ELU, LLC	23-Apr-16	
Heather Branstetter & Chuck Scheider (2) - Next Level Cycling, LLC	27-Apr-16	
Heather Branstetter & Chuck Schneider (1) Next Level Cycling, LLC	27-Apr-16	
Irving Chung & Melissa Chung - Fit Endeavors I, LLC	3-May-16	
Yvonne Denslow and Ken & Heather Gotaas - Affinity Cycle, Inc.	4-May-16	
Heather Sommers-Sambado - Heather Sommers LLC	1-Jun-16	
Fred Ryser & Katie Ryser - PACKWOLF, LLC	10-Jun-16	
Bob Franzetta - JMT Fitness Hillcrest, Inc.	15-Jun-16	
Michelle Morris & Julie Pfaff - JM Power Group, Inc.	16-Jun-16	
Maclean Coble & David Noffsinger - Parachute Capital Partners, LLC	20-Jun-16	
Marc & Lisa Palmer - Charlotte Cycle, Inc.	30-Jun-16	
Amy Snow - Amy Snow Enterprise Inc.	29-Jul-16	
Susan Grant - Fit Lilly Inc.	5-Aug-16	
Dave Bridges - DCB Cycling, LLC	12-Aug-16	
Don Dasher & Lisa Hazen - Dog’s Breath Inn, Inc.	25-Aug-16	

Rachel Orlando & Peter Orlando (1) Dev-Pro, LLC	8-Sep-16	
Brad Spivey & Trish Harrison - H&S Music City Holdings, Inc.	8-Nov-16	
J. Scott McBride & Chris Sommer - HighRev Lifestyle, Inc. & McBride-5 Enterprise, LLC (Development Agreement)	14-Nov-16	
Cyril Hertz - Sloboda Inc.	23-Nov-16	
Chris Bushey & Casey Bushey - CB3, LLC	29-Dec-16	
Mark Schneider - CB Westend Inc.	10-Jan-17	
Chris Yates - Elevate Partners, LLC	14-Feb-17	
Steve Zubrzycki & Jane Zubrzycki - Cycle Revolution Inc.	7-Mar-17	
Robert Korabik & Elizabeth Korabik - HTC Wellness, Inc.	20-Mar-17	
Dan Murphy - JCN Corporation		14-May-15
Doug and Mindy Dolenc - M.D. Dolence Enterprise Inc.		24-Sep-15
Marc Krasner - Spin City Colorado, LLC		24-Dec-15
Michael Kearns & Ana Bertsch - Gavia Cycling, LLC		24-Dec-15
Mark & Denise Davis		5-Feb-16
Justin Beck & Scott Weiss & Robert Weston - J2 Fitness, LLC		24-Apr-16
Clementine Goutal & Andres Rodriguez (1)		10-May-16
Clint Privett (2)		10-May-16
Greg Venbrux & Nuchanart Venbrux - Kraken CycleWorks LLC		8-Jul-16
J. Scott McBride & Chris Sommer - HighRev Lifestyle, Inc. (FA1)		14-Nov-16
Kim Hoss & Frances Clark (2)		7-Aug-17
Marcus Capone & Mike Murphy & Steve Nichols - Eminence3 Holdings, LLC (1)		19-Apr-33
Tim Ross - Eminence3 Holdings, LLC		29-Apr-33
J. Scott McBride & Chris Sommer - HighRev Lifestyle2, Inc. (FA2)		15-Feb-34
Joe Rothchild and Bradley Macpherson - GHM CB, LLC		2-Jun-34
Maclean Coble & David Noffsinger - Ionic Capital Partners, LLC	21-Oct-15 (Release Only)	

Peak Cycle Holdings, LLC		13-Oct-17
S. Pineault to Novaturient	30-Oct-17	
Eminence3 Holdings, LLC to CBBrier, LLC		20-Nov-17
Avante-garde Fitness to AG3	22-Nov-17	
DCL Fitness, Inc. to JCM Kentucky Cycle, LLC		15-Dec-17
Deep Enterprises		18-Dec-17
Williams to LJW74, Inc.	19-Jan-18	
RYR Colorado to Locker Fit Lifestyle DTC		2-Feb-18
RYR Colorado to Locker Fit Lifestyle LoHi		2-Feb-18

6. Territory Swap Amendments

Franchisee - Entity	**Territory Swap Amendment (1)**	**Territory Swap Amendment (2)**
A. David Davis & Jacob Davis & John Krumdieck - MdG Partners, LLC	27-Jul-15	
David Safai	13-Aug-15	3-Dec-15
Doug and Mindy Dolenc - M.D. Dolence Enterprise Inc.	2-Dec-15	
Jeff Wayne - CB Michigan, LLC	17-May-16	27-Jun-17
Marc & Lisa Palmer - Charlotte Cycle, Inc.	UNDATED	

7. Termination Agreements

Franchise ID	Center Name	Date Terminated	Effective Date Of Action	Type Of Action	Representative Contact Name	Address 1	City	Country	ZiP / Postal Code	State / Province	Phone	Mobile	Email
Ter	*Long*			*Ter*	*Camill*			*US*		*CA*	*9493*		*camillellombar*

me d1	*Beach*			*mination*	*e Lombardo*			*A*			*067498*		*do@gmail.com*
Termed2	*Anaheim Hills (fka Yorba Linda)*	*12/12/15*	*12/12/15*	*Termination*	*Susann/ Claudia Clifford/ Stieding*	*100 South Chaparral Court, Suite 140*	*Anaheim*	*USA*	*92808*	*CA*	*(760) 262-7337*		*baron4800@icloud.com; csteiding@verizon.net*
Termed3	*San Clemente*	*12/12/15*	*12/12/15*	*Termination*	*Connie (Cons tance) Moisan*	*302 N.El Camino Real, Suite 106*	*San Clemente*	*USA*	*92672*	*CA*	*(949) 310-3292*		*sanclemente@clubpilatesstudio.com*
Termed4	*Corona*	*12/12/15*	*12/12/15*	*Termination*	*Katie/ Cindy Picazo/ Reyes*	*469 Magnolia Avenue, Suite 106*	*Corona*	*USA*	*92879*	*CA*	*619-818-4020*		*katiepicazo@aol.com; cpreyes2@gmail.com*
Termed5	*Temecula*	*12/12/15*	*12/12/15*	*Termination*	*Olivia/ Katie Scira/ Picazo*	*41789 Nicole Lane, Suite B4*	*Temecula*	*USA*	*92591*	*CA*	*(951) 796-8981*		*temecula@clubpilatesstudio.com; katiepicazo@ aol.com*
Termed6	*Pacific Beach*	*12/23/2015*	*12/23/2015*	*Termination*	*Jennifer/Brigette Gold/ Guido*	*5010 Cass Street, Suite H*	*San Diego*	*USA*	*92109*	*CA*	*(619) 415-5699*	*(619)997-9553*	*pacificbeach@clubpilatesstudio.com*
Termed7	*La Jolla*	*12/23/2015*	*12/23/2015*	*Termination*	*Jennifer/Brigette Gold/*			*USA*		*CA*	*(619) 415-5699*		*pacificbeach@clubpilatesstudio.co*

					Guido							
Termed8	Pt Loma	12/23/2015	12/23/2015	Termination	Jennifer/ Brigette Gold/Guido			USA		CA	(619) 415-5699	pacificbeach@clubpilatesstudio.com
Termed9	Brentwood			Termination	Derek Jones			USA		CA	(619) 980-2712	derek.jones@ clubpilates.com
Termed10	Sunnyvale			Termination	Michael Fedyna			USA		CA	408-844-4403	
Termed11	SanRamon			Termination	Min & Ivy Tsao / Liu			USA		CA		
Termed12	Tucson	7/31/2016	7/31/2016	Termination	Mary Beardsley	1702 E Prince #120	Tucson	USA	85719	AZ	(520) 241-4743	mary.beardsley@clubpilates.com
Termed13	Torrance	7/31/2016	7/31/2016	Termination	Liuba Stephanie Lerro-Parraway	24239 Hawthorne Blvd. #104	Torrance	USA	90505	CA	619 5183338	liuba.lerro@clubpilates.com
Termed14	Australia	9/15/2016	9/15/2016	Termination	Jemima North	Level 1, 341-343 Penshurst Street	Willoughby	AUS	2086	NSW	614 31163818	willoughby@clubpiltesstudio.com
Termed15	Woodland Hills	10/31/2016	10/31/2016	Termination	Nikkita Weerasinghe	19720 Ventura Blvd Suite 101/10	Woodland Hills	USA	91364	CA	818-207-2857	woodlandhills @clubpilates.com

						2					
Termed16	Agoura Hills/Tarzana	10/31/2016	10/31/2016	*Termination*	Nikkita Weerasinghe		Agoura Hills/Tarzana	USA	CA	818-207-2857	woodlandhills@clubpilates.com
Termed17	Sherman Oaks	10/31/2016	10/31/2016	*Termination*	Nikkita Weerasinghe		Sherman Oaks	USA	CA	818-207-2857	woodlandhills@clubpilates.com
Termed18	Alhambra	4/11/2017	4/11/2017	*Termination*							
Termed19	Virginia Highland	1/10/2018	1/10/2018	*Termination*							
Termed20	Arrowhead	6/4/2018	6/4/2018	*Termination*	Jennifer Marrinnan						
Termed21	Downtown Phoenix	6/4/2018	6/4/2018	*Termination*	Jennifer Marrinnan						
Termed22	Glen Mills PA	4/11/2018	4/11/2018	*Died, CP bought back licenses*							
Termed23	Allgates PA	4/11/2018	4/11/2018	*Died, CP bought back licenses*							
Termed24	King of Prussia PA	4/11/2018	4/11/2018	*Died, CP bought back licenses*							
Termed25	Bryn Mawr PA	4/11/2018	4/11/2018	*Died, CP bought back licenses*							

d25	r PA	8	8	*bought back licenses*									
Termed26	Newton Square PA	4/11/2018	4/11/2018	*Died, CP bought back licenses*									
Termed27	Woodstock Farm PA	4/11/2018	4/11/2018	*Died, CP bought back licenses*									

Franchisee - Entity	**Termination Agreement**	**Termination Agreement Amendment**
Ted Mueller	1-Dec-15	
Jill & Carl Isaacs - CMCJ, LLC	10-Dec-15	
Mark & Denise Davis	5-Feb-16	
Nigel Brown & Michelle McGlocklin - Drury Lane Ventures, Inc.	4-May-16	
David Safai	5-May-16	
Hayley Killam - (DA & 3)	6-May-16	8-Aug-16
Merle Beeson	12-May-16	
Houston Ross & Karin Ross	9-Aug-16	
Jack Cauley & Deanna Cauley - JCD Colorado, LLC	1-Nov-16	
Liz Ullathorne & Bill Ullathorne - ELU, LLC	3-Nov-16	
Chris Mullen	4-Nov-16	
Joseph Amon & Blair Amon & James Yourinson & Rebecca Yourinson - YAE Corporation (2 Agreements)	2-Dec-16	
Steven Ruby & Lisa Ruby - Redgem Holdings LLC	22-Dec-16	
David Conway	20-Jan-17	
Tim Hughes - DalKor Inc.	20-Jan-17	

Ekpedme Udoh & Brandon Grier - LGR LIFESTYLE, LLC	31-Jan-17	
Christie Meyers & Kristofer Meyers - CB Raleigh, LLC	3-Apr-17	
Doug and Mindy Dolenc - M.D. Dolence Enterprise Inc.	6-Apr-17	
Clementine Goutal & Andres Rodriguez (2)	8-May-17	
Wicked Spinning	18-Oct-17	
Eminence 3 Holdings	30-Oct-17	
S. & J. Jonietz	17-Nov-17	
Smith-Emeri	15-Dec-17	
N. & A. Smith	22-Feb-18	

8. Studio AV Modification Agreements

Franchisee - Entity	**Studio A/V Modification Agreement**
Rodney & Jodi Reyes - CB Chandler LLC	6-Jun-16
Jeff Cohen - JBJ Exton Investments, LLC	1-Sep-16
Michael D. Olander & Jason P Green - JM Cycle, LLC - Village Meridian	11-Nov-16
Ken Stuttaford - Seaside Clean Living, Inc.	23-Dec-16
Bob Franzetta - JMT Fitness Hillcrest, Inc.	29-Dec-16
Eric Skoloff & Keith Boettiger - Cycle Syndicate, LLC	25-Jan-17
Cyril Hertz - Sloboda Inc.	31-Jan-17
Michael D. Olander & Jason P. Green - JM Cycle, LLC - Tanasbourne	22-Feb-17
Rachel Orlando & Peter Orlando (1) Dev-Pro, LLC	28-Feb-17
Alan Telford	3-Mar-17
Michael D. Olander & John G. Janszen - JCM Kentucky Cycle, LLC	3-Mar-17
Donna Suro & Libbie Crane - LiquiD RVA, LLC	14-Mar-17
Heather Sommers-Sombado - Heather Sommers, LLC	10-Apr-17
Kristin Hill & Kelly Allen - K&K Cycling, LLC	10-Apr-17

Zach Pettus - Alpha Team Holdings, LLC	24-Apr-17
Roger Hendren & Grant Hendren & Lucas Henden - RockStrong Texas LLC	10-May-17
Marlon & Andrea Byrd - MAGM Fitness, Inc.	15-May-17
Chris & Casey Bushey - CB3 LLC	30-May-17
Philly Cycle Inc.	19-May-17
Irving Chung & Melissa Chung - Fit Endeavors I, LLC	12-Jun-17
Paul Schnapp & Anita Schnapp - Schnapp Enterprises, Inc.	27-Jul-17
Suzanna Wells, Bryn Wells, Jean Wells and Mark Wells - Ohana Fitness, Inc.	7-Sep-17
Greg K. Venbrux and Nuchanart Venbrux - Kraken Cycleworks, LLC	11-Sep-17
David Bland - Positive Spin, LLC	13-Sep-17

Club Pilates

Franchise Agreements in Effect Summary - excluding terminations

As of: 06/18/18

	Studio Name	State	Franchisee Last Name	Franchisee First Name	Studio Information Street	City	State	Zip	Studio Phone	Franchisee Personal Information Franchisee Phone	Franchisee Email	Royalty Rate	MFC Rate	Individual Territory FA Date
1	Club Pilates Midtown Miami	FL	Maria Gutierrez	Tania Peck	30 NW 34th St #2	Miami	FL	33127	786.509.9831	T: 786.218.3572 M:954.673.1536	Tania.peck@clubpilates.com; Mariaisabel.gutierrez@clubpilates.com	6%	2%	05/16/17
2	Club Pilates Parker	CO	Bosson	Cathy			CO				Cathy.Bosson@clubpilates.com	6%	2%	07/28/17
3	Club Pilates Morena	CA	Clements	Chris	4901 Morena Blvd. Suite 210	San Diego	CA	92117	858.914.1459	C: 619-203-8538	chris.clements@clubpilates.com	6%	2%	01/01/12
4	Club Pilates Liberty Station	CA	Clements	Chris	2750 Dewey Rd., Ste 102	San Diego	CA	92106	619.541.8877	C: 619-203-8538	chris.clements@clubpilates.com	6%	2%	01/01/12

5	Club Pilates La Jolla	CA	Clements	Chris			CA			C: 619-203-8538	chris.clements@clubpilates.com	6%	2%	01/01/12
6	Club Pilates Eastlake	CA	Davies/Hays	Carolyn/Dave	861 Harold Place, Suite 305	Chula Vista	CA	91914	619-392-2572	Carolyn (619) 249-3037; Dave (858) 220-3676	dave.hayes@clubpilates.com; carolyn.davies@clubpilates.com	4%	2%	11/16/12
7	Club Pilates Mira Mesa	CA	Davies/Hays	Carolyn/Dave	9460 Mira Mesa Blvd, Unit P	San Diego	CA	92126	858-254-3326	Carolyn (619) 249-3037; Dave (858) 220-3676	dave.hayes@clubpilates.com; carolyn.davies@clubpilates.com	6%	2%	11/16/12
8	Club Pilates Mission Valley	CA	Mann	Katie	6690 Mission Gorge Road	San Diego	CA	92120	619-786-2300	(619)569-4421 (Tavis 310-303-9586)	katie.mann@clubpilates.com	6%	2%	12/18/12
9	Club Pilates Novi	MI	Cronin	Kristen	39799 Grand River Avenue	Novi	MI	48375	248-410-7700	(248) 410-4259	kristen.cronin@clubpilates.com	6%	2%	02/12/13
10	Club Pilates Encinitas	CA	Dumaw Whitman	Arielle	555 2nd St. Suite 2	Encinitas	CA	92024	760-529-6706	(858) 405-3177	arielle.whitman@clubpilates.com	6%	2%	05/22/13

11	Club Pilates San Marcos	CA	Dumaw Whitman	Arielle	904 W San Marcos Blvd, Suite 5	San Marcos	CA	92078	760-201-3070	(858) 405-3177	arielle.whitman@clubpilates.com	6%	2%	05/22/13
12	Club Pilates Carlsbad	CA	Dumaw Whitman	Arielle	1820 Marron Road, Suite 100	Carlsbad	CA	92008	760-201-3374	(858) 405-3177	arielle.whitman@clubpilates.com	6%	2%	05/22/13
13	Club Pilates North Park	CA	Mann	Katie	3959 30th Street, Suite 101	San Diego	CA	92104	619-677-1500	(619) 569-4421	katie.mann@clubpilates.com	6%	2%	12/06/13
14	Club Pilates Mequon	WI	Sinnen	Megan	6077 W. Mequon Rd	Mequon	WI	53092	414-939-3644	(414) 315-5765	megan.sinnen@clubpilates.com	6%	2%	02/03/14
15	Club Pilates Costa Mesa	CA	Borga	Brittany	1525 Mesa Verde Dr. E.	Costa Mesa	CA	92626	949-791-7184	(412) 651-1970	brittany.borga@clubpilates.com	6%	2%	02/07/14
16	Club Pilates Manhattan Beach	CA	Suder	Chris	903 N. Sepulveda Blvd.	Manhattan Beach	CA	90266	310-921-8004	(760) 908-9257	chris.suder@clubpilates.com	6%	2%	03/06/14

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17	Club Pilates Cherry Creek	CO	Busse	Mary	3000 E. 3rd Ave, Suite 20 & 21	Denver	CO	80206	720-361-9995	Mary (760) 801-9416	mary.busse@clubpilates.com	6%	2%	03/31/14
18	Club Pilates Abacoa	FL	Gomez	Amanda	1203 Town Center Drive, Unit 107	Jupiter	FL	33458	561-449-8161	954.650.6151	amanda.gomez@clubpilates.com	6%	2%	09/24/14
19	Club Pilates Midtown Sacramento	CA	Kendall/Holden	Linda/Rebecca	1330 21st Street Ste 101	Sacramento	CA	95811	916-347-0304	Linda 916- 205-1470 Rebecca (916)990-4224	linda.kendall@clubpilates.com	6%	2%	10/01/14
20	Club Pilates Memorial	TX	Pontone/Hunt	Scott/Elisa/Nate	14129 Memorial Drive	Houston	TX	77079	281.661.3114	Nate (858) 212-6787	elisa.pontone@clubpilates.com; nate.hunt@clubpilates.com	6%	2%	10/16/14
21	Club Pilates Lakeway	TX	Martinez	Susan	2951 Ranch Road 620 S	Lakeway	TX	78738	575.937.0479	(575) 937-0479	susan.martinez@clubpilates.com	6%	2%	02/22/15
22	Club Pilates Glendale	CA	Bailey	Rebecca	1354 E Colorado St, Suite A	Glendale	CA	91205	818.724.9977	(323) 898- 8244	rebecca.bailey@clubpilates.com	6%	2%	02/27/15

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23	Club Pilates La Canada/ Flintridge	CA	Bailey	Rebecca			CA			(323) 898-8244	rebecca.bailey@clubpilates.com	6%	2%	02/27/15
24	Club Pilates Pasadena	CA	Bailey	Rebecca			CA			(323) 898-8244	rebecca.bailey@clubpilates.com	6%	2%	02/27/15
25	Club Pilates Cahaba Heights	AL	Booker	Lindsay	3169 Green Valley Road	Birmingham	AL	35243	205.777.7976	(205) 451-2482	lindsay.booker@clubpilates.com	6%	2%	03/03/15
26	Club Pilates RSM	CA	Hammett	Emily	21612 Plano Trabuco Road, Suite A	Trabuco Canyon	CA	92679	949.534.2023	Emily (626) 233-9220	emily.hammett@clubpilates.com	6%	2%	03/04/15
27	Club Pilates Villa Park	CA	Hammett	Emily	17767 Santiago Blvd., Suite 610	Villa Park	CA	92861	714.202.6404	Emily (626) 233-9220	emily.hammett@clubpilates.com	6%	2%	03/04/15
28	Club Pilates Tustin	CA	Hammett	Emily	15080 Kensington Park Dr, Suite G300	Tustin	CA	92782	949.529.0704	Emily (626) 233-9220	emily.hammett@clubpilates.com	6%	2%	03/04/15

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29	Club Pilates Beverly Hills	MI	Cronin	Kristen	31255 Southfield Road	Beverly Hills	MI	48025	248.878.9905	(248) 410-4259	kristen.cronin@clubpilates.com	6%	2%	04/17/15
30	Club Pilates San Carlos	CA	Lance	Renata and Sean	50 El Camino Real, #50	San Carlos	CA	94070	650-722-4710	Renata (650) 759-3283	renata.lance@clubpilates.com; sean.lance@clubpilates.com	6%	2%	06/01/15
31	Club Pilates Granada Hills	CA	Bereny	Robert	18037 Chatsworth Street	Granada Hills	CA	91344	(818) 210-3288	(818) 900-2670	robert.bereny@clubpilates.com	6%	2%	06/10/15
32	Club Pilates Westlake Village	CA	Bereny	Robert	2820 Townsgate Rd #107	Thousand Oaks	CA	91361	805.556.7070	(818) 900-2670	robert.bereny@clubpilates.com	6%	2%	06/10/15
33	Club Pilates Woodland Hills (Bereny)	CA	Bereny	Robert			CA			(818) 900-2670	robert.bereny@clubpilates.com	6%	2%	06/10/15
34	Club Pilates South Overland Park	KS	O'Dell	Andrea	6601 W 119th St	Overland Park	KS	66209	913.562.9570	(913) 669-5936	andrea.odell@clubpilates.com	6%	2%	06/12/15
35	Club Pilates Bellevue	WA	Adams	Nikki	143 106th Ave NE	Bellevue	WA	98004	253-709-1446	(253) 709-1446	nikki.adams@clubpilates.com; paul.adams@clubpilates.com	6%	2%	06/21/15

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36	Club Pilates Kent	WA	Adams	Nikki	124 4th Ave South	Kent	WA	98032	253.709.1446	(253) 709-1446	nikki.adams@clubpilates.com; paul.adams@clubpilates.com	6%	2%	06/21/15
37	Club Pilates Arrowhead	AZ	Marrinan	Jennifer	20329 North 59th Avenue Ste A1	Glendale	AZ	85308	480.372.8100	(619) 200-2992	jennifer.marrinan@clubpilates.com	6%	2%	06/23/15
38	Club Pilates Fullerton	CA	Suder	Chris	1313 S Harbor Blvd	Fullerton	CA	92832	714.519.3841	(760) 908-9257	chris.suder@clubpilates.com	6%	2%	06/24/15
39	Club Pilates Brea	CA	Suder	Chris	3357 E. Imperial Hwy	Brea	CA	92823	657-315-9080	(760) 908-9257	chris.suder@clubpilates.com	6%	2%	06/24/15
40	Club Pilates Katy	TX	Pontone/Hunt	Scott/Elisa/Nate	10705 Spring Green Blvd., #200,	Katy	TX	77494	832.913.1847	Nate (858) 212-6787	elisa.pontone@clubpilates.com; nate.hunt@clubpilates.com	6%	2%	06/30/15
41	Club Pilates Houston - The Heights	TX	Pontone/Hunt	Scott/Elisa/Nate			TX			Nate (858) 212-6787	elisa.pontone@clubpilates.com; nate.hunt@clubpilates.com	6%	2%	06/30/15

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42	Club Pilates Spring Valley	NV	Rechester	Victoria/Emil	8665 W. Flamingo Rd., Suite 118	Las Vegas	NV	89147	702-608-1396	Victoria (323) 899-7083	emil.rechester@clubpilates.com	6%	2%	07/01/15
43	Club Pilates Highlands Ranch West	CO	Busse	Mary	2229 Wildcat Reserve Parkway	Highlands Ranch	CO	80129	720.557.9606	Mary (760) 801-9416	mary.busse@clubpilates.com	6%	2%	07/10/15
44	Club Pilates Belmar	CO	Easterly	Kevin	437 S Wadsworth Blvd, Suite F	Lakewood	CO	80226	720-789-1011	760.845.5686	kevin.easterly@clubpilates.com	6%	2%	07/13/15
45	Club Pilates Ken Caryl	CO	Easterly	Kevin	11757 West Ken Caryl Avenue, Suite G	Littleton	CO	80127	720.579.7285	760.845.5686	kevin.easterly@clubpilates.com	6%	2%	07/13/15
46	Club Pilates Edgewater	CO	Carlson	Jennifer	1931-V Sheridan Blvd.	Edgewater	CO	80214	720.446.9777	(303) 949-5466	jennifer.carlson@clubpilates.com	6%	2%	07/22/15
47	Club Pilates Santee	CA	Mann	Katie	225 Town Center Parkway, Suite C	Santee	CA	92071	619-485-1800	(619) 569-4421	katie.mann@clubpilates.com	6%	2%	08/07/15

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48	Club Pilates Longmont	CO	Hendricks	Joe	700 Ken Pratt Boulevard	Longmont	CO	80501	720.442.8385	Joe 303-513-4498 Kelly 720-355-1954	kelly.hendricks@clubpilates.com	6%	2%	08/17/15
49	Club Pilates Bozeman	MT	Thomison	Ashlie	1707 W. Oak Street, Suite C	Bozeman	MT	59715	406.404.1922	406-595-0404	Ashlie.thomison@clubpilates.com	6%	2%	09/30/15
50	Club Pilates Mission Viejo	CA	Watson / Lombardi	Keely / Ed	25800 Jeronimo Road Ste 404	Mission Viejo	CA	92691	949-446-8243	Keely (619) 261-5898	keely.watson@clubpilates.com; ed.lombardi@clubpilates.com	6%	2%	10/09/15
51	Club Pilates Severna Park	MD	Cutchall	Laura	454 B Governor Ritchie Highway	Severna Park	MD	21146	410.648.4400	(858) 603-3360	Laura.cutchall@clubpilates.com	4%	2%	10/20/15
52	Club Pilates Annapolis	MD	Cutchall	Laura	2661 Riva Road Ste 625	Annapolis	MD	21401	240.324.7474	(858) 603-3360	Laura.cutchall@clubpilates.com	6%	2%	10/20/15
53	Club Pilates Huntingt on Beach	CA	Borga	Brittany	7012 #103 Edinger Ave	Huntington Beach	CA	92647	657.464.4696	(412) 651-1970	brittany.borga@clubpilates.com	6%	2%	10/23/15
54	Club Pilates Fremont	CA	Peng	Johnny & Ronnie	44047 Osgood Rd. Ste. 220	Fremont	CA	94539		510.366.2127	johnny.peng@clubpilates.com; ronnie.peng@clubpilates.com	6%	2%	11/20/15

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55	Club Pilates Campbell	CA	Venkatesan	Hema & Anathan	10 E Hamilton Ste # 300	Campbell	CA	95008	408.412.0130	208.863.0943	hema.venkatesan@clubpilates.com; venkat.ananthan@clubpilates.com	6%	2%	11/20/15
56	Club Pilates Downtown Phoenix	AZ	Marrinan	Jennifer	111 W. Monroe #128	Phoenix	AZ	85003	480.372.8100	(619) 200-2992	jennifer.marrinan@clubpilates.com	6%	2%	11/22/15
57	Club Pilates Arbor Lakes	MN	Ras	Brent	11660 Fountains Dr	Maple Grove	MN	55369	763.219.4880	612.385.0588	brent.ras@clubpilates.com; kate.ras@clubpilates.com	6%	2%	11/23/15
58	Club Pilates Camarillo	CA	Tooley	Sheri	2360-F Las Posas Road	Camarillo	CA	93010	(805) 261-1255	818.384.3035	sheri.tooley@clubpilates.com; john.tooley@clubpilates.com	6%	2%	11/23/15
59	Club Pilates Chesterfield	MO	Schade	Andrea	122 Hilltown Village Center	Chesterfield	MO	63017	636.556.0526	7757719605	andrea@clubpilates.com	6%	2%	11/26/15
60	Club Pilates Brentwood STL	MO	Schade	Andrea	2535 S. Brentwood Blvd	St Louis	MO	63144	314.441.5 855	7757719605	andrea@clubpilates.com	6%	2%	11/26/15
61	Club Pilates Klein	TX	Fichaud / Bryan	Chris / Susan	7316 Louetta Road #B302	Spring	TX	77379	(281) 607-2485	C: 713-254-0213 S: 713.882.8873	chris.fichaud@clubpilates.com; susan.bryan@clubpilates.com	6%	2%	12/03/15

62	Club Pilates Wyckoff	NJ	Sapka	Allison / Chris	525 Cedar Hill Ave	Wyckoff	NJ	07481	201.447.2500	C: 201.916.3359 A: 973.951.2074	allison.sapka@clubpilates.com; chris.sapka@clubpilates.com	6%	2%	12/21/15
63	Club Pilates Progress Ridge	OR	Wynkoop	Dan / Debra	12305 SW Horizon Blvd Suite J207	Beaverton	OR	97007	(503) 605-1453	503-720-9556	dan.wynkoop@clubpilates.com; debra.wynkoop@clubpilates.com	6%	2%	12/22/15
64	Club Pilates Echo Park	CA	Watson / Lombardi	Keely / Ed	1720 West Sunset Blvd	Echo Park	CA	90026	323-505-4355	Keely (619) 261-5898	keely.watson@clubpilates.com; ed.lombardi@clubpilates.com	6%	2%	12/31/15
65	Club Pilates NoHo	CA	Ovakimian	Sarkis / Esther	5077 Lankershim Boulevard Suite F	North Holly wood	CA	91601	818-210 3422	S: 818.675.50 61	sarkis.ovakimian@clubpilates.com; ester.plavdjian@clubpilates.com	6%	2%	01/22/16
66	Club Pilates Brookhaven	GA	Stennett	Kellen	5001 Peachtree Blvd Suite 630	Chamblee	GA	30341	(678) 996-1988	K: 404.456.4110 M: 609.605.4315	kellen.stennett@clubpilates.com; matt.omiatek@clubpilates.com	6%	2%	02/10/16

67	Club Pilates Pleasanton	CA	Shiraki	Robert / Jessica	6766 Bernal Ave. Suite 530	Pleasonton	CA	94566	925.255.0880	R:650.766.5900	robert.shiraki@clubpilates.com; jessica.shiraki@clubpilates.com	6%	2%	02/15/16
68	Club Pilates Lafayette	CA	Darrel Swift	Janani (Jan) Siva	3506 Mt. Diablo Blvd., Suite E	Lafayette,	CA	94549	925.900.5788	520.289.0439	jan.siva@clubpilates.com; darrel.swift@clubpilates.com	6%	2%	02/23/16
69	Club Pilates San Clemente	CA	Hammett	Emily	802 Avenida Talega Ste 104	San Clemente	CA	92673		Emily (626)233-9220	emily.hammett@clubpilates.com	6%	2%	02/23/16
70	Club Pilates Brickell	FL	Maria Gutierrez	Tania Peck	117 SW 10th Ste #103	Miami	FL	33130	786.509.9831	T:786.218.3572 M:954.673.1536	Tania.peck@clubpilates.com; Mariaisabel.gutierrez@clubpilates.com	6%	2%	02/26/16
71	Club Pilates Chino Hills	CA	Truong	Amy / Anthony	13920 City Center Drive Suite 4010	Chino Hills	CA	91709	909.529.1041	949.278.7719	amy.truong@clubpilates.com; tong.truong@clubpilates.com	6%	2%	02/26/16
72	Club Pilates Saratoga	CA	Ko/Wu	Ken/Jessie	14410 Big Basin Way, STE E	Saratoga	CA	95070	669.256.5200	k:408.641.1511	ken.ko@clubpilates.com; jessie.wu@clubpilates.com	6%	2%	03/15/16
73	Club Pilates Symmes Township	OH	Pallatroni	Bob	12088 Montgomery Road	Cincinnati	OH	45249	513.766.9008	513.225.4475	bob.pallatroni@clubpilates.com	6%	2%	03/17/16

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74	Club Pilates East Cobb	GA	Little	Stephanie	2960 Shallowford Rd #200	Marietta	GA	30066	678.647.6220	404.245.2691	stephanie.little@clubpilates.com	6%	2%	03/18/16
75	Club Pilates Emeryville	CA	Miller	Jerry & Melissa			CA			M:510.919.4484	melissa.miller@clubpilates.com ; jerry.miller@clubpilates.com	6%	2%	03/18/16
76	Club Pilates Waterford Lakes	FL	Johnson	Heath	875 North Alafaya Trail	Orlando	FL	32828	407.204.9501	508.725.2108	heath.johnson@clubpilates.com	6%	2%	03/21/16
77	Club Pilates Short Hills	NJ	Collins	Caroline & Dennis	770 Morris Turnpike	Short Hills	NJ	07078	973.710.4755	C:917.796.9618	caroline.collins@clubpilates.com; dennis.collins@clubpilates.com	6%	2%	03/23/16
78	Club Pilates Lincoln Park	IL	Phelps	Abby	2047 N. Clybourn Ave	Chicago	IL	60614	312.734.1069	312.399.3256	abby.phelps@clubpilates.com	6%	2%	03/29/16
79	Club Pilates Carmel	IN	Thorpe	Ralph / Julie	2482 E. 146th Street	Carmel	IN	46033	317)565-4828	317.696.4600	ralph.thorpe@clubpilates.com	6%	2%	03/30/16
80	Club Pilates Westfield	NJ	Dimitrios/Helen/ Arnold/ Amy	Angelis / DeGarcia	225 Broad Ave	Westfield	NJ	07090	908.233.0950	D:914.772.9973 A:917.921.2595	dimitrios.angelis@clubpilates.com; helen.angelis@clubpilates.com; arnold.degarcia@clubpilates.com; amy.degarcia@clubpilates.com	6%	2%	03/31/16

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81	Club Pilates Chandler	AZ	Guzick	Bill / Jennifer	4085 South Gilbert Road, Shops B - Suite 5	Chandler	AZ	85249	480.771.4459	J:480.695.7116 Bill:480.826.4181	jennifer.guzick@clubpilates.com; bill.guzick@clubpilates.com	6%	2%	03/31/16
82	Club Pilates Sunnyvale	CA	Gonzalez	Lewis	562 E. El Camino Real	Sunnyvale	CA	94087	408.675.9071	650.776.7813	lewis.gonzalez@clubpilates.com	6%	2%	04/08/16
83	Club Pilates Frisco	TX	Buck	Chris and Nathalie	6959 Lebanon Road, Ste 121	Frisco	TX	75034	469.701.1252	N:214.770.5525	nathalie.buck@clubpilates.com; chris.buck@clubpilates.com	6%	2%	04/11/16
84	Club Pilates East Memphis	TN	Barnes	Tara & Philip	6300 Poplar Ave Ste 103	Memphis	TN	38119	901.646.5054	T:901.628.8004	tara.barnes@clubpilates.com; phillip.barnes@clubpilates.com	6%	2%	04/15/16
85	Club Pilates Winter Park	FL	Goldman	Christine	1222 N. Orange Ave. Ste B	Winter Park	FL	32789	407.960.7042	321.231.5262	christine.goldman@clubpilates.com	6%	2%	04/15/16
86	Club Pilates Monrovia	CA	Park	Bora	1169 Huntington Drive	Duarte	CA	91010	626.507.5522	213.840.2203	bora.park@clubpilates.com	6%	2%	04/15/16
87	Club Pilates Wauwatosa	WI	Tsuchiyama	Robert & Beth	6931 W North Ave	Wauwatosa	WI	53213		R:404.307.5634	robert.tsuchiyama@clubpilates.com; beth.tsuchiyama@clubpilates.com	6%	2%	05/11/16

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88	Club Pilates Ashburn	VA	Ask	Ryan	43670 Greenway Corporate Drive	Ashburn	VA	20147	703.828.0779	607.331.4909	ryan.ask@clubpilates.com	6%	2%	05/13/16
89	Club Pilates Scottsdale Promenade	AZ	Gatzemeier	Don & Emma	16447 N. Scottsdale Rd. Suite 119	Scottsdale	AZ	85254	480.447.4044	602.663.2049	don.gatzemeier@clubpilates.com	6%	2%	05/16/16
90	Club Pilates Gilbert	AZ	Anderson	Doug & Maggie	3131 S. Market St, Suite 103	Gilbert	AZ	85295	480.999.3825	D:480.388.1852	doug.anderson@clubpilates.com; maggie.anderson@clubpilates.com	6%	2%	05/18/16
91	Club Pilates Ramsey	NJ	Mokray	Joan	875 Route 17 South, Ramsey Center	Ramsey	NJ	07446	551.264.9222	201.755.5748	joan.mokray@clubpilates.com	6%	2%	05/19/16
92	Club Pilates North San Jose	CA	Fizzah Raza	Ronnie Sarwar	1708 Oakland Road, Suite 200	San Jose	CA	95131	408.359.4484	615.364.1690	ronnie.sarwar@clubpilates.com	6%	2%	05/20/16
93	Club Pilates SFO-Mission Bay	CA	Srivastava	Amit & Seema			CA			408.202.9619	seema.srivastava@clubpilates.com; amit.srivastava@clubpilates.com	6%	2%	05/20/16

94	Club Pilates St. Petersburg	FL	Griffin	Jim	111 2nd Avenue NE #215	St. Petersburg	FL	33701		224.436.0647	jim.griffin@clubpilates.com; catherine.griffin@clubpilates.com	6%	2%	05/31/16
95	Club Pilates South Tampa	FL	Griffin	Jim	938 South Howard Ave	Tampa	FL	33606	813-607-2990	224.436.0647	jim.griffin@clubpilates.com; catherine.griffin@clubpilates.com	6%	2%	05/31/16
96	Club Pilates Emerson	NJ	Warner	Alison	437 Old Hook Road Unit #5	Emerson	NJ	07630	201.949.7222	551.427.7806	alison.warner@clubpilates.com	6%	2%	05/31/16
97	Club Pilates South Providence	NC	Harris	Doug	10822 Providence Rd Ste 800	Charlotte	NC	28277		704.491.6717	doug.harris@clubpilates.com; kris.harris@clubpilates.com	6%	2%	06/03/16
98	Club Pilates Carrollwood	FL	Philyaw	Nathan	13158 N Dale Mabry Hwy	Tampa	FL	33618	813.773.3880	904.635.0298	nathan.philyaw@clubpilates.com	6%	2%	06/03/16
99	Club Pilates Roseville	CA	Lance	Renata and Sean	1921 Douglas Boulevard, Suite 104	Roseville	CA	95661	916.318.9908	Renata (650) 759-3283	renata.lance@clubpilates.com ; sean.lance@clubpilates.com	6%	2%	06/15/16
100	Club Pilates Newcastle	WA	Adams	Nikki	132nd Place SE and Newcastle Connector Road	Newcastle	WA			(253) 709-1446	nikki.adams@clubpilates.com; paul.adams@clubpilates.com	6%	2%	06/16/16

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101	Club Pilates Hoboken	NJ	Horvath	Emese	1400 Hudson	Hoboken	NJ	0		770.910.2934	emese.horvath@clubpilates.com	6%	2%	06/20/16
102	Club Pilates Washtenaw	MI	Vogel	Nick	3372 Washtenaw Ave	Ann Arbor	MI	48104	734.887.1938	989.992.8422	nick.vogel@clubpilates.com	6%	2%	06/27/16
103	Club Pilates Winter Garden	FL	Wilson	Chris	13848 Tilden RD Ste 130	Winter Garden	FL	34787	407-890-5344	732.803.0226	chris.wilson@clubpilates.com	6%	2%	06/28/16
104	Club Pilates Loehmann's Plaza	CA	Holmes	Brian	2529 Fair Oaks Blvd	Sacramento	CA	95825	916.400.9225	B:661.332.2233	brian.holmes@clubpilates.com; adrian.holmes@clubpilates.com	6%	2%	07/01/16
105	Club Pilates Katy #2	TX	Heslop	Pam			TX			281.497.4557	pam.heslop@clubpilates.com	6%	2%	07/05/16
106	Club Pilates Scarsdale	NY	Rhyu	Heather	365 Central Park Avenue	Scarsdale	NY	10583	914.449.4411	310.972.8786	heather.rhyu@clubpilates.com	6%	2%	07/14/16
107	Club Pilates Castle Rock	CO	Borrego	George & Julie	6360 Promenade Parkway Unit 120	Castle Rock	CO	80108	720.575.7185	G:720.278.3084	george.borrego@clubpilates.com; julie.borrego@clubpilates.com	6%	2%	07/19/16

108	Club Pilates Temecula	CA	Teranchi	Shahin	33175 Temecula Pkwy Ste C	Temecula	CA	92562	951.396.7000	951.237.2379	shahin.tehranchi@clubpilates.com; zohal.tehranchi@clubpilates.com	6%	2%	07/22/16
109	Club Pilates Scottsdale Shea	AZ	Jacobs	Keith	9301 E. Shea Unit 104	Scottsdale	AZ	85260	480.771.3774	K: 910-274-8201	keith.jacobs@clubpilates.com; yvette.jacobs@clubpilates.com	6%	2%	07/29/16
110	Club Pilates Buckhead	GA	Stennett	Kellen	2391 Peachtree Rd, NE Suite B3AB	Atlanta	GA	30305	470.885.0623	K: 404.456.4110 M: 609.605.4315	kellen.stennett@clubpilates.com; matt.omiatek@clubpilates.com	6%	2%	07/30/16
111	Club Pilates Lakewood	CA	Park	Bora			CA			213.840.2203	bora.park@clubpilates.com	6%	2%	08/10/16
112	Club Pilates Cerritos	CA	Park	Bora			CA			213.840.2203	bora.park@clubpilates.com	6%	2%	08/10/16
113	Club Pilates Sandy	UT	Sanger	Travis/Heidi	2079 East 9400 South	Sandy	UT	84093	385.800.3220	701.866.5036	travis.sanger@clubpilates.com; heidi.sanger@clubpilates.com	6%	2%	08/11/16
114	Club Pilates Ventura	CA	Bloore	Ken & Allison	4020 E. Main St. #B- 1-2	Ventura	CA	93003	805.856.4424	K: 818.917.8114	ken.bloore@clubpilates.com; allison.drury@clubpilates.com	6%	2%	08/17/16
115	Club Pilates Simi Valley	CA	Bloore	Ken & Allison	2955 Cochran St #B201	Simi Valley	CA	93065	805.261.1444	K: 818.917.8114	ken.bloore@clubpilates.com; allison.drury@clubpilates.com	6%	2%	08/17/16

116	Club Pilates Chandan Place	IL	Schlichting	Steve & Robin	3065 N. Perryville Rd., Ste #147	Rockford	IL	61114	815.860.0710	S: 815.985.1337	steve.schlichting@clubpilates.com; robin.schlichting@clubpilates.com	6%	2%	08/23/16
117	Club Pilates Alpharetta	GA	Worley	Mark	3005 Old Alabama Rd	Alpharetta	GA	30022	678.919.8733	678.488.0785	mark.worley@clubpilates.com	6%	2%	08/23/16
118	Club Pilates Framingham	MA	Miller	Mike & Tammy	25 Prospect St	Framingham	MA	01701	774.999.0209	T: 860.817.8995	tammy.miller@clubpilates.com; mike.rizzo@clubpilates.com	6%	2%	08/25/16
119	Club Pilates North Raleigh	NC	Schuck/Smith/Ruggieri	David / Jon / Joe	9400 Falls of Neuse Rd	Raleigh	NC	27615	919.670.3077	D: 336.404.7871	david.schuck@clubpilates.com; jon.smith@clubpilates.com; joe.ruggieri@clubpilates.com	6%	2%	08/25/16
120	Club Pilates Jax Beach	FL	Graham	Rick & Dawn	14035 Beach Blvd. Suite G	Jacksonville	FL		904.289.8300	R: 210.559.1732	rick.graham@clubpilates.com; dawn.graham@clubpilates.com	6%	2%	08/27/16
121	Club Pilates Culver City	CA	Stromblad	Katya	10732 Jefferson Blvd.	Culver City	CA	90230	310.424.5290	818.257.3047	katya.stromblad@clubpilates.com	6%	2%	08/29/16
122	Club Pilates Highland Village	TX	Martin	Todd & Debi	2540 Justin Rd. Suite 177	Highl and Village	TX	75077	972.597.4275	D: 972.977.7277	debi.martin@clubpilates.com; todd.martin@clubpilates.com	6%	2%	09/16/16

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123	Club Pilates Mooresville	NC	Pennypacker	John	146 Mooresville Commons Way Unit 25	Mooresville	NC	28117	980.260.0000	980.240.1792	john.pennypacker@clubpilates.com	6%	2%	09/20/16
124	Club Pilates Englewood	NJ	Untener	Scott	19 W. Palisade Ave.	Englewood	NJ	07631	201.568.1700	914.261.1219	scott.untener@clubpilates.com	6%	2%	09/21/16
125	Club Pilates Indian Lake	TN	Fielder	Tom	217 Indian Lake Blvd. Ste. 1002	Hendersonville	TN	37075	615.270.2470	615.579.3070	tom.fielder@clubpilates.com	6%	2%	09/22/16
126	Club Pilates South Naperville	IL	Smith	Eric	2695 Forgue Drive, #109	Naperville	IL	60564	331.401.5788	630.362.9593	eric.smith@clubpilates.com	6%	2%	09/23/16
127	Club Pilates Flower Mound	TX	Springer	Bobby	1221 Flower Mound Rd Ste 320	Flower Mound	TX	75028	817.668.0108	615.268.9432	bobby.springer@clubpilates.com / sonya.springer@clubpilates.com	6%	2%	09/27/16
128	Club Pilates Savage	MN	Bounds	Steve & Angela	14010 Highway 13 South	Minneapolis	MN	55378	952.777.5905	S: 303.883.4605	steve.bounds@clubpilates.com; angela.bounds@clubpilates.com	6%	2%	09/29/16

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129	Club Pilates Sugar Land	TX	Gowens	Bret	3157 Highway 6	Sugar Land	TX	77478	281.369.4977	832.659.4501	bret.gowens@clubpilates.com	6%	2%	09/29/16
130	Club Pilates Pembroke Pines	FL	Elgarresta / Harper	Ed / Christina	14954 Pines Blvd	Pembrooke Pines	FL	33207	954-500-2582	E: 305.606.6198	ed.elgarresta@clubpilates.com; christina.elgarresta@clubpilates.com	6%	2%	10/07/16
131	Club Pilates Tempe	AZ	Guzick	Bill /Jennifer	1825 East Guadalupe Ste F-102	Tempe	AZ	85283	480.566.0335	J: 480.695.7116 Bill: 480.826.4181	jennifer.guzick@clubpilates.com; bill.guzick@clubpilates.com	6%	2%	10/18/16
132	Club Pilates Woodbury	MN	Kodet	David	9000 Hudson Rd #602	Woodbury	MN	55125	651-323-1134	612.877.0764	dave.kodet@clubpilates.com	6%	2%	10/19/16
133	Club Pilates Henderson	NV	Rechester	Victoria /Emil	10525 S. Eastern Ave. Ste 140	Henderson	NV	89052	702.907.2758	Victoria (323) 899-7083	emil.rechester@clubpilates.com	6%	2%	10/20/16
134	Club Pilates McKinney	TX	Mehmood	Jodi & Shahid	9245 Virginia Pkwy, Suite #200	McKinney	TX	75071	972-838-5558	J: 682.553.8173	jodi.mehmood@clubpilates.com	6%	2%	10/24/16
135	Club Pilates New Hyde Park	NY	Lo	David	1632 Marcus Ave.	New Hyde Park	NY	11040	516-654-6938	D: 646.379.0824 M: 516.527.4712	david.lo@clubpilates.com; michelle.lo@clubpilates.com	6%	2%	10/26/16

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136	Club Pilates Glen Ellyn	IL	Smith	Allison & Aaron	369 Roosevelt Rd	Glen Elyn	IL	0		630.337.6350	allison.smith@clubpilates.com; aaron.smith@clubpilates.com	6%	2%	10/27/16
137	Club Pilates Elk Grove	CA	Holmes	Brian	8235 Laguna Blvd.#120	Elk Grove	CA	95758	916.936.2582	B: 661.332.2233	brian.holmes@clubpilates.com; adrian.holmes@clubpilates.com	6%	2%	11/02/16
138	Club Pilates San Pedro	CA	Thomas /Davis	Joni/Tiffany	936 N. Western Ave	San Pedro	CA	90732	310-844-1860	T: 773.320.0921	joni.thomas@clubpilates.com; tiffany.davis@clubpilates.com	6%	2%	11/02/16
139	Club Pilates Salisbury	MD	Horan	Ed	1305 S. Salisbury Blvd. Unit 1	Salisbury	MD	21801	410.339.1699	845.764.1943	ed.horan@clubpilates.com	6%	2%	11/13/16
140	Club Pilates Madison #1	WI	Baldwin	Nathan & Erica	390 S Grand Ave	Sun Prairie	WI			N: 608.609.5152	nathan.baldwin@clubpilates.com; erika.baldwin@clubpilates.com	6%	2%	11/18/16
141	Club Pilates Houston (Canga)	TX	Canga	Ivan			TX			832.868.5973	ivan.canga@clubpilates.com	6%	2%	11/18/16
142	Club Pilates Vancouver	CAN	Oussov	Ilia/Serguei			CAN			604.671.0657	ilia.oussov@clubpilates.com; serguei.oussov@clubpilates.com	6%	2%	11/18/16

143	Club Pilates Atascocita	TX	Wells	Daniela & David	16430 W. Lake Houston Pkwy., Suite 300-	Houston	TX	77044	832.779.2622	832.923.0228	david.wells@clubpilates.com; daniela.wells@clubpilates.com	6%	2%	11/18/16
144	Club Pilates Sparks	NV	Beardsley	Allison	2453 Wingfield Hills Road, Suite 130	Sparks	NV	89436	(775)737-3322	(775)-737-3322	allison@clubpilates.com	6%	2%	11/21/16
145	Club Pilates Lehi	UT	Edmonds/ Miller	Mike & Becky/Scott & Karie	1881 W. Traverse Parkway, Ste B	Lehi	UT	84043	385-831-7077	801.707.5630	mike.edmonds@clubpilates.com; scott.miller@clubpilates.com	6%	2%	11/22/16
146	Club Pilates Cedar Park	TX	Hernandez/Lindner	Hector / Molly	5001 183A Toll Road Suite G400	Cedar Park	TX	78613	512.399.5212	512.593.3652	hector.hernandez@clubpilates.com; molly.lindner@clubpilates.com	6%	2%	05/01/17
147	Club Pilates West Caldwell	NJ	Uku	Richard	800 Bloomfield Ave	West Caldwell	NJ	7006	973-787-9074	917.670.7396	richard.uku@clubpilates.com	6%	2%	11/23/16
148	Club Pilates Laguna Niguel	CA	Watson/ Lombardi	Keely / Ed	30100 Town Center Drive, Suite B-1	Laguna Niguel	CA	92677	949-257-2292	Keely (619)261-5898	keely.watson@clubpilates.com; ed.lombardi@clubpilates.com	6%	2%	11/30/16

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149	Club Pilates West Hills	OR	Sander	Scott & Misty	7515 SW Barnes Rd. Ste 102	Portland	OR	97225	971.249.8555	S: 971.998.0279	scott.sander@clubpilates.com; misty.sander@clubpilates.com	6%	2%	12/08/16
150	Club Pilates Plymouth	MN	Ras	Brent	3570 Vicksburg Lane, Suite 400	Plymouth	MN	55447	763-390-7933	612.385.0588	brent.ras@clubpilates.com; kate.ras@clubpilates.com	6%	2%	12/15/16
151	Club Pilates New Braunfels	TX	Becker	Lance & Sara	1935 W State Hwy 46, Suite 104	New Braunfels	TX	78132	830.632.9666	L: 512.787.3703	lance.becker@clubpilates.com; sarah.becker@clubpilates.com	6%	2%	12/16/16
152	Club Pilates Eagle	ID	Le	Hieu & Thy	3130 E. State St. Suite 115	Boise	ID	83616	208-912-0071	208.890.1770	hieu.le@clubpilates.com; thy.vo@clubpilates.com	6%	2%	12/19/16
153	Club Pilates Holly Springs	NC	Schuck/ Smith/R uggieri	David / Jon / Joe	5321 Sunset Lake Rd.	Holly Springs	NC	27540		D: 336.404.7871	david.schuck@clubpilates.com; jon.smith@clubpilates.com; joe.ruggieri@clubpilates.com	6%	2%	12/21/16
154	Club Pilates Boise	ID	Louis	Laura			ID			208.841.0247	laura.louis@clubpilates.com	6%	2%	12/22/16

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155	Club Pilates La Mesa	CA	Mann	Katie	5907 Severin Drive	La Mesa	CA	91942	858-531-2348	(619)569-4421	katie.mann@clubpilates.com	6%	2%	12/28/16
156	Club Pilates Rivercha se	AL	Booker	Lindsay	1839 Montgomery Hwy. Suite D	Hoover	AL	35244	205-937-7265	(205)451-2482	lindsay.booker@clubpilates.com	6%	2%	12/30/16
157	Club Pilates Redlands	CA	Teranchi	Shahin	450 Stuart Ave. Suite D-120	Redlands	CA	92374		951.237.2379	shahin.tehranchi@clubpilates.com; zohal.tehranchi@clubpilates.com	6%	2%	12/30/16
158	Club Pilates Matthe ws	NC	Harrington	Julie & Paul	2211 Matthews Township Pkwy, Unit 9	Matthews	NC	28105	(704) 594-5670	J: 847.693.1777	julie.harrington@clubpilates.com	6%	2%	01/06/17
159	Club Pilates Wellingt on	FL	Smith	Joy	10660 Forest Hill Boulevard, Suite 140	Wellington	FL	33414	561-208-1233	561.386.0559	joy.smith@clubpilates.com	6%	2%	01/06/17
160	Club Pilates Del Mar	CA	Jones	Derek	12264 El Camino Real, Suite 201	San Diego	CA	92130	858-531-2348	619-980-2712	derek.jones@clubpilates.com	6%	2%	01/16/17

161	Club Pilates Madison	NJ	Collins	Caroline & Dennis	53 Main St	Madison	NJ	07940	973-765-6260	C: 917.796.9618	caroline.collins@clubpilates.com; dennis.collins@clubpilates.com	6%	2%	01/17/17
162	Club Pilates La Grange	IL	Walker	Sheri			IL			773.339.3246	sheri.walker@clubpilates.com	6%	2%	01/20/17
163	Club Pilates Kendall	FL	Clivio	Tara			FL			305.586.3131	tara.clivio@clubpilates.com	6%	2%	01/23/17
164	Club Pilates Princeton	NJ	Burd	Steven			NJ			609.610.8007	steve.burd@clubpilates.com	6%	2%	01/30/17
165	Club Pilates Downtown LA	CA	Violas	Stephanie	1119 S. Hope Street	Los Angeles	CA	90015	213-204-6900	(310)-489-9803	stephanie.violas@clubpilates.com	6%	2%	01/30/17
166	Club Pilates St. Matthews	KY	Ryser	Fred	4600 Shelbyville Road, suite 104	Louisville	KY	40243	502-907-1577	F:347.997.2052 K:917.597.4334	fred.ryser@clubpilates.com; katie.ryser@clubpilates.com	6%	2%	01/31/17
167	Club Pilates Sioux Falls	SD	Safranski	Michael & Tricia	5009 S. Western Ave Ste 220	Sioux Falls	SD	57108	605.68.6556	612.220.1469	michael.safranski@clubpilates.com; tricia.safranski@clubpilates.com	6%	2%	01/31/17

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168	Club Pilates Mission Grove	CA	Teranchi	Shahin	341 E. Alessandro Blvd #2G	Riverside	CA	92508	951.708.3600	951.237.2379	shahin.tehranchi@clubpilates.com; zohal.tehranchi@clubpilates.com	6%	2%	02/02/17
169	Club Pilates Sunrise	FL	Maddocks	Teresa & Alan			FL			954.962.0322	0	6%	2%	02/06/17
170	Club Pilates Las Colinas	TX	Martin	Todd & Debi	4000 N. MacArthur Blvd. Ste #A122	Irving	TX	75038	469.214.4822	D:972.977.7277	debi.martin@clubpilates.com; todd.martin@clubpilates.com	6%	2%	02/07/17
171	Club Pilates Colleyville	TX	Martin	Todd & Debi	4701 Colleyville Blvd. Ste 430	Dallas	TX	76034	817.409.6970	D:972.977.7277	debi.martin@clubpilates.com; todd.martin@clubpilates.com	6%	2%	02/07/17
172	Club Pilates North Fort Worth	TX	Martin	Todd & Debi	2317 North Tarrant Parkway, Suite 423	Fort Worth	TX	76177	682.312.6030	D:972.977.7277	debi.martin@clubpilates.com; todd.martin@clubpilates.com	6%	2%	02/07/17
173	Club Pilates Radnor	PA	Waller	George & Kris			PA			610.613.8380	george.waller@clubpilates.com; kris.waller@clubpilates.com	6%	2%	02/22/17
174	Club Pilates NW Reno	NV	Beardsley	Allison	1620 Robb Dr Ste C1	Reno	NV	89523	775-525-0549	(775)-737-3322	allison@clubpilates.com	6%	2%	02/23/17
175	Club Pilates Wexford	PA	Castiglione & Adamiak	Michael & Autumn			PA			M:724.815.7199	mike.castiglione@clubpilates.com; autumn.adamiak@clubpilates.com	6%	2%	02/24/17

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176	Club Pilates Poway	CA	Hoyos	Fernando			CA			619.831.1086	fernando.hoyos@clubpilates.com	6%	2%	02/27/17
177	Club Pilates Rancho Bernardo	CA	Hoyos	Fernando	12145 Alta Carmel Ct, Suite 220	San Diego	CA	92128	858.943.4741	619.831.1086	fernando.hoyos@clubpilates.com	6%	2%	02/27/17
178	Club Pilates Potomac	MD	Carnegie	Maritza			MD			301.275.4006	maritza.carnegie@clubpilates.com	6%	2%	02/28/17
179	Club Pilates Brentwood	CA	Griffin	Jim	11677 San Vicente Blvd Ste, 304	Los Angeles	CA	90049	424-368-2650	224.436.0647	jim.griffin@clubpilates.com; catherine.griffin@clubpilates.com	6%	2%	03/06/17
180	Club Pilates Schaumburg	IL	Ciesla	Frank & Christina			IL			847-975-8133	frank.ciesla@clubpilates.com; christina.ciesla@clubpilates.com	6%	2%	03/13/17
181	Club Pilates Burlington	MA	Trauzzi / Hard	Christopher / Marjie	43 Middlesex Turnpike, Unit 12	Burlington	MA	01803	781-300-7525	617-880-9987	chris.trauzzi@clubpilates.com; marjie.hard@clubpilates.com	6%	2%	03/14/17
182	Club Pilates Towne Lake	TX	Fichaud / Bryan	Chris / Susan	9955 Barker Cypress Ste 215	Cypress	TX	77433	832-653-9419	C: 713-254-0213 S: 713.882.8873	chris.fichaud@clubpilates.com; susan.bryan@clubpilates.com	6%	2%	03/31/17

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183	Club Pilates Avalon	GA	Worley	Mark	7160 Avalon Blvd	Alpharetta	GA	30009	678-996-5336	678.488.0785	mark.worley@clubpilates.com	6%	2%	04/04/17
184	Club Pilates Biltmore Park	NC	Cropp	Kevin & Hadley			NC			K: 919-593-0337	kevin.cropp@clubpilates.com; hadley.cropp@clubpilates.com	6%	2%	04/07/17
185	Club Pilates Santa Clarita	CA	Ovakimian	Sarkis / Esther			CA			S: 818.675.5061	sarkis.ovakimian@clubpilates.com; ester.plavdjian@clubpilates.com	6%	2%	04/10/17
186	Club Pilates Gainey Ranch	AZ	Jacobs	Keith	8787 N. Scottsdale Rd. Ste232	Scottsdale	AZ	85253	480-462-1299	K: 910-274-8201	keith.jacobs@clubpilates.com; yvette.jacobs@clubpilates.com	6%	2%	04/12/17
187	Club Pilates Assembly Row	MA	Miller	Mike & Tammy	389 Revolution Dr	Somerville	MA	2145	857-997-2580	M: 510.919.4484	melissa.miller@clubpilates.com ; jerry.miller@clubpilates.com	6%	2%	04/12/17
188	Club Pilates St. Charles	MO	Devers / McKelvey	Jennifer / Patricia	1894 Wentzville Parkway	Wentzville	MO			Devers: (636)-244-7311	jennifer.devers@clubpilates.com; patti.mckelvey@clubpilates.com	6%	2%	04/14/17
189	Club Pilates Woodstock	GA	Taylor/ Oliver	Paige/Andrew	1065 Buckhead Crossing	Woodstock	GA	28104			Paige.Taylor@clubpilates.com	6%	2%	05/22/17

190	Club Pilates Collegeville	PA	Koster/ Olivia	Marco/ Carla	222 East Main Street #012	Collegeville	PA	19426	484-284-8004		Marco.Koster@clubpilates.com	6%	2%	05/24/17
191	Club Pilates St. George 1	TU	McClure	Krista			UT				Krista.McClure@clubpilates.com	6%	2%	06/16/17
192	Club Pilates Spring Lake	NJ	Andricsak/ Massa	Cathy / Allison			NJ				Cathy.Andricsak@clubpilates.com	6%	2%	06/19/17
193	Club Pilates Boston (Peterson)	MA	Peterson	Jennifer			MA				Jennifer.Peterson@clubpilates.com	6%	2%	06/30/17
194	Club Pilates North Henderson	NV	Kim	Wesley			NV				Wesley.Kim@clubpilates.com	6%	2%	07/28/17
195	Club Pilates Foothill Ranch	CA	Georges	Bill & Beth			CA				Bill.Georges@clubpilates.com	6%	2%	09/07/17
196	Club Pilates Milwaukee (Schuda)	WI	Schuda	Michael & Anjelica			WI				Michael.Schuda@clubpilates.com	6%	2%	09/07/17

197	Club Pilates West Omaha	NE	Froscheiser	Jay & Angelina			NE				Jay.Froscheiser@clubpilates.com	6%	2%	09/21/17
198	Club Pilates Mansfield	TX	Becker	Lance & Sara	3300 East Broad St #130	Mansfield	TX	76063	817-592-2555	L:512.787.3703	lance.becker@clubpilates.com; sarah.becker@clubpilates.com	6%	2%	05/15/17
199	Club Pilates Round Rock	TX	Hernandez/Lindner	Hector/Molly	2800 South IH-35, Suite 160	Round Rock	TX	78681		512.593.3652	hector.hernandez@clubpilates.com; molly.lindner@clubpilates.com	6%	2%	11/22/16
200	Club Pilates Granite Hills	CA	Hughes	Megan	747 Jamacha Road	El Cajon	CA	92019	619.329.1180	619-204-9090	megan.hughes@clubpilates.com; carl.hughes@clubpilates.com	6%	2%	06/26/16
201	Club Pilates Tarzana	CA	Stromblad	Katya	18741 Ventura Blvd	Tarzana	CA	91356		818.257.3047	katya.stromblad@clubpilates.com	6%	2%	08/16/17
202	Club Pilates Reno	NV	Beardsley	Allison	6815 Sierra Center Parkway, Suite 500	Reno	NV	89511	775-2981678	(775)-737-3322	allison@clubpilates.com	0%	0%	n/a-founder
203	Club Pilates Livingston	NJ	Dimitrios/Helen/ Arnold / Amy	Angelis/ DeGarcia			NJ			D:914.772.9973 A:917.921.2595	dimitrios.angelis@clubpilates.com; helen.angelis@clubpilates.com; arnold.degarcia@clubpilates.com; amy.degarcia@clubpilates.com	6%	2%	09/26/17

204	Club Pilates Greenwood Village	CO	Easterly	Kevin	7600 Landmark Way, Suite B-106	Greenwood Village	CO	80111	720-546-2100		kevin.easterly@clubpilates.com	6%	2%	06/28/17
205	Club Pilates Bountiful	UT	Edmonds/Miller	Mike & Becky/Scott & Karie	530 W 500 S Suite D	Bountiful	UT	84010		801.707.5630	mike.edmonds@clubpilates.com; scott.miller@clubpilates.com	6%	2%	08/21/17
206	Club Pilates Belle Meade	TN	Fielder	Tom	4326 Harding Pike, Suite 105	Nashville	TN	37205	615.988.4488	615.579.3070	tom.fielder@clubpilates.com	6%	2%	06/27/17
207	Club Pilates Dilworth	NC	Harris	Doug			NC				doug.harris@clubpilates.com; kris.harris@clubpilates.com	6%	2%	09/12/17
208	Club Pilates Summerlin	NV	Rechester	Victoria/Emil	7460 W Lake Mead Blvd. # E1	Las Vegas	NV	89108	702-979-2422	Victoria (323) 899-7083	emil.rechester@clubpilates.com	6%	2%	05/31/17
209	Club Pilates Ardsley	NY	Rhyu	Heather	875 Saw Mill River Rd	Ardsley	NY	10502	914-292-1292	310.972.8786	heather.rhyu@clubpilates.com	6%	2%	05/05/17

210	Club Pilates Chapel Hill	NC	Schuck/Smith/Ruggieri	David / Jon / Joe	1800 E. Franklin Street #9	Chapel Hill	NC	27514	919.670.3077	D: 336.404.7871	david.schuck@clubpilates.com; jon.smith@clubpilates.com; joe.ruggieri@clubpilates.com	6%	2%	06/27/17
211	Club Pilates Yorba Linda	CA	Watson / Lombardi	Keely / Ed			CA			Keely (619) 261-5898	keely.watson@clubpilates.com; ed.lombardi@clubpilates.com	6%	2%	07/31/17
212	Club Pilates Stamford #1	CT	Ackerman	Scott	1063 Boston Post Road	Darien	CT			917.692.8894	scott.ackerman@clubpilates.com	6%	2%	10/21/16
213	Club Pilates Manhattan #1	NY	Acquista	Dominick			NY			Dom:917.774.2853	dominick.acquista@clubpilates.com	6%	2%	01/31/17
214	Club Pilates South Carolina #1	SC	Agnoff	Steve & Mindy	1121-F Military Cutoff Rd.,	Wilmington	SC	28405	910.408.2630	910-313-0230	steve.agnoff@clubpilates.com; mindy.agnoff@clubpilates.com	6%	2%	03/08/17
215	Club Pilates South Carolina #2	SC	Agnoff	Steve & Mindy			SC				steve.agnoff@clubpilates.com; mindy.agnoff@clubpilates.com	6%	2%	06/29/17
216	Club Pilates Chicago #1 (Asbury)	IL	Asbury	Janet			IL			773.983.8165	janet.asbury@clubpilates.com	6%	2%	10/20/16
217	Club Pilates San Luis Obispo	CA	Attaway	Julianne (Juli)			CA			(619) 248-5891	juli.attaway@clubpilates.com	6%	2%	07/06/16

218	Club Pilates Chicago #1 (Baldwin)	IL	Baldwin	Nathan & Erica	901 W Madison St.	Chicago	IL	60607		N: 608.609.5152	nathan.baldwin@clubpilates.com; erika.baldwin@clubpilates.com	6%	2%	01/24/17
219	Club Pilates Germant own	TN	Barnes	Tara & Philip			TN			T: 901.628.8004	tara.barnes@clubpilates.com; phillip.barnes@clubpilates.com	6%	2%	04/15/16
220	Club Pilates Reston	VA	Black	Vince	47100 Community Plaza #63A	Sterling	VA	20164	(703) 429-1764	703.307.9085	vince.black@clubpilates.com	6%	2%	08/30/16
221	Club Pilates Birmingh am #2	AL	Booker	Lindsay	3534 Rockhill Rd	Birmingham	AL	35233		(205) 451-2482	lindsay.booker@clubpilates.com	6%	2%	12/30/16
222	Club Pilates Broomfield	CO	Boselli	Elizabeth	14336 Lincoln Street	Thornton	CO	80023	720 441-4559	303-875-4307	elizabeth.boselli@clubpilates.com	6%	2%	03/15/17
223	Club Pilates Richmond #1	VA	Burleigh	Brian			VA			804-402- 0353	bryan.burleigh@clubpilates.com	6%	2%	04/10/17
224	Club Pilates Seattle	WA	Castro	Savannah & Maya			WA			S: 206.852.6331	savannah.castro@clubpilates.com; maya.castro@clubpilates.com	6%	2%	01/17/17

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225	Club Pilates Norfolk #1	VA	Celia	Joe			VA			917-991-0400	joe.celia@clubpilates.com	6%	2%	04/10/17
226	Club Pilates Brooklyn	NY	Chu	Isaac	181 Pacific St	Brooklyn	NY	11201	718-635-1699	646.610.0389	isaac.chu@clubpilates.com	6%	2%	08/29/16
227	Club Pilates Tulsa #1 (Clark)	OK	Clark	Curt	9130 S Sheridan Rd	Tulsa	OK	74133		918.740.0777	curt.clark@clubpilates.com; victoria.clark@clubpilates.com	6%	2%	12/19/16
228	Club Pilates TBD 1	NC	Cleveland	Aleshka			NC			8287749405	aleshkacleveland@icloud.com	6%	2%	02/25/15
229	Club Pilates TBD 2	NC	Cleveland	Aleshka			NC			8287749405	aleshkacleveland@icloud.com	6%	2%	02/25/15
230	Club Pilates Rochester	MI	Cronin	Kristen			MI			(248) 410-4259	kristen.cronin@clubpilates.com	6%	2%	06/22/16
231	Club Pilates Naples #1	FL	Deutsch	Adam			FL			614.309.9890	adam.deutsch@clubpilates.com	6%	2%	02/15/17
232	Club Pilates Virginia Highland A	GA	Dube	Sheetal and Sandeep			GA			503.780.6302	sheetal.dube@clubpilates.com; sandeep.dube@clubpilates.com	6%	2%	02/25/16

233	Club Pilates Coral Springs (Dziugelis)	FL	Dziugelis	Innetta and Aurimas	4388 N. State Rd 7	Coral Springs	FL	33073		561.716.7128	innetta.dziugelis@clubpilates.com	6%	2%	02/15/17
234	Club Pilates Mill Creek	UT	Edmonds/Miller	Mike & Becky/Scott & Karie	1140 E. Brickyard Rd.#30	Salt Lake City	UT	84106	801-939-2300	801.707.5630	mike.edmonds@clubpilates.com; scott.miller@clubpilates.com	6%	2%	04/11/17
235	Club Pilates Austin #1 (Fraser)	TX	Fraser	Theresa & Glenn	2712 Bee Cave Rd	Austin	TX	78746	512.515.1440	T: 858.750.8595	theresa.fraser@clubpilates.com	6%	2%	11/21/16
236	Club Pilates Austin #2 (Fraser)	TX	Fraser	Theresa & Glenn			TX			T: 858.750.8595	theresa.fraser@clubpilates.com	6%	2%	08/16/17
237	Club Pilates Cleveland #1	OH	Gage	Anita	8474 East Washington St. Unit 11	Chagrin Falls	OH	44023	440-804-5110	330-714-6792	anita.gage@clubpilates.com	6%	2%	03/02/17
238	Club Pilates Cleveland #2	OH	Gage	Anita	Pinecrest Orange Village	Pine crest	OH	44122		330-714-6792	anita.gage@clubpilates.com	6%	2%	06/29/17
239	Club Pilates Tucson #1	AZ	Garrison	Kathy	6872 EAST SUNRISE DRIVE, #150	Tucson	AZ	85750	520.444.0163	520.444.0163	kathy.garrison@clubpilates.com	6%	2%	10/06/16

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240	Club Pilates Westchester (Gevinski)	NY	Gevinski	Sarah	30 E Main St	Mount Kisco	NY	10549	914.362.8414	646.425.8244	sarah.gevinski@clubpilates.com	6%	2%	11/29/16
241	Club Pilates New York #1 (Goldenberg)	NY	Goldenberg	Louisa			NY			646.729.3230	louisa.goldenberg@clubpilates.com; michael.goldenberg@clubpilates.com	6%	2%	12/12/16
242	Club Pilates Missouri City	TX	Gowens	Bret			TX	22		832.659.4501	bret.gowens@clubpilates.com	6%	2%	10/11/16
243	Club Pilates DC #1	VA	Grams	Michael	1101 S. Joyce St., Suite B14	Arlington	VA	22202	571-429-4690	703-949-0378	michael.grams@clubpilates.com	6%	2%	10/10/16
244	Club Pilates Maryland #1	MD	Grover	Jan &Chuck	4959 Westview Dr. Suite D	Frederick	MD	21703	301-304-4880	240.578.0093	jan.grover@clubpilates.com; chuck.grover@clubpilates.com	6%	2%	11/15/16
245	Club Pilates Bellevue (Sheetal)	WA	Guttigoli	Sheetal	15782 Redmond Way	Redmond	WA	98052		425.829.8733	sheetal.guttigoli@clubpilates.com	6%	2%	11/30/16

246	Club Pilates Apple Valley	MN	Hansen	Peter & John			MN			P: 218.349.9728	peter.hansen@clubpilates.com; john.hansen@clubpilates.com	6%	2%	01/25/17
247	Club Pilates Kennesaw	GA	Harman	Nicole			GA			404-819-9764	nicole.harman@clubpilates.com	6%	2%	03/24/17
248	Club Pilates Boulder - Lafeyette	CO	Hendricks	Joe	2850 Baseline Road	Boulder	CO	80303		Joe 303-513-4498 Kelly 720-355-1954	kelly.hendricks@clubpilates.com	6%	2%	03/06/17
249	Club Pilates Carmichael	CA	Holmes	Brian	2766 East Bidwell, Suite 100	Broadstone	CA	95630		B: 661.332.2233	brian.holmes@clubpilates.com; adrian.holmes@clubpilates.com	6%	2%	07/01/16
250	Club Pilates West NY	NJ	Horvath	Emese	45-4 Riverwalk Pl.,	West New York	NJ	07093		770.910.2934	emese.horvath@clubpilates.com	6%	2%	05/18/17
251	Club Pilates 4S Ranch	CA	Hoyos	Fernando			CA			619.831.1086	fernando.hoyos@clubpilates.com	6%	2%	02/28/17
252	Club Pilates Banker's Hill	CA	Hughes	Megan	2760 5th Ave, Suite 110	San Diego	CA	92103	858-531-2348	619-204-9090	megan.hughes@clubpilates.com; carl.hughes@clubpilates.com	6%	2%	12/02/15

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253	Club Pilates Fairfax	VA	Karickhoff	Julie			VA			310.902.8810	jkarickhoff@earthlink.net	6%	2%	04/19/17
254	Club Pilates Baltimore #1 (Kay)	MD	Kay / Bateman	Karla / Liana			MD			717.825.6150	karla.kay@clubpilates.com; liana.bateman@clubpilates.com	6%	2%	12/16/16
255	Club Pilates Baltimore #2 (Kay)	MD	Kay / Bateman	Karla / Liana	100 Shawan Rd. Suite C	Hunt Valley	MD	21030	443-541-5505	717.825.6150	karla.kay@clubpilates.com; liana.bateman@clubpilates.com	6%	2%	05/11/17
256	Club Pilates Del Rey Beach	FL	Kennedy	Kelly	Linton Blvd. & Lavers Ave	Delray Beach	FL			305.389.5399	kelly.kennedy@clubpilates.com	6%	2%	09/22/16
257	Club Pilates Ft. Lauderdale #2	FL	Kennedy	Kelly	7050 W. Palmetto Park Rd #49/50	Boca Raton	FL	33433		305.389.5399	kelly.kennedy@clubpilates.com	6%	2%	04/19/17
258	Club Pilates Sarasota #1	FL	Kilcullen / Keith	Peter / Gary	5408 Lockwood Ridge Rd	Bradenton	FL	34203	941-260-3360	P: 727.647.0429	0	6%	2%	04/14/17
259	Club Pilates Chicago #1 (Kohn)	IL	Kohn	Eric & Kristin			IL			773-580-9602	eric.kohn@clubpilates.com; kristin.kohn@clubpilates.com	6%	2%	03/08/17

260	Club Pilates Morgan Hill (Lance)	CA	Lance	Renata and Sean			CA			Renata (650) 759-3283	renata.lance@clubpilates.com ; sean.lance@clubpilates.com	6%	2%	12/19/16
261	Club Pilates Metairie	LA	LeBrun	Denise	2513 Meterie Rd	Metaire	LA	70001	504.484.9650	504.432.0477	denise.lebrun@clubpilates.com	6%	2%	01/30/17
262	Club Pilates Atlanta #1 (Ledford)	GA	Ledford	Mandy			GA			828.925.3263	mandy.ledford@clubpilates.com	6%	2%	11/30/16
263	Club Pilates Alexandria	VA	Lee	Mindy			VA			540-419-5079	mindy.lee@clubpilates.com	6%	2%	03/13/17
264	Club Pilates Philadel phia #1	PA	Longo	Randy & Margaret	215 Lancaster Ave	Frazer	PA	19355	484.787.3 905	484.238.4230	randy.longo@clubpilates.com; margo.longo@clubpilates.com	6%	2%	02/21/17
265	Club Pilates Philadel phia #2	PA	Longo	Randy & Margaret			PA			484.238.4230	randy.longo@clubpilates.com; margo.longo@clubpilates.com	6%	2%	02/21/17
266	Club Pilates Portland #1 (McCartney)	OR	McCartney	Alyssa			OR			503-740-5025	alyssa.mccartney@clubpilates.com	6%	2%	03/02/17

267	Club Pilates Miami #1 (Mochon)	FL	Mochon / Rosentgberg	Daniela / Horacio	16850 Collins Ave #113D	Sunny Isles Beach	FL	33160		D 786.301.2759	daniela.mochon@clubpilates.com; horacio.rosentgberg@clubpilates.com	6%	2%	09/16/16
268	Club Pilates Morgan Hill	CA	Mohan	Chandra	120 Cochrane Plaza	Morgan Hill	CA	95037		408.887.0000	chandra.mohan@clubpilates.com	6%	2%	03/18/16
269	Club Pilates St. Paul #1	MN	Nelson	Topher			MN			612.723.6075	topher.nelson@clubpilates.com	6%	2%	11/23/16
270	Club Pilates Seattle #1 (Nicholson)	WA	Nicholson	Candi			WA			206-661-7334	candi.nicholson@clubpilates.com	6%	2%	03/03/17
271	Club Pilates Dedham	MA	Peterson	Jennifer			MA			917.573.6971	jennifer.peterson@clubpilates.com	6%	2%	02/15/17
272	Club Pilates Wesley Chapel	FL	Philyaw	Nathan	28211 Paseo Drive #1090	Tampa	FL	33543		904.635.0298	nathan.philyaw@clubpilates.com	6%	2%	04/18/17
273	Club Pilates Marin #1	CA	Poletti	Natalie	208 Vintage Way, Ste G-10	Novato	CA	94945	415.761.1315	650.302.1285	natalie.poletti@clubpilates.com	6%	2%	08/30/16

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274	Club Pilates Long Beach	CA	Rubin	Michael & Alyssa	5939 East Spring St	Long Beach	CA	90808	562-521-1800	(562)-754-4204	Alyssa.rubin@clubpilates.com	6%	2%	11/28/16
275	Club Pilates Miami #1 (Sackett)	FL	Sackett	Jamie	7835 NW 107 Avenue	Doral	FL			305.301.2050	jamie.sackett@clubpilates.com	6%	2%	10/11/16
276	Club Pilates Paramus #1	NJ	Sapka	Allison / Chris	West Grand Ave and Mercedes Drive	Montvale	NJ			C: 201.916.3359 A: 973.951.2074	allison.sapka@clubpilates.com; chris.sapka@clubpilates.com	6%	2%	07/01/16
277	Club Pilates STL #3	MO	Schade	Andrea			MO			7757719605	andrea@clubpilates.com	6%	2%	02/28/17
278	Club Pilates Texas #1 (Schreiver)	TX	Schriever	Delma / Rick	2323 Clear Lake City Blvd, Suite 183	Houston	TX	77062	832-584-4120	281.840.0864	delma.schriever@clubpilates.com; rick.schriever@clubpilates.com;	6%	2%	12/14/16
279	Club Pilates Texas #2 (Schreiver)	TX	Schriever	Delma / Rick	3875 E. League City Pkwy	League City	TX	77573	832-920-3198	281.840.0864	delma.schriever@clubpilates.com; rick.schriever@clubpilates.com;	6%	2%	08/14/17

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280	Club Pilates Naperville #2	IL	Smith	Eric			IL			630.362.9593	eric.smith@clubpilates.com	6%	2%	09/23/16
281	Club Pilates Clearwater	FL	Stewart	Wayne			FL			304.685.4959	wayne.stewart@clubpilates.com	6%	2%	02/20/17
282	Club Pilates Noblesville	IN	Thorpe	Ralph /Julie	2727 East 86th Street	Indianapolis	IN			317.696.4600	ralph.thorpe@clubpilates.com	6%	2%	04/19/17
283	Club Pilates DTLA #2	CA	Violas	Stephanie			CA			(310)-489-9803	stephanie.violas@clubpilates.com	6%	2%	04/17/17
284	Club Pilates King of Prussia	PA	Waller	George & Kris			PA			610.613.8380	george.waller@clubpilates.com; kris.waller@clubpilates.com	6%	2%	02/22/17
285	Club Pilates Ft. Lauderdale	FL	Wance / Puppin	Felipe / Adrian			FL			954-544-0609	felipe.wance@clubpilates.com; adriana.puppin@clubpilates.com	6 %	2%	02/22/17
286	Club Pilates Wayne	NJ	Warner	Alison			NJ			551.427.7806	alison.warner@clubpilates.com	6%	2%	02/09/17
287	Club Pilates San Juan Capistrano	CA	Watson / Lombardi	Keely / Ed	27184 Ortega Hwy Suite 206	San Juan Capistrano	CA	92675	949-257-2292	Keely (619) 261-5898	keely.watson@clubpilates.com; ed.lombardi@clubpilates.com	4%	2%	10/05/15
288	Club Pilates Hollywood	CA	Watson / Lombardi	Keely / Ed	730 N. La Brea Ave.	Los Angeles	CA	90038	323-774-2701	Keely (619) 261-5898	keely.watson@clubpilates.com; ed.lombardi@clubpilates.com	6%	2%	03/09/15

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289	Club Pilates Houston #1 (Wells)	TX	Wells	Daniela & David	730 Kingwood Dr.	Kingwood	TX	77399		832.923.0228	david.wells@clubpilates.com; daniela.wells@clubpilates.com	6%	2%	11/18/16
290	Club Pilates Long Island #1 (Wolk)	NY	Wolk	David			NY			914.260.7489	david.wolk@clubpilates.com	6%	2%	11/08/16
291	Club Pilates Lake Oswego	OR	Wynkoop	Dan / Debra			OR			503-720-9556	dan.wynkoop@clubpilates.com; debra.wynkoop@clubpilates.com	6%	2%	07/27/16
292	Club Pilates Palm Desert	CA	Zhang	Vivian	78-437 Hwy 111	La Quinta	CA	92253		646.509.8909	vivian.zhang@clubpilates.com	6%	2%	01/27/17
293	Club Pilates Phoenix (Pickens)	AZ	Pickens	Kim			AZ				Kim.Pickens@clubpilates.com	6%	2%	05/23/17
294	Club Pilates Lonetree (Bosson)	CO	Bosson	Cathy	NEC Lincoln & Yosemite	Lonetree	CO				Cathy.Bosson@clubpilates.com	6%	2%	05/24/17
295	Club Pilates Pittsburgh	PA	Schlosser	David/ Mari Jo			PA				David.Schlosser@clubpilates.com	6%	2%	05/24/17

296	Club Pilates Long Island (Grassi)	NY	Grassi	Jim / Kristy			NY				Jim.Grassi@clubpilates.com	6%	2%	06/30/17
297	Club Pilates Cherry Hills 1	CO	Olson / Doyle	Brianna / Michelle			CO				Brianna.Olson@clubpilates.com	6%	2%	07/13/17
298	Club Pilates Lubbock	TX	Short	Kyle / Susan			TX				Kyle.Short@clubpilates.com	6%	2%	07/28/17
299	Club Pilates Rochester	MI	Babineau	Thomas			MI				Thomas.Babineau@clubpilates.com	6%	2%	08/31/17
300	Club Pilates Seattle	WA	Schoffstall	Jeff & Jennifer			WA				Jeff.Schoffstall@clubpilates.com	6%	2%	09/14/17
301	East Montgomery	AL	Brazell	Craig/Lanie			AL				Craig.Brazell@clubpilates.com	6%	2%	05/19/17
302	Tampa	FL	Kitchen/ Erickson	Kim/Joe			FL				Kim.Kitchen@clubpilates.com	6%	2%	05/19/17
303	Napa	CA	Campton	Lois			CA				Lois.Campton@clubpilates.com	6%	2%	05/22/17
304	Chicago	IL	Kulkarni	Pradnya			IL				Pradnya.Kulkarni@clubpilates.com	6%	2%	05/22/17
305	Plano	TX	Mullins	John			TX				John.Mullins@clubpilates.com	6%	2%	05/22/17

306	New Mexico	NM	Rule	Brian / Jessica			NM				Brian.Rule@clubpilates.com	6%	2%	05/22/17
307	Florida	FL	Abbe/Willits	Steve/Shannon			FL				Steve.Abbe@clubpilates.com	6%	2%	05/23/17
308	Rancho Mirage	CA	Dordell/ Fenske	Chris/Jason			CA				Chris.Dordell@clubpilates.com	6%	2%	05/23/17
309	Park Ridge	IL	Gentner	Andy			IL				Andy.Gentner@clubpilates.com	6%	2%	05/23/17
310	Sacramento	CA	Smith	Katie			CA				Katie.Smith@clubpilates.com	6%	2%	05/23/17
311	Chicago	IL	London	Larry/Crystal			IL				Larry.London@clubpilates.com	6%	2%	05/25/17
312	Charleston	FL	York/Schlobohm	Shaun/Zach	3438 Lithia Pinecrest Road,	Valrico	FL	33956			Shaun.York@clubpilates.com	6%	2%	05/25/17
313	Central NJ	NJ	Davis	Brennan			NJ				Brennan.Davis@clubpilates.com	6%	2%	05/26/17
314	Red Bank	NJ	Laden	Gary			NJ				Gary.Laden@clubpilates.com	6%	2%	05/26/17
315	New Jersey	NJ	Spidare	Todd & Karen			NJ				Todd.Spidare@clubpilates.com	6%	2%	06/15/17
316	San Antonio	TX	Stephens	Michelle			TX				Michelle.Stephens@clubpilates.com	6	2%	06/15/17

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317	Charleston	SC	Garrett	Jim / Patty			SC				Jim.Garrett@clubpilates.com	6%	2%	06/19/17
318	Westchester	NY	Kossar Katz	Jacquelyn			NY				Jacquelyn.Kossar@clubpilates.com	6%	2%	06/19/17
319	Winchester	MA	Day	Tim			MA				Tim.Day@clubpilates.com	6%	2%	06/20/17
320	Phoenix	AZ	Hansen	Peter			AZ				Peter.Hansen@clubpilates.com	6%	2%	06/27/17
321	Seattle	WA	Shah	Vishrut			WA				Vishrut.Shah@clubpilates.com	6%	2%	07/21/17
322	Greenville	SC	Patterson / Cole	John / Daniel			SC				John.Patterson@clubpilates.com	6%	2%	07/26/17
323	Virginia Beach	VA	Dunn	Ray			VA				Ray.Dunn@clubpilates.com	6%	2%	07/28/17
324	North Dallas	TX	Furniss	Mike			TX				Mike.Furniss@clubpilates.com	6%	2%	07/28/17
325	Bethesda	MD	Goldberg	Sue / Phil			MD				Sue.Goldberg@clubpilates.com	6%	2%	07/28/17
326	DFW	TX	Howard	Kendall			TX				Kendall.Howard@clubpilates.com	6%	2%	07/28/17
327	Ridgefield	CT	Fay	Ken & Jennifer			CT				Ken.Fay@clubpilates.com	6%	2%	08/09/17

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328	DFW & Santa Barbara	TX/CA	Tortolani	Cynthia			TX / CA				Cynthia.Tortolani@clubpilates.com	6%	2%	08/09/17
239	Manhattan	NY	Yang / Barletta	John / Renee			NY				John.Yang@clubpilates.com	6%	2%	08/09/17
330	Colorado	CO	Busse	Mary			CO				Mary.Busse@clubpilates.com	6%	2%	08/15/17
331	Dayton	OH	Shumway	Jeff & Lisa			OH				Jeff.Shumway@clubpilates.com	6%	2%	08/15/17
332	Central NJ	NJ	Guirguess	David			NJ				David.Guirguess@clubpilates.com	6%	2%	08/17/17
333	Pittsburgh	PA	Johansen	Trey & Christina			PA				Trey.Johansen@clubpilates.com	6%	2%	08/17/17
334	Billings	MT	Koeplin	David & Kristin			MT				David.Koeplin@clubpilates.com	6%	2%	08/24/17
335	Rockville	MD	Swingler	Kevin			MD				Kevin.Swingler@clubpilates.com	6%	2%	08/28/17
336	Pennsylvania	PA	Wisler	Jay			PA				Jay.Wisler@clubpilates.com	6%	2%	08/29/17
337	Atlanta	GA	Rebala	Sekhar			GA				Sekhar.Rebala@clubpilates.com	6%	2%	08/31/17
338	Colorado	CO	Cavanaugh	Josh & Elizabet			CO				Josh.Cavanaugh@clubpilates.com	6%	2%	09/15/17

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339	Oklahoma City	OK	Creecy	David & Janelle			OK				David.Creecy@clubpilates.com	6%	2%	09/15/17
340	Carmel/ Central CA	CA	Foster	Michele & Dale			CA				Michele.Foster@clubpilates.com	6%	2%	09/15/17
341	Bakersfield	CA	Mueller	Jon & Mary Anne			CA				Jon.Mueller@clubpilates.com	6%	2%	09/15/17
342	Club Pilates Dunwoody	GA	Devos	Jack / Teresa	5552-B Chamblee Dunwoody RD	Dunwoody	GA	30338	770-573-0241	(404) 824-7229	teresa.devos@clubpilates.com	6%	2%	10/23/17
343	Club Pilates New City	NY	Lefkowitz	Mark	208 S Main S	New City	NY	10956	(845) 608-8280	(210) 247-9328	mark.lefkowitz@clubpilates.com	6%	2%	10/19/17
344	Club Pilates Old Town	CO	Durand	Jordan	244 North College Ave Suite 125	Fort Collins	CO	80524	970-300-9707	(970) 381-3736	jordan.durand@clubpilates.com	6%	2%	10/02/17
345	Club Pilates Houston (Wafford)	TX	Wafford	Nicole	5535 Memorial Ave	Houston	TX	77007		(281) 733-2203	nicole.wafford@clubpilates.com	6%	2%	10/24/17

346	Club Pilates Cleveland 1	OH	Sapitro	Jim & Dianne Dianne			OH			(440) 665-7941	jim.sapitro@clubpilates.com	6%	2%	11/15/17
347	Club Pilates Andover	MA	Pollard	Laura			MA			(617) 755-5853	laura.pollard@clubpilates.com	6%	2%	11/14/17
348	Club Pilates Omaha 1(VerMaas)	NE	VerMaas	Derrick			NE			(402) 880-9462	derrick.vermaas@clubpilates.com	6%	2%	12/28/17
349	Club Pilates Phoenix 1(Gage)	AZ	Gage	Chris / Angela			AZ					6%	2%	12/22/17
350	Club Pilates Long Island 1	NJ	Rosenbluth	Allen & Pamela			NJ			(516) 432-7704	pamela.rosenbluth@clubpilates.com	6%	2%	11/13/17
351	Club Pilates Evansville 1(Cox)	IN	Cox	Jeff / Bussie			IN			(812) 431-7251	bussie.cox@clubpilates.com	6%	2%	12/28/17
352	Club Pilates West Boston 1(Bruce)	MA	Bruce	Jeff / Michaela			MA			(508) 981-8181	michaela.bruce@clubpilates.com	6%	2%	12/22/17
353	Club Pilates Moore 1(Webb)	OK	Webb	Allie			OK			(405) 306-2815	allie.webb@clubpilates.com	6%	2%	12/22/17
354	Club Pilates Calgary	CAN	Kot	Danielle			CAN			403-471-8042	danielle.kot@clubpilates.com	6%	2%	11/20/17

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355	Club Pilates Milwaukee	WI	Stanford	Jennifer & Mitchell			WI			(708) 382-0841	mitchell.stanford@clubpilates.com	6%	2%	11/21/17
356	Club Pilates Vancouver 1(Osmanzai)	CAN	Osmanzai	Omar			CAN			604-314-9290	omar.osmanzai@clubpilates.com	6%	2%	12/22/17
357	Club Pilates Central 1	CA	Stevenson	Brad			CA			(949) 466-8889	traci.stevenson@clubpilates.com	6%	2%	11/17/17
358	Club Pilates Ft. Lauderdale 2(Wance)	FL	Wance / Puppin	Felipe / Adrian			FL					6%	2%	12/28/17
359	Club Pilates Detroit (Babineau)	MI	Babineau	Tom			MI			(313) 410-0901	tom.babineau@clubpilates.com	6%	2%	12/28/17
360	Club Pilates Dallas 4	TX	Becker	Lance & Sarah			TX				sarah.becker@clubpilates.com	6%	2%	11/14/17
361	Club Pilates Lake Nona 1(Caratolli)	FL	Caratolli	Claudia			FL			(786) 879-9500	claudia.caratolli@clubpilates.com	6%	2%	02/21/18

362	Club Pilates Manhattan 1 (Cavallo)	NY	Cavallo	Jason/Darin			NY			(917) 698-2739	jason.cavallo@clubpilates.com	6%	2%	01/25/18
363	Club Pilates Kansas City (Mollie/ Corey Cavanaugh)	KS	Cavanaugh	Mollie & Corey			KS			(719) 481-5797	josh.cavanaugh@clubpilate.com	6%	2%	11/30/17
364	Club Pilates Manhattan 2(Chu)	NY	Chu	Isaac			NY			(646) 610-0389	isaac.chu@clubpilates.com	6%	2%	02/22/18
365	Club Pilates Santa Cruz 1(Affonso)	CA	Foster/Affonso	Michele /Dale			CA					6%	2%	02/21/18
366	Club Pilates Brooklyn 2	NY	Gevinski	Sarah			NY			(646) 425-8244	sarah.gevinski@clubpilates.com	6%	2%	11/30/17
367	Club Pilates Lexington	SC	Keen	Henry	5230 Sunset Blvd., Suite C,	Lexington	SC	29072		(704) 614-3532	henry.keen@clubpilates.com	6%	2%	10/12/17

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368	Club Pilates Lutherville 1(Leary)	MD	Leary	Christine			MD			(410) 499-2642	christine.leary@clubpilates.com	6%	2%	02/21/18
369	Club Pilates Columbus 2(McTigue)	OH	McTigue	Caitlin			OH			(614) 832-5985	caitlin.mctigue@clubpilates.com	6%	2%	02/06/18
370	Club Pilates Morgan Hill (Moulios)	CA	Moulios	Jen			CA			(408) 316-1165	jen.moulios@clubpilates.com	6%	2%	02/28/18
371	Club Pilates Minneapolis 4	MN	Nelson	Topher			MN			(612) 723-6075	topher.nelson@clubpilates.com	6%	2%	11/21/17
372	Club Pilates Phoenix 3 (Pickens)	AZ	Pickens	Kim			AZ			(602) 790-0769	kim.pickens@clubpilates.com	6%	2%	12/18/17
373	Club Pilates Shreveport 3(Pryor)	LA	Pryor	Dennis			LA			(409) 382-7775	dennis.pryor@clubpilates.com	6%	2%	02/23/18
374	Club Pilates Seal Beach 2 (Rubin)	CA	Rubin	Michael & Alyssa			CA				Michael.Rubin@clubpilates.com	6%	2%	10/19/17

375	Club Pilates Ann Arbor 2(Vogel)	MI	Vogel	Nick			MI			(989) 992-8422	nick.vogel@clubpilates.com	6%	2%	02/23/18
376	Club Pilates South Florida 3 (Wance/ Caneppa / Cazzani /Morais)	FL	Wance/ Caneppa /Cazzani /Morais	Felipe/ Felipe/ Fabian/guilherme			FL					6%	2%	01/30/18
377	Club Pilates Rockland County 1 (Watkins)	NY	Watkins	Farah			NY			(201) 663-1543	farah.watkins@clubpilates.com	6%	2%	02/01/18
378	Club Pilates Greenwod	IN	Williams	Jamie/Todd			IN					6%	2%	01/31/18
379	Club Pilates Manhattan (Yang) 2	NY	Yang / Barletta	John / Renee			NY					6%	2%	02/22/18
380	Club Pilates Park City	UT	Badger	Scott/Nicholle			UT			(801) 556-6111	scott.badger@clubpilates.com	6%	2%	03/14/18

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381	Club Pilates DC 1 (Beale)	DC	Beale	Will			DC			202-868-1545	will.beale@clubpilates.com	6%	2%	03/29/18
382	Club Pilates DC 2 (Beale)	DC	Beale	Will			DC			202-868-1545	will.beale@clubpilates.com	6%	2%	04/02/18
383	Club Pilates DC 3 (Beale)	DC	Beale	Will			DC			202-868-1545	will.beale@clubpilates.com	6%	2%	04/02/18
384	Club Pilates East Liberty 1 (Borga)	PA	Borga	Brittany			PA			(412) 651-1970	brittany.borga@clubpilates.com	6%	2%	03/21/18
385	Club Pilates Fresno 1 (Danzig)	CA	Danzig	Dan/Jannis			CA			248-561-1641	dan.danzig@clubpilates.com	6%	2%	04/05/18
386	Club Pilates Fresno 2 (Danzig)	CA	Danzig	Dan/Jannis			CA			248-561-1641	dan.danzig@clubpilates.com	6%	2%	04/05/18
387	Club Pilates Fresno 3 (Danzig)	CA	Danzig	Dan/Jannis			CA			248-561-1641	dan.danzig@clubpilates.com	6%	2%	04/05/18
388	Club Pilates Long Island 1 (Stalek/Davis)	NY	Davis/Stalek	Martin/ Rebecca			NY			516-567- 9118	martin.davis@clubpilates.com	7%	2%	05/11/18

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389	Club Pilates Long Island 2 (Stalek/ Davis)	NY	Davis/Stalek	Martin/ Rebecca			NY			516-567-9118	martin.davis@clubpilates.com	7%	2%	05/11/18
390	Club Pilates Long Island 3 (Stalek/ Davis)	NY	Davis/Stalek	Martin/ Rebecca			NY			516-567- 9118	martin.davis@clubpilates.com	7%	2%	05/11/18
391	Club Pilates Jacksonv ille 1 (Durbin)	FL	Durbin	Josh & Elizabeth			FL			(843) 408-1675	josh.durbin@clubpilates.com	6%	2%	03/02/18
392	Club Pilates Jacksonv ille 2 (Durbin)	FL	Durbin	Josh & Elizabeth			FL			(843) 408-1675	josh.durbin@clubpilates.com	6%	2%	03/02/18
393	Club Pilates Jacksonv ille 3 (Durbin)	FL	Durbin	Josh & Elizabeth			FL			(843) 408-1675	josh.durbin@clubpilates.com	6%	2%	03/02/18
394	Club Pilates Glastonb ury	CT	Fagan	Cathleen			CT			203-912- 4913	cathleen.fagan@clubpilates.com	7%	2%	05/22/18

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395	Club Pilates Long Island 1 (Goldstein)	NY	Goldstein	David			NY			516-527-4040	david.goldstein@clubpilates.com	6%	2%	04/05/18
396	Club Pilates Long Island 2 (Goldstein)	NY	Goldstein	David			NY			516-527-4040	david.goldstein@clubpilates.com	6%	2%	04/05/18
397	Club Pilates Long Island 3 (Goldstein)	NY	Goldstein	David			NY			516-527-4040	david.goldstein@clubpilates.com	6%	2%	04/05/18
398	Club Pilates Toledo 1 (Grewal)	OH	Grewal	Saru			OH			(248) 210-7864	saru.grewal@clubpilates.com	6%	2%	03/08/18
399	Club Pilates Liberty Township (Harris)	OH	Harris	Jon			OH			(704) 491-6717	doug.harris@clubpilates.com	6%	2%	03/15/18
400	Club Pilates Winston-Salem 1 (Henry)	NC	Henry	Kristin			NC			(703) 989-0470	kristin.henry@clubpilates.com	7%	2%	05/31/18

401	Club Pilates Austin 4 (Hernandez, Shannon)	TX	Hernandez/Qureshi	Hector/ Shannon			TX			512-593-3652	hector.hernandez@clubpilates.com	6%	2%	05/31/18
402	Club Pilates 1 (Khanukayev)	MD	Khanukayev	Ron/Irina			MD			(443) 803-8254	irina.khanukayev@clubpilates.com	6%	2%	03/07/18
403	Club Pilates Doylestown	PA	Kurowicki	Donna			PA			908-310-2416	donna.kurowicki@clubpilates.com	7%	2%	05/30/18
404	Club Pilates Charlottesville 1 (Lotze, Tavares, Schettgen)	VA	Lotze/Tavares/Schettgen	Christine/ Stephen/Marvin			VA			908-310-2416	donna.kurowicki@clubpilates.com	6%	2%	03/20/18
405	Club Pilates Lexington 1 (McCarter)	KY	McCarter	Rob/Sandi			KY			(859)-552-8055	rob.mccarter@clubpilates.com	6%	2%	03/30/18
406	Club Pilates Lexington 2 (McCarter)	KY	McCarter	Rob/Sandi			KY			(859)-552-8055	rob.mccarter@clubpilates.com	6%	2%	05/31/18

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407	Club Pilates San Antonio 1 (Mueller)	TX	Mueller	Christian/ Stefanie			TX			661.302.7497	jon.mueller@clubpilates.com	6%	2%	03/23/18
408	Club Pilates Cummings 1 (Peterson)	GA	Peterson	Mike			GA			(917) 573-6971	jennifer.peterson@clubpilates.com	6%	2%	04/05/18
409	Club Pilates Omaha 1 (Powell)	NE	Powell	Lisa & Regi			NE			402-672-1918	lisa.powell@clubpilates.com	7%	2%	06/13/18
410	Club Pilates Melbourne 1 (Rehkop)	FL	Rehkop	Heath/Emily			FL			703-508-9175	heath.rehkop@clubpilates.com	6%	2%	03/29/18
411	Club Pilates Reston 1 (Shafi)	VA	Shafi	Misbah			VA			301-305-2130	misbah.shafi@clubpilates.com	7%	2%	06/07/18
412	Club Pilates Arkansas 1 (Teater/ Neblett)	AR	Teater/ Neblett	Bryce & Shayla, Leo &Katherine			AR			501-258-6737	bryce.teater@clubpilates.com	7%	2%	05/21/18
413	Club Pilates Arkansas 2 (Teater/ Neblett)	AR	Teater/ Neblett	Bryce & Shayla, Leo &Katherine			AR			501-258-6737	bryce.teater@clubpilates.com	7%	2%	05/21/18

414	Club Pilates Arkansas 3 (Teater/ Neblett)	AR	Teater/ Neblett	Bryce & Shayla, Leo &Katherine			AR			501-258-6737	bryce.teater@clubpilates.com	7%	2%	05/21/18
415	Club Pilates Arkansas 4 (Teater/ Neblett)	AR	Teater/ Neblett	Bryce & Shayla, Leo &Katherine			AR			501-258-6737	bryce.teater@clubpilates.com	7%	2%	05/21/18
416	Club Pilates Arkansas 5 (Teater/ Neblett)	AR	Teater/ Neblett	Bryce & Shayla, Leo &Katherine			AR			501-258-6737	bryce.teater@clubpilates.com	7%	2%	05/21/18
417	Club Pilates Arkansas 6 (Teater/ Neblett)	AR	Teater/ Neblett	Bryce & Shayla, Leo &Katherine			AR			501-258-6737	bryce.teater@clubpilates.com	7%	2%	05/21/18
418	Club Pilates Indianapolis 4 (Thorpe)	IN	Thorpe	Ralph/Julie			IN			(317) 696-4600	ralph.thorpe@clubpilates.com	6%	2%	03/02/18

419	Club Piilates Indianapolis 5 (Thorpe)	IN	Thorpe	Ralph/Julie			IN			(317) 696-4600	ralph.thorpe@clubpilates.com	6%	2%	03/02/18
420	Club Pilates Des Moines 1(Tice)	IA	Tice	Chandler			IA			515-974-7355	chandler.tice@clubpilates.com	6%	2%	04/30/18
421	Club Pilates Houston 1(Uffelman)	TX	Uffelman	Brian and Sandy			TX			281-630-3484	brian.uffelman@clubpilates.com	7%	2%	05/03/18
422	Club Pilates Houston 2(Uffelman)	TX	Uffelman	Brian and Sandy			TX			281-630-3484	brian.uffelman@clubpilates.com	7%	2%	05/03/18
423	Club Pilates Houston 3(Uffelman)	TX	Uffelman	Brian and Sandy			TX			281-630-3484	brian.uffelman@clubpilates.com	7%	2%	05/03/18
424	Club Pilates Denver 1 (Van Horn)	CO	Van Horn	Erik			CO			605-645-1465	erik.vanhorn@clubpilates.com	7%	2%	05/31/18
425	Club Pilates Denver 2 (Van Horn)	CO	Van Horn	Erik			CO			605-645-1465	erik.vanhorn@clubpilates.com	7%	2%	05/31/18

426	Club Pilates Denver 3 (Van Horn)	CO	Van Horn	Erik			CO			605-645-1465	erik.vanhorn@clubpilates.com	7%	2%	05/31/18
427	Club Pilates Lake Oswego	OR	Wynkoop	Dan/Debra			OR			(503) 720-9556	dan.wynkoop@clubpilates.com	6%	2%	05/31/18

Notes:

(i) Renewal Date - All franchise agreements are 10-year terms

(ii) There are no material waivers, alterations, amendments or other material modifications of any franchise agreements. Any waivers, alterations, amendments or modifications that exist are deemed immaterial and are primarily related to territory transfers and development schedule terms

The License Arrangement is the only Franchise Agreement or analogous agreement of Licensor. The following information required to be disclosed pursuant to Schedule 9.27(e) is applicable to Arrangement.

Subsection	Information Requested	Disclosure
(i)	Franchise System	"AKT"[1]
(ii)	Franchisee Business Addresses	Upper East Side Studio 244 84th Street, New York, NY 10028 NoMad Studio Broadway, New York NY 10001 Hamptons Studio 3 Railroad Avenue, East Hampton NY New Canaan Studio Halo Studios, Grove Street, New Canaan CT
(iii)	Franchisee contact info	AKT inMotion, Inc. c/o AKT Fitness LLC 244 84th Street New York, New York 10028 Attention: Anna Kaiser a@aktinmotion.com
(iv)	Royalty rate	Seven percent (7%) once effective pursuant to the terms of the Purchase Agreement
(v)	Market Fund Contribution Rate	No contribution until the opening of the "AKT" Marketing Fund. Then current Market Fund Contribution Rate thereafter.

[1] There is technically no current "AKT" Franchise System in place, as the Licensor is in process of preparing the FDD and related elements of such system. The Licensor does license its Intellectual Property to the Licensee in an analogous manner pursuant to the License Arrangement.

(vi)	Minimum royalty	No minimum royalties until formal franchise agreements are in place
(vii)	Effective date	March 21, 2018
(viii)	Modification to renewal date	N/A
(ix)	Material modifications or waivers	N/A

The Row House License Arrangement is the only Franchise Agreement or analogous agreement of Row House Licensor. The following information required to be disclosed pursuant to Schedule 9.27(e) is applicable to the Row House License Arrangement.

Subsection	Information Requested	Disclosure
(i)	Franchise System	"Stretch Labs"[2]
(ii)	Franchisee Business Addresses	Chelsea Studio 269 W. 23rd Street New York, NY 10011 Columbus Circle Studio 559 W. 59th St New York, NY 10019 Upper East Side Studio 406 East 91st Street New York, NY 10128
(iii)	Franchisee contact info	Row House Holdings, Inc. 269 W. 23rd Street New York, NY 10011 (646) 850-0540 Attention: debra@rowhousenyc.com
(iv)	Royalty rate	No royalties until January 1, 2019. Then current royalty

[2] There is technically no current "Stretch Lab" Franchise System in place, as the Stretch Lab Licensor is in process of preparing the FDD and related elements of such system. The Stretch Lab Licensor does license its Intellectual Property to the Stretch Lac Licensee in an analogous manner pursuant to the Stretch Lab License Arrangement.

		rate thereafter.
(v)	Market Fund Contribution Rate	No contribution until the opening of the "Row House" Marketing Fund. Then current Market Fund Contribution Rate thereafter.
(vi)	Minimum royalty	No minimum royalties until January 1, 2019. Then current minimum royalties thereafter.
(vii)	Effective date	December 8, 2017
(viii)	Modification to renewal date	N/A
(ix)	Material modifications or waivers	N/A

The Stretch Lab License Arrangement is the only Franchise Agreement or analogous agreement of Stretch Lab Licensor. The following information required to be disclosed pursuant to Schedule 9.27(e) is applicable to the Stretch Lab License Arrangement.

Subsection	Information Requested	Disclosure
(i)	Franchise System	"Stretch Labs"[3]
(ii)	Franchisee Business Addresses	Venice Studio 512 Rose Ave, Venice, CA 90291 Santa Monica Studio 808 11th Street, Santa Monica, CA 90403 Beverly Studio 8317 Beverly Boulevard Los Angeles, CA 90048
(iii)	Franchisee contact info	Stretch Lab, LLC 512 Rose Ave,

[3] There is technically no current "Stretch Lab" Franchise System in place, as the Stretch Lab Licensor is in process of preparing the FDD and related elements of such system. The Stretch Lab Licensor does license its Intellectual Property in an analogous manner pursuant to the Stretch Lab License Arrangement.

		Venice, CA 90291 (310) 450-2510 Attention: Saul J. Janson
(iv)	Royalty rate	No royalties until November 15, 2018. 7% of gross sales thereafter.
(v)	Market Fund Contribution Rate	No contribution until the opening of the "Stretch Lab" Marketing Fund. 2% of gross sales thereafter.
(vi)	Minimum royalty	No minimum royalty until November 15, 2018. Then current minimums for the Franchise System thereafter.
(vii)	Effective date	November 15, 2017
(viii)	Modification to renewal date	N/A
(ix)	Material modifications or waivers	N/A

The Yoga Six License Arrangement is the only Franchise Agreement or analogous agreement of the Yoga Six Licensor. The following information required to be disclosed pursuant to Schedule 9.27(e) is applicable to the Yoga Six License Arrangement.

Subsection	Information Requested	Disclosure
(i)	Franchise System	"Yoga Six"[4]
(ii)	Franchisee Business Addresses	Yoga 6 4-S Studio 16625 Dove Canyon Rd, San Diego, CA 92127 Yoga 6 Carlsbad Studio 1905 Calle Barcelona Suite 238,

[4] There is technically no current "Yoga" Franchise System in place, as the Yoga Six Licensor is in process of preparing the FDD and related elements of such system. The Yoga Six Licensor does license its Intellectual Property in an analogous manner pursuant to the Yoga Six License Arrangement.

		Carlsbad, CA 92009 Yoga 6 Carmel Valley Studio 4639 Carmel Mountain Rd # 102, San Diego, CA 92130 Point Loma Yoga Studio 2850 Womble Rd #101, San Diego, CA 92106 Yoga 6 Solana Beach Studio 437 S Highway 101, Suite 401, Solana Beach, CA 92075 Yoga 6 Highlands Studio 5724 Oakland Ave, St. Louis, MO 63110 Yoga 6 Des Peres Studio 12360 Manchester Rd #206, St. Louis, MO 63131
(iii)	Franchisee contact info	Yoga 6 Company, LLC 512 Via De La Valle, Solana Beach, CA 92075 Attention: Peter Barbaresi Email: pbarbaresi@yogasix.com
(iv)	Royalty rate	Seven percent (7%) once effective pursuant to the terms of the Yoga Six Purchase Agreement (i.e. twelve (12) months following the date of the Yoga Six Purchase Agreement)
(v)	Market Fund Contribution Rate	No contribution until the opening of the "Yoga Six" Marketing Fund. Then current Market Fund Contribution Rate thereafter.
(vi)	Minimum royalty	No minimum royalty until

		formal franchise agreements are in place.
(vii)	Effective date	July 26, 2018
(viii)	Modification to renewal date	N/A
(ix)	Material modifications or waivers	N/A

Schedule 9.27

(f)

CycleBar:

The following franchisees are in default of their Site Acquisition Deadline, per Section 4.4 of their Franchise Agreement with CBF, see Section 4.25(m):

1. Jay Smith & Jon Rod King
2. Alexandria Pilon
3. Barry Hamilton
4. Bryna Podwoiski & Troy Kelsey
5. Joe & Cassi Ruiz
6. April Amory & Kevin Grubb
7. Jenn Sims
8. Kirk & Stefanie Nelson
9. Jeff & Calleen Hodges
10. Lisa Lewis
11. Minty & Minesh Patel
12. John & Amber Reid
13. Zach Pettus, Jean Nitchals, Paul Jevnick & Jennifer Rondestvedt
14. Natalie Rix - Breathe Fitness, LLC
15. Todd & Julie Lotzer
16. Kevin & Elizabeth Anderson
17. Stacey Stelmach
18. Laura Aquino
19. Heath Trowell
20. Nadine & Andrew Smith
21. David Busker & David Batschelett - DB2 Fitness Two, LLC
22. John & Kiersten DiChiaro
23. Claire Powell
24. Leonard & Gail Barela & Jeremy Thornton
25. Jennifer “Becky” McGinnis & Jason Stubbs - Echappe LLC
26. Rob Janda
27. Shelley & Brandon Baca
28. Amy & Ryan Rath
29. Chuck Jones & Glenn Flessas
30. Heather Branstetter & Chuck Schneider - NextLevel Cycling LLC
31. Dione & Tom Bailey
32. John & Renee Duncan - JRD Jumping Corp.
33. Christine Wallin & Andrew Aiello - AGCM Enterprises
34. Joe Bonidy
35. Ken & Eileen Plotkin - Elite Enterprises of NY, Incorporated
36. Gary Dellovade
37. Peter DeLuca
38. Claire & Sheila Hayes
39. Rod Reyes

40. Justin Beck, Jack Weston, Scott Weiss
41. Hayley Killam

The following franchisees are in default of their Opening Deadline, per Section 4.6 of their Franchise Agreement with CBF, see Section 4.25(m):

1. Natalie Rix
2. Catherine Straughan & Kimberley Drobny
3. Jeff Bass
4. Oliver Chipp
5. Patrick Hickey
6. Mark Washburn
7. Marty & Craig Coffey
8. Erin Schiller
9. Kreg Boynton & Hollie Pool
10. Inga & Larry Pross
11. Loma and Bassam “Bobby” Ammar
12. Todd & Julie Lotzer
13. Mark Pastolove
14. Devika Kumar
15. Saul & Lisa Locker
16. Tony Virella
17. Scott Marshall
18. Kevin & Elizabeth Anderson
19. Stacey Stelmach
20. Laura Aquino
21. David Pelsue
22. Bob & Betty Korabik
23. Carin & Ian Zellman
24. Mark & Holly Mussmann - Desert Ventures CB1, LLC
25. Nadine & Andrew Smith
26. Macelon D’Sa, Neelpa D’Sa, and Melanie Dimemmo - MNM Ventures LLC
27. David Busker & David Batschelett - DB2 Fitness Two, LLC
28. John Wood - Challenger 728 LLC
29. Keith & Kelly Weier - K&K Fit 4 Life, Inc.
30. Rick Giese and Leann Sumner
31. Ryan “Buddy” Hardiman & Dennis Hardiman
32. Jayesh Patel & Jeetendra Patel - The Sharda Group, LLC
33. Claire Powell
34. Joanna and Erik Lundberg
35. Leonard & Gail Barela & Jeremy Thornton
36. Bhumika & Ankitaben Patel and Shaifali Gondaliya - Spinenergy, LLC
37. Jennifer “Becky” McGinnis & Jason Stubbs - Echappe LLC
38. Thomas Dixon Douglas Motion2 Consulting LLC
39. Rob Janda
40. Lisa O’Rourke - Off Islander Inc.
41. Greg & Nuch Venbrux - Kraken Cycleworks LLC

42. Chris Yates - Elevate Partners, LLC
43. Steve & Jane Zubrzycki
44. Christie Meyers
45. Nate Fennell & Chris Shill
46. Roger, Grant, & Lucas Hendren - RockStrong Texas LLC
47. Chris Andras & Mike Silas
48. Shelley & Joseph Jonietz - Fast Gear, LLC
49. Shelley & Brandon Baca
50. Liz Hatch & Tom Epstein - Avant-garde Fitness
51. Amy & Ryan Rath
52. Chuck Jones & Glenn Flessas
53. Heather Branstetter & Chuck Schneider - NextLevel Cycling LLC
54. McLean Coble & David Noffsinger
55. Travis & Debbie Jacobson - TDW Properties, LLC
56. Dione & Tom Bailey
57. Lee Singer & Ronnie Singer
58. John & Renee Duncan - JRD Jumping Corp.
59. Christine Wallin & Andrew Aiello - AGCM Enterprises
60. Joe Bonidy
61. Ken & Eileen Plotkin - Elite Enterprises of NY, Incorporated
62. Mark Schneider
63. Gary Dellovade
64. Peter DeLuca
65. Claire & Sheila Hayes
66. Rod Reyes
67. Justin Beck, Jack Weston, Scott Weiss
68. Hayley Killam

The following franchisees are in default of their Development Agreement with CBF, see Section 4.25(m):

1. Bill McComb & Peter Wolf - CICLO Management, LLC
2. Joelle Bouhadana, Joseph Bouhadana, Motty Klainbaum, Danny Schactel, Mike Shalom - CYCLE26 LLC
3. JP Green & Michael Olander - JM Cycle, LLC
4. David Davis (Jake Davis, Jon Krumdieck) - MdG Partners LLC
5. J. Scot McBride & Chris Sommer
6. Tosten Schermer & Bob and Catherine Lee - ScherLeeUBike, LLC
7. John Janszen & Michael Olander - JCM Kentucky Cycle, LLC
8. Ryan “Buddy” Hardiman & Dennis Hardiman - GGM UTC LLC
9. Shirelle & Joel Vilmenay - Crescent City Cycle, LLC
10. Marc & Lisa Palmer - Charlotte Cycle, Inc.
11. Joe Rothchild - GHM CB, LLC
12. Joe & Mary Laurie Cece
13. Brad Spivey & Trish Harrison
14. Jeff Wayne - CB Michigan, LLC
15. Don Dasher & Lisa Hazen

16. Patty Harte
17. Lee Oesterling & Kirsten Rickers - Atlanta Cycle Studios, LLC
18. Barbara & Jonathan Fleming - Corones, Inc.,
19. Lee & Christine Williams
20. Katie Kannapell & Fred Ryser - PACKWOLF, LLC
21. Paul & Anita Schnapp - Schnapp Enterprises, Inc.
22. Mike Harris
23. Kathleen Boss and Stephen Pineault

From time to time, LBF franchisees may be in technical breach of the franchise agreements. LBF exercises its discretion in pursuing its rights and remedies in responding to such breaches. Currently LBF is aware of the following breaches, none of which it regards as material:

Below is a list of franchisees/location that have not opened within the 9-month time frame set forth in their respective franchise agreements:

Franchisee	**Territory**		**Franchise Agreement Date**	**Opening Deadline**
Daniel van Zeyl	Miami	FL	12/28/2016	09/24/2017
Lezlie Snoozy-Kaitfors & Michael Kaitfors	Phoenix	AZ	01/20.2017	10/17/2017
Carl Kirkham Peacock & Pamela Tanase	Santa Barbara	CA	04/20/2017	01/15/2018

Schedule 9.27

Club Pilates:

From time to time, CPF franchisees may be in technical breach of the franchise agreements. CPF exercises its discretion in pursuing its rights and remedies in responding to such breaches. Currently CPF is aware of the following breaches, none of which it regards as material:

Below is a list of the franchisees/locations that have not opened within the 6-month time frame set forth in their respective franchise agreements/area development agreements:

Real Estate Analysis
As of: 6/18/2018

				Franchisee			
	Studio Name	**Sub-Territory Name**	**State**	**Last Name**	**First Name**	**Franchise Agreement Date**	**Date Required to be Open by**
1	Club Pilates Stamford #3	New Canaan	CT	Ackerman	Scott	10/25/16	08/25/17
2	Club Pilates Manhattan 2	Greenwich Village	NY	Acquista	Dominick	01/31/17	01/31/18
3	Club Pilates Renton		WA	Adams	Nikki/Paul	02/18/15	12/04/17
4	Club Pilates Montclair		NJ	Angelis / DeGarcia	Dimitrios/Helen / Arnold/Amy	04/04/16	10/04/17
5	Club Pilates Chicago #3 (Asbury)	Northbrooke	IL	Asbury	Janet	10/26/16	04/26/18
6	Club Pilates Pasadena	Sierra Madre - 75 walnut	CA	Bailey	Rebecca	02/27/15	12/31/16
7	Club Pilates La Canada/Flintridge		CA	Bailey	Rebecca	02/27/15	12/31/17

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8	Club Pilates Chicago 2 (Baldwin)	Old Town - W. North ave.	IL	Baldwin	Nathan & Erica	01/23/17	01/23/18
9	Club Pilates Dallas 4	Westover Hills	TX	Becker	Lance & Sara	11/14/17	05/15/18
10	Club Pilates (Bereny # 3)	Woodland Hills	CA	Bereny	Robert	06/10/15	12/04/16
11	Club Pilates Simi Valley #3	La Conchita	CA	Bloore/Drury	Ken / Allison	08/19/16	02/19/18
12	Club Pilates Parker	Parker	CO	Bosson	Cathy	07/28/17	01/28/18
13	Club Pilates Minneapolis #4	Eden Prairie	MN	Bounds	Steve & Angela	09/29/16	05/29/18
14	Club Pilates Plano	Plano	TX	Buck	Chris and Nathalie	04/12/16	04/12/17
15	Club Pilates Allen		TX	Buck	Chris and Nathalie	04/12/16	10/12/17
16	Club Pilates Richmond #2	Cary	VA	Burleigh	Bryan	04/10/17	04/10/18
17	Club Pilates Colorado (Busse) 1	Lowry	CO	Busse	Mary	08/15/17	02/15/18
18	Club Pilates Santa Rosa TBD 2	Rohnert Park	CA	Campton	Lois	05/22/17	05/22/18
19	Club Pilates Torrance #3	Torrance	CA	Castro	Savannah & Maya	11/04/16	05/04/18
20	Club Pilates Kansas City (Mollie/Corey Cavanaugh)	Kansas City	KS	Cavanaugh	Mollie & Corey	11/30/17	05/31/18
21	Club Pilates Norfolk 2 (Celia)	Williamsburg	VA	Celia	Joe	04/10/17	04/10/18
22	Club Pilates La Jolla	La Jolla	CA	Clements/Boos	Chris/Brianna	06/30/16	08/30/17
23	Club Pilates Asheville 1(Cropp) #2	Woodfin	NC	Cropp	Kevin & Hadley	04/07/17	04/07/18
24	Club Pilates Crofton		MD	Cutchall	Laura	10/21/15	10/21/16

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25	Club Pilates Central NJ #2	East Brunswick	NJ	Davis	Brennan	05/26/17	05/26/18
26	Club Pilates Winchester 1	Waltham	MA	Day	Tim	06/20/17	12/20/17
27	Club Pilates Naples 1 (Deutsch)	Naples	FL	Deutsch	Adam	02/15/17	07/15/17
28	Club Pilates Naples 2 (Deutsch)	Naples North	FL	Deutsch	Adam	02/15/17	12/15/17
29	Club Pilates Naples 3 (Deutsch)	Bonita Springs	FL	Deutsch	Adam	02/15/17	05/15/18
30	Club Pilates Miami #3 (Elgarresta)	Pinecrest	FL	Elgarresta / Harper	Ed / Christina	10/11/16	04/11/18
31	Club Pilates Woodlands	Creekside Woodlands	TX	Fichaud / Bryan	Chris / Susan	11/30/15	05/30/17
32	Club Pilates Nashville #4	North Gulch	TN	Fielder	Tom	09/23/16	05/23/18
33	Club Pilates Nashville #3	Maryland Farms	TN	Fielder	Tom	09/23/16	12/23/17
34	Club Pilates Austin #3 (Fraser)	Garrison Park	TX	Fraser	Theresa & Glenn	11/22/16	05/22/18
35	Club Pilates Tucson #3	Tanque Verde	AZ	Garrison	Kathy	10/06/16	04/06/18
36	Club Pilates Scottsdale #3	Tatum & Shea	AZ	Gatzemeier	Don	05/17/16	05/17/17
37	Club Pilates Brooklyn 2	Williamsburg	NY	Gevinski	Sarah	11/30/17	05/30/18
38	Club Pilates Bethesda 3	Forest Hills	MD	Goldberg	Sue / Phil	07/28/17	12/28/17
39	Club Pilates New York #2 (Goldenberg)	Bay Ridge	NY	Goldenberg	Louisa	12/12/16	12/12/17
40	Club Pilates New York #3 (Goldenberg)	Sheepshead Bay	NY	Goldenberg	Louisa	12/12/16	06/12/18
41	Club Pilates Orlando (Colonial)	Colonial Plaza	FL	Goldman	Christine	04/15/16	10/15/17

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42	Club Pilates Jacksonville #3	Pointe Verde	FL	Graham	Rick & Dawn	08/23/16	02/23/18
43	Club Pilates DC #3	McLean	VA	Grams	Michael	10/12/16	04/12/18
44	Club Pilates Santa Monica	Marina del Rey	CA	Griffin	Jim	05/31/16	05/31/18
45	Club Pilates Maryland #2	Germantown	MD	Grover	Jan & Chuck	11/16/16	11/16/17
46	Club Pilates Maryland #3	Urbana? Senaca	MD	Grover	Jan & Chuck	11/16/16	05/16/18
47	Club Pilates Central NJ (Guirguess) 1	West Windsor	NJ	Guirguess	David	08/17/17	02/17/18
48	Club Pilates Midtown Miami		FL	Gutierrez / Peck	Maria Isabell / Tania	02/24/16	08/24/17
49	Club Pilates Santan		AZ	Guzick	Bill / Jennifer	03/31/16	09/30/17
50	Club Pilates Piper Glen		NC	Harris	Doug	05/31/16	12/01/17
51	Club Pilates Austin #3 (Hernandez)	Georgetown	TX	Hernandez/ Lindner	Hector/Molly	11/23/16	05/23/18
52	Club Pilates Katy #2	Katy	TX	Heslop	Pam	07/05/16	01/05/17
53	Club Pilates Jersey City	Fairfield	NJ	Horvath	Emese	06/21/16	12/21/17
54	Club Pilates DFW 2 (Howard)	Rayzor	TX	Howard	Kendall	07/28/17	05/28/18
55	Club Pilates Baltimore #3 (Kay)	Canton	MD	Kay / Bateman	Karla / Liana	12/16/16	06/16/18
56	Club Pilates Ft. Lauderdale #3	East Boca	FL	Kennedy	Kelly	09/27/16	03/27/18
57	Club Pilates North Henderson	Town / Country	NV	Kim	Wesley	07/28/17	01/28/18
58	Club Pilates Tampa 2(Erickson/Kitchen)	Palm Harbor	FL	Kitchen/Erickson	Kim/Joe	05/19/17	05/19/18

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59	Club Pilates Los Gatos	Cupertino	CA	Ko/Wu	Ken/Jessie	03/16/16	09/16/17
60	Club Pilates Chicago 3(Kohn)	Elmhurst	IL	Kohn	Eric & Kristin	03/08/17	06/08/18
61	Club Pilates Calgary	Calgary	CAN	Kot	Danielle	11/20/17	05/20/18
62	Club Pilates Red Bank NJ #2	Red Bank	NJ	Laden	Gary	05/26/17	05/26/18
63	Club Pilates San Mateo		CA	Lance	Renata and Sean	12/15/16	06/15/17
64	Club Pilates Atlanta #3 (Ledford)	Midtown	GA	Ledford	Mandy	11/30/16	05/30/18
65	Club Pilates Alexandria #2	Fairfax	VA	Lee	Mindy	04/18/17	03/18/18
66	Club Pilates Alexandria #1	Alexandria_Kingstowne	VA	Lee	Mindy	04/18/17	09/13/17
67	Club Pilates Long Island #2	Roswell	NY	Lo	David	10/26/16	10/26/17
68	Club Pilates Long Island #3	Manhasset	NY	Lo	David	10/26/16	04/26/18
69	Club Pilates Chicago #2 (London)		IL	London	Larry/Crystal	05/25/17	05/25/18
70	Club Pilates Philadelphia 2(Longo)	Exton	PA	Longo	Randy & Margaret	02/22/17	02/22/18
71	Club Pilates Boise		ID	Louis	Laura	12/22/16	06/22/17
72	Club Pilates Portland 2 (McCartney)	West Linn	OR	McCartney	Alyssa	03/03/17	03/03/18
73	Club Pilates St. George 1		UT	McClure	Krista	06/16/17	12/16/17
74	Club Pilates Emeryville	Oakland	CA	Miller	Jerry & Melissa	03/18/16	03/18/17
75	Club Pilates Berkeley		CA	Miller	Jerry & Melissa	03/18/16	09/18/17

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76	Club Pilates Boston #3	Newton	MA	Miller/Rizzo	Mike & Tammy	08/25/16	11/25/17
77	Club Pilates Boston #4	Brooklin	MA	Miller/Rizzo	Mike & Tammy	08/25/16	04/25/18
78	Club Pilates Miami #3 (Mochon)	Biscayne	FL	Mochon / Rosentgberg	Daniela / Horacio	09/11/16	03/11/18
79	Club Pilates Plano #2 (Mullins)		TX	Mullins	John	05/22/17	05/22/18
80	Club Pilates Seattle 2 (Nicholson)	425 Fairview	WA	Nicholson	Candi	03/14/17	03/14/18
81	Club Pilates Vancouver		CAN	Oussov	Ilia / Serguei	11/24/16	05/24/17
82	Club Pilates Mid-Wilshire		CA	Ovakimian	Sarkis / Esther	04/10/17	04/10/18
83	Club Pilates Kenwood		OH	Pallatroni	Bob	03/17/16	03/17/17
84	Club Pilates Hyde Park		OH	Pallatroni	Bob	03/17/16	09/17/17
85	Club Pilates Lakewood		CA	Park	Bora	08/10/16	10/15/17
86	Club Pilates Boston (Peterson)	Hingham	MA	Peterson	Jennifer	06/30/17	12/30/17
87	Club Pilates Denham		MA	Peterson	Jennifer	02/15/17	08/15/17
88	Club Pilates Ravenswood	Lakewood	IL	Phelps	Abby	03/30/16	09/30/17
89	Club Pilates New Tampa		FL	Philyaw	Nathan	06/03/16	12/03/17
90	Club Pilates Marin #2	San Rafael	CA	Poletti	Natalie	08/30/16	08/30/17
91	Club Pilates Marin #3	San Anselmo	CA	Poletti	Natalie	08/30/16	03/02/18
92	Club Pilates Atlanta (Rebala)	Swanee	GA	Rebala	Sekhar	08/31/17	02/28/18

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93	Club Pilates Westchester County #3	New Rochelle	NY	Rhyu	Heather	07/15/16	01/15/18
94	Club Pilates Seal Beach 2 (Rubin)	Huntington Beach	CA	Rubin/Mitchell	Michael/Alyssa & Kyle	10/19/17	04/20/18
95	Club Pilates New Mexico #2 (Rule)	ABQ -6410 Coors	NM	Rule	Brian / Jessica	05/22/17	05/22/18
96	Club Pilates Portland #3	Tanasborne	OR	Sander	Scott & Misty	08/25/16	02/25/18
97	Club Pilates Chicago #3	Huntley	IL	Schlichting	Steve & Robin	08/23/16	02/23/18
98	Club Pilates Texas 3 (Schreiver)	Webster	TX	Schriever	Delma / Rick	12/14/16	06/14/18
99	Club Pilates Milwaukee (Schuda)	AMLI - Collaborative	IL	Schuda	Michael & Anjelica	09/07/17	03/07/18
100	Club Pilates Dublin		CA	Shiraki	Robert / Jessica	02/15/16	02/15/18
101	Club Pilates Rancho Cucamonga		CA	Shiraki	Robert / Jessica	02/15/16	08/15/17
102	Club Pilates Pleasant Hill	Pleasant Hill	CA	Siva/Swift	Jan/Darrel	02/23/16	02/17/17
103	Club Pilates Piedmont		CA	Siva/Swift	Jan/Darrel	02/23/16	08/16/17
104	Club Pilates Sacramento #2 (Smith)	Davis	CA	Smith	Katie	05/23/17	05/23/18
105	Club Pilates Dallas #3	Keller	TX	Springer	Bobby	09/28/16	03/28/18
106	Club Pilates SFO-Financial District		CA	Srivastava	Amit & Seema	05/20/16	05/20/17
107	Club Pilates SFO-Mission District		CA	Srivastava	Amit & Seema	05/20/16	11/20/17
108	Club Pilates Milwaukee	Brookfield	WI	Stanford	Jennifer & Mitchell	11/21/17	05/21/18
109	Club Pilates San Antonio 2 (Stephens)	Shavano Heights	TX	Stephens	Michelle	06/15/17	06/15/18

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110	Club Pilates Sherman Oaks (Katya)		CA	Stromblad	Katya	10/31/16	02/28/18
111	Club Pilates Rockville 1	Sunshine/Olney	MD	Swingler	Kevin	08/28/17	02/28/18
112	Club Pilates Murrieta	Wildomar	CA	Tehranchi	Shahin	07/22/16	03/14/18
113	Club Pilates San Pedro	San Pedro	CA	Thomas / Davis	Joni / Tiffany	11/04/16	05/04/17
114	Club Pilates Truong #3	Eastvale	CA	Truong	Amy / Anthony	02/26/16	08/26/17
115	Club Pilates Corona	Corona Crossing	CA	Truong	Amy / Anthony	02/26/16	02/26/17
116	Club Pilates Shorewood	Oakland Center	WI	Tsuchiyama	Robert & Beth	05/11/16	11/11/17
117	Club Pilates New Jersey #3	Tenafly	NJ	Untener	Scott	09/23/16	03/23/18
118	Club Pilates Mountain View		CA	Venkatesan/Anant han	Hema & Venkat	11/20/15	05/20/17
119	Club Pilates Santa Clara		CA	Venkatesan/Anant han	Hema & Venkat	11/20/15	11/20/16
120	Club Pilates DTLA #3	Financial District	CA	Violas	Stephanie	04/20/17	04/20/18
121	Club Pilates Radnor		PA	Waller	George & Kris	02/24/17	02/24/18
122	Club Pilates OC #3	Irvine	CA	Watson/Lombardi /Nash	Keely/Ed/Jeff	11/16/16	05/16/18
123	Club Pilates Houston #3 (Wells)	Humble	TX	Wells	Daniela & David	11/16/16	05/16/18
124	Club Pilates Long Island #2 (Wolk)	lowry_Woodbury Villag	NY	Wolk	David	11/09/16	11/09/17
125	Club Pilates Long Island #3 (Wolk)	Syosset	NY	Wolk	David	11/09/16	05/09/18
126	Club Pilates Atlanta #2	Roswell	GA	Worley	Mark	08/23/16	02/23/18

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127	Club Pilates Manhattan (Yang) 1	Upper East Side	NY	Yang / Barletta	John / Renee	08/09/17	02/09/18
128	Club Pilates Tampa (York)	#2 orlando	FL	York/Schlobohm	Shaun/Zach	05/25/17	05/25/18

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(g)

@ the LB:

"@ the LB" Franchise Disclosure Document – Issuance Date 9/29/16
"@ the LB" Franchise Disclosure Document – Issua(nce Date 5/22/17
"@ the LB" Area Rep. Franchise Disclosure Document – Issuance Date 9/29/16
"@ the LB" Area Rep. Franchise Disclosure Document – Issuance Date 5/22/17

Shred415:

"Shred415" Franchise Disclosure Document – Issuance Date 7/10/17
"Shred415" Area Rep. Franchise Disclosure Document – Issuance Date 7/31/17
"Shred415" Franchise Disclosure Document – Issuance Date 07/10/2017_Amended 10/09/2017

CycleBar:

United States
"CycleBar" Franchise Disclosure Document – Issuance Date 1/06/2015
"CycleBar" Franchise Disclosure Document – Issuance Date 1/06/2015 as amended 2/08/2016
"CycleBar" Franchise Disclosure Document – Issuance Date 4/19/2016
"CycleBar" Franchise Disclosure Document – Issuance Date 4/28/2017
"CycleBar" Franchise Disclosure Document (Area Rep) – Issuance Date 4/28/2017
"CycleBar" Franchise Disclosure Document– Issuance Date 4/12/2018

Canada

"CycleBar" Franchise Disclosure Document (Canada) – Version Date – 11/12/2015
"CycleBar" Franchise Disclosure Document (Canada) – Version Date – 12/07/2015
"CycleBar" Statement of Material Change – Dated – 12/14/2015
"CycleBar" Franchise Disclosure Document (Canada) – Version Date – 1/26/2016
"CycleBar" Statement of Material Change – Dated – 1/26/2016

“CycleBar” Franchise Disclosure Document (Canada) – Version Date – 2/29/2016
“CycleBar” Franchise Disclosure Document (Canada) – Version Date – 5/16/2016

Club Pilates:

CPF’s 2015 Franchise Disclosure Document (as amended).
CPF’s 2016 Franchise Disclosure Document.
CPF’s 2017 Franchise Disclosure Document
CPF Franchise Disclosure Document issued April 27, 2017, as amended on May 3, 2017

(h)

1. The License Arrangement was not entered into pursuant to an FDD or other requirements under applicable Franchise Laws.
2. The Row House License Arrangement was not entered into pursuant to an FDD or other requirements under applicable Franchise Laws.
3. The Stretch Lab License Arrangement was not entered into pursuant to an FDD or other requirements under applicable Franchise Laws

(i)

1. The Yoga Six License Arrangement was not entered into pursuant to an FDD or other requirements under applicable Franchise Laws.

Pure Barre

Agreement between PB Franchising LLC and 2441781 Ontario, Inc., dated November 26, 2014, as amended March 29, 2015, under which the company retained the services of the numbered company to provide assistance in connection with the sales of and services to franchisees and prospective franchisees in Ontario, Canada.

From time to time, the Company utilizes Franchisees to provide training/teaching services (both in person and on video). Certain Franchisees also serve on the Company’s strategic development committee to assist with the development and implementation of new content offerings. In each case, these Franchisees are compensated for their services.

(j)

Schedule 9.27

CycleBar:

1. Occasionally, CBF has become aware of unauthorized or infringing use of the Owned Intellectual Property by third parties. CBF has pursued termination of such unauthorized or infringement use and have instructed such third parties to immediately cease such activities. Per internal policy CBF sends cease and desist letters for infringements upon its marks.
    a. CycleBar Cease and Desist to Ellen Gessell dated September 15, 2015 regarding the use of CycleBarSarasota.com. In September 2015, the Company's counsel notified Ellen Gesell of her unauthorized registration of CYCLEBARSARASOTA.COM on behalf of Reid Withrow and ON1 Enterprises, LLC. Ms. Gesell denied involvement in the registration, and Mr. Withrow refused to transfer ownership of the domain to the Company. Mr. Withrow ceased use of the domain, which was believed to be inactive until September 8, 2017, when Company representatives visited the site, which appeared to be active, and immediately sent a takedown notice to the site hosting service.
    b. CycleBar Cease and Desist to Cycle Barre dated May 21, 2015 regarding use of phonetically similar mark Cycle Barre. Tara Del Russo, the owner of Cycle Barre agreed to change the name of her studio.
    c. CycleBar Cease and Desist to CycleBarL.A. LLC, Dated January 30, 2015 regarding CycleBarLA. Ruben Martinez ceased using the CycleBar name and rebranded his studio. CycleBar Cease and Desist to Jason Weiner dated December 21, 2015, regarding cyclebarla on Groupon. Groupon agreed to take down CycleBarLA after notification from Ruben Martinez.
    d. CycleBar Cease and Desist to Matthew Saunders dated October 22, 2014 regarding the use of www.rasamaya.com /pages/cycle-bar. Attorney for Rasamaya notified the Company that it agreed to change name.
    e. CycleBar Cease and Desist to Edir Holdings, LLC dated October 21, 2016, regarding Premium Indoor Cycling. No actions have been taken after the response letter from Ride Enterprises, LLC was received on October 25, 2016. The Company does not use Premium Indoor Cycling as a trade name.
    f. CycleBar email correspondence dated October 7, 2015 with Dan Daszkowski regarding unauthorized use of CycleBar mark. Franchise Broker agreed to stop using Company marks to attempt to sell franchises.
    g. CycleBar Cease and Desist to Integrated Soul, Inc. d/b/a Push Fitness dated March 11, 2016 regarding use of phonetically similar mark Cycle Barre. Letter received from Jack Silver, attorney for Integrated Soul, Inc., dated May 11, 2016, stating Integrated Soul agrees to suspend the use of the name "Cycle Barre" for one of its workout classes and change the name.

2. On July 13, 2015, Beats Electronics LLC ("Beats") filed a notice of opposition with the USPTO Trademark Trial and Appeal Board ("TTAB") (Proceeding No. 91222777) to the registration sought by the Company to the mark CYCLEBEATS, implying that the Company's use of the mark infringed Beats' family of BEATS marks. On or about September 13, 2016, the Company and Beats settled the matter, whereby Beats agreed, among other things, not to oppose registration of CYCLEBEATS and the Company agreed, among other things, not to use the mark in connection with certain goods and services.
3. StarCycle Matter.
4. The Company entered into a Settlement Agreement with SoulCycle Inc. on February 25, 2016, pursuant to which the Company agreed to modify its wall mantra in exchange for the release of claims of infringement of SoulCycle Inc.s trade dress or copyrighted design by such wall mantra (the "SoulCycle Matter").
5. Alleged Infringement of "Clip in Rock Out" and Rose Spear. The Company received a letter dated August 2, 2016 from counsel for Ride 360, LLC, d/b/a Revolution Studio, claiming that the CycleBar Vintage Park studio used "Clip In, Rock Out", a registered trademark of Ride 360, LLC and demanding that the Company and its affiliates cease and desist from using that slogan and requesting the Company terminate the employment of Rose Spear due to alleged violation of certain employment agreements. CBF and the CycleBar Vintage Park studio agreed to discontinue the use of the Clip In, Rock Out phrase. Additionally, after investigation CycleBar Vintage Park learned that it had never employed a person named Rose Spear and that the cease and desist was incorrectly sent to CycleBar Vintage Park instead of CycleBar Katy, where Rose Spear was at one time an employee. CBF contacted CycleBar Katy and told this franchisee that it must not employ staff with existing noncompete agreements and reiterated the same to Ride 360's attorney. CBF supplied Ride 360's attorney with the contact information for CycleBar Katy and the Company considers this matter concluded.

Concluded Litigation

1. 859 Boutique Fitness Matter (Fayette Circuit Court of the Commonwealth of Kentucky, case number 15-CI-4607 (filed December 22, 2015), United States Court of Appeals for the Sixth Circuit, Court of Appeals Docket # 16-6427 (filed September 20, 2016). 859 Boutique Fitness, LLC, a former prospective franchisee, brought an action alleging, *inter alia*, breach of contract in Kentucky state court. This action alleged that the CBF made a franchise offer to 859, which was accepted and CBF breached this contract by refusing to execute the franchise agreement. All allegations have been dismissed with prejudice, and the dismissal was affirmed by the Sixth Circuit.

2. Kamdar Settlement.

3. Beats Settlement

4. SoulCycle Matter

5. RCG Lease Settlement

6. Settlement Agreement dated September 13, 2016, by and between CB IP, LLC and Beats Electronics, LLC ("Beats Settlement")

7. Kamdar Settlement.

8. Reacquisition and Settlement Agreement dated June 1, 2016, by and between CBF and Kira Knickrehm

9. Reacquisition and Release Agreement dated February 24, 2016, by and between CBF and Pamela Lambie

10. Termination and Release Agreement dated December 1, 2015, by and between CBF and ATX Cycling

11. Termination and Release Agreement dated May 8, 2017, by and among CBF, Clementine Goutal and the estate of Andres Rodriguez

12. Termination and Release Agreement dated May 4, 2016, by and between CBF and Drury Lane Ventures, Inc.

13. Business Loan and Promissory Note Agreements (Loan No: 820112803) dated January 20, 2017, by and among St. Gregory Development Group, LLC: J3T Logistics, LLC; CBF; LB Hyde Park, LLC; and CoWorking Cincinnati, LLC and First Financial Bank ("First Financial Loan Agreements")

14. Settlement Agreement dated September 20, 2017 by and between RCG-Cincinnati, LLC and CycleBar Franchising, LLC and St. Gregory Development Group, LLC in the amount of one-hundred five thousand dollars and zero cents ($105,000.00): ("RCG Lease Settlement"). The RCG Lease Settlement was because of a dispute regarding the lease by and between RCG-Cincinnati, LLC ("Landlord") and CycleBar Franchising, LLC ("Tenant") dated August 31, 2015 for the premises known as "Store No. 7020C" and located at the "Shoppes at Kenwood" with an address of 7720 Montgomery Road, Suite 7720C, Cincinnati, Ohio 45236. The first settlement payment in the amount of $30,000.00 was made on September 25, 2017 and the second and final payment of $75,000.000 was made on September 26, 2017. CycleBar Franchising, LLC and St. Gregory Development Group, LLC have agreed to pay the RCG Lease Settlement in equal portions of $52,500.

15. On December 31, 2016, St. Gregory Development Group deferred $306,000 owed to it by CBF for services rendered under the STG and CycleBar Franchising Services Agreement dated January 1, 2015. ("STG Deferred Payment Agreement")

Schedule 9.27

16. On December 31, 2016 J3T Logistics deferred $445,783 owed to it by CBF for 2016 Groupon receipts due under the J3T and CycleBar Franchising Services Agreement dated April 20, 2015. CBF applied $93,789.81 to outstanding payables due to J3T Logistics, while the remaining $351,993.19 was posted as accounts receivable due from J3T Logistics to CBF per a deferred payment agreement. ("J3T Deferred Groupon Payment Agreement")

17. On March 31, 2017 J3T Logistics deferred $410,536.45 owed to it by CBF for services rendered under the J3T and CycleBar Franchising Services Agreement dated April 20, 2015. ("J3T Deferred Payment Agreement")

18. Settlement Agreement dated October 14, 2016, by and among CBF and Tejal Kamdar, Jason J. Snyder and Meera B. Kamdar ("Kamdar Settlement") Kamdar and Snyder Matter. CycleBar franchisees Tejal Kamdar, Meera Kamdar and Jason Snyder brought an action alleging, inter alia, breach of contract and breach of the California Franchise Investment Law. A settlement in the amount of $90,000.00 was reached. The first installment of $45,000.00 was paid and the second and installment of $45,000.00 is due on or before October 5, 2017.

19. Outstanding bills for legal services provided by DLA Piper LLP through September 25, 2017, in the amount of $49,634.07.

20. Outstanding bills for legal services provided by Ulmer & Berne LLP through September 25, 2017, in the amount of $4,435.89.

21. CBF has posted the following bonds in the states of North Dakota, Washington and Illinois as required to offer or sell franchises therein:

22. North Dakota Franchisor Surety Bond

23. Hartford Fire Insurance Company

24. Bond No. 35BSBHH2757

25. Issuance Date: 3/1/17

26. $125,000.00

27. Renewable on an annual basis

28. State of Washington Franchisor Surety Bond

29. Hartford Fire Insurance Company

    a. Bond No. 35BSBHF7477

    b. Issuance Date: 7/17/15

    c. $100,000.00

    d. Renewable on an annual basis

30. Illinois Franchisor Surety Bond

31. Hartford Fire Insurance Company

    a. Bond No. 35BSBHS0409

    b. 8/17/17

    c. $148,500.00

    d. Paid 4 years' worth of premiums

Club Pilates:

1. The Kita Settlement.
2. The Default Letters.

Shread415:

The state of Washington has imposed a financial impoundment on S415 for the sale of franchises to residents of Washington, or Shred415 franchises which will be located within the state of Washington. Pursuant to WAC 460-80-460, S415 has elected to defer the receipt of franchise fees from Washington franchisees, until such time as those franchisees open their business to the public.

Pure Barre:

Schedule 9.27

1. Pursuant to that certain Amendment No. 1 to Franchise Agreement dated as of January 16, 2015, by and between PB Franchising, LLC, elleon, LLC, as Franchisee, and Noelle Zane, the parties acknowledged that the Franchisee is the successor-in-interest to own and operate the studio located at 1701 Walnut Street in Philadelphia and amended the Territory in the Franchise Agreement as follows: (i) until the second anniversary of the Effective Date of the Franchise Agreement, the Territory will be the larger area outlined in orange on the map attached as Exhibit A to the Franchise Agreement; (ii) if a second studio has not been opened within this larger area before the Effective Date of the Franchise Agreement, the Territory will automatically and without any further action be revised to incorporate only the smaller area outlined in black on the map; (iii) if a second studio is opened by the second anniversary of the Effective Date of the Franchise Agreement, the parties will agree on an appropriate territory for each studio that will encompass the entire area outlined in orange on the map; and (iv) PB Franchising, LLC agrees it will not change the Territory as it exists under the Amendment or the territory under the Franchise Agreement for the second studio as provided for in the Amendment, if signed, upon renewal of such agreements.

2. Pursuant to that certain Amendment No. 1 to Franchise Agreement dated as of February 11, 2015 by and between PB Franchising, LLC, Portside Group LLC, as Franchisee, and Rebecca McCarthy, Guarantor, the parties replaced the existing Long Island City Search Area Map with the Greenpoint Search Area Map. Despite the replacement of the Search Area, the Company granted the Franchisee the right to acquire the franchise and to enter into a franchise agreement to develop a Pure Barre Studio in the Long Island City Search Area, provided that the Franchisee meets the following conditions: (i) the Franchisee must sign a lease for an approved Location within the Greenpoint Search Area within three months after the date of the Amendment, (ii) the Franchisee must comply with the terms of the franchise agreement and (iii) the Franchisee or an approved affiliate must sign, on or before December 15, 2015, a lease for a location approved by the Company within the Long Island City Search Area and the Company's then-current form of franchise agreement and related documents that will govern the Franchisee's development and operation of a Pure Barre Studio at the location. If the Franchisee does not timely comply with the requirements in (iii) above, the Franchisee will no longer have rights to enter into, and the Company will have no obligation to allow the Franchisee to enter into, a franchise agreement for the Long Island City Search Area.

3. In accordance with the structure of PB Franchising LLC's franchise program (as described in the FDD), it allows qualified prospective franchisees to sign an Option Agreement prior to signing a Franchise Agreement. The Option Agreement allows the prospect to search for potential sites in a defined area and gives the prospect, within the specified time, the option to enter into a franchise agreement for a specific approved site in the defined area. Following are the outstanding Option Agreements:

    a) Option Agreement dated as of April 14, 2015, by and between PB Franchising, LLC, Jillian LaMonica and Patrick LaMonica (North Plano, TX).

b) Option Agreement dated as of April 9, 2015, by and between PB Franchising, LLC, Tanya Schneider and Zackary Ross (Kitsilano, Vancouver, BC).
c) Option Agreement dated as of April 22, 2015, by and between PB Franchising, LLC and Nicole Hines (San Tan Village, AZ).

d) Option Agreement dated as of April 14, 2015, by and between PB Franchising, LLC, Kathryn L. Lowder and Tiffany P. Bell (East Montgomery, AL).
e) Option Agreement dated as of April 23, 2015, by and between PB Franchising, LLC, Moana Tucker and Marshall Tucker (Gainesville, FL).
f) Option Agreement dated as of April 21, 2015, by and between PB Franchising, LLC, Jenna McGill and Matt McGill (Kingstowne, VA).
g) Option Agreement dated as of April 27, 2015, by and between PB Franchising, LLC, Stephanie Lin and Robert Lin (West Hartford, CT).
h) Option Agreement dated as of April 28, 2015, by and between PB Franchising, LLC and Tonia Jones (Cypress, TX).
i) Option Agreement dated as of April 28, 2015, by and between PB Franchising, LLC, Rebecca Dunn and Scott Dunn (Cedar Park, TX).
j) Option Agreement dated as of April 29, 2015, by and between PB Franchising, LLC, Michelle Clinger and Cassi O'Neal (Henderson, NV).

(k)

Nothing to report for LBF, S415 or CB.

As of August 31, 2017, CPF had an outstanding loan in the amount of $286,861.92 to the Club Pilates Marketing Fund.

(l)

The following persons have been engaged by LBF and/or S415 to provide services in the sale of franchises:

Lance Freeman
STG Employment Agreement_STG_L.Freeman_Eff. 1/26/2017
As amended 6/13/17

Nick Sheehan
STG Employment Agreement_STG_N.Sheehan_Eff. 11/1/16

Justin LaCava
STG Employment Agreement_STG_J.LaCava_Eff. 2/7/13
As amended 8/27/17

Cameron Ferguson
STG Employment Agreement_STG_C.Ferguson_Eff. 7/8/17

John North
STG Employment Agreement_STG_J.North_Eff. 7/5/16

Sung Ohm
STG Employment Agreement_STG_S.Ohm Eff. 7/11/17

Emily Brown
STG Employment Agreement_STG_E.Brown_Eff. 10/1/16

Drew Chalfant
STG Employment Agreement_STG_D.Chalfant_Eff. 8/1/17

Kit Higgs
STG Employment Agreement_STG_K.Higgs_Eff. 8/15/17

Sean McCloskey
STG Employment Agreement_STG_S.McCloskey_Eff. 2/15/16

Chris Meibers
STG Employment Agreement_STG_Eff. 3/11/15

Jeff Herr
As STG Principal

Jim Jagers
As STG Principal

Todd Kirby
As STG Principal

Joe Roda
As STG Principal

Bonnie Micheli (Shred415)
As Shred415 principal

Matt Micheli (Shred415)
As Shred415 principal

Kurt Roemer (Shred415)
As Shred415 principal

Tracy Roemer (Shred415)
As Shred415 principal

Joseph DeMarco (LBF)
As LBF principal

Jennifer DeMarco (LBF)
As LBF principal and pursuant to Executive Employment Agreement, dated November 9, 2015, by and between Local Barre Franchising, LLC and Jennifer DeMarco

The following brokers have been engaged by Company and/or its Franchisor Subsidiaries to provide assistance in the sale of franchises:

LBF

FranChoice, Inc.
FranChoice Referral Agreement_FranChoice_LBF_Eff. 09/21/16

The Franchise Consulting Company
Franchise Referral Agreement_FCC_LBF_Eff. 10/04/16

Kirk Peacock – Broker
Broker Referral Agreement Coastal Massage,LLC_LBF_Eff. 4/20/17

Shred415

FranChoice, Inc.
FranChoice Referral Agreement_Franchoice_Shred415_Eff. 6/19/17

The Franchise Consulting Company
Franchise Referral Agreement_FCC_Shred415_Eff. 7/26/17

The Entrepreneur's Source (TES)
TES Partnership Agreement_TES_Shred415_Eff. 8/14/17

FranNet
Franchise Referral and Commission Agreement_S415_FranNet of the Bay Area_Eff. 09/11/2017

Franchise Opportunities Network
Advertising Agreement_S415_FranchiseOpportunities.com, LLC_Eff. 02/22/2018

The following persons or entities provide material support services to Franchisees, and/or assist in the identification, offer, and sale of franchises to potential Franchisees:

LBF

J3T Logistics, LLC – Franchisor marketing and operations support.
J3T Services Agreements LBF_J3T_Eff. 11/01/16

St. Gregory Development Group, LLC – Franchise sales support.
St. Gregory Ind. Cont. Agt._STG_LBF_Eff. 10/18/16

Jennifer DeMarco – Franchise sales support & franchisee support.
LBF Executive Employment Agreement_LBF_J.Demarco_Eff. 11/9/15

Bob Palazzi, LLC – Robert & Diane Palazzi – Area Representative
LBF AR Agreement_LBF_Bob Palazzi, LLC_Eff. 06/26/17
As modified by a Memorandum of Understanding dated 06/26/17

Carl Peacock & Pamela Tanase – Area Representative
LBF AR Agreement_LBF_C.Peacock&P.Tanase_Eff. 4/20/17
As modified by a Memorandum of Understanding dated 4/20/17

Shred415

J3T Logisitics, LLC – Franchisor marketing and operations support.
J3T Services Agreement Shred415_J3T_Eff. 6/16/17

St. Gregory Development Group, LLC – Franchise sales support.
St. Gregory Ind. Cont. Agt._STG_Shred415_Eff. 6/16/17

Shred415 Chicago Services agreement – sales and franchisee support.
Shred415 Chicago Services Agt._Shred415Franchising_Shred415Chicago_Eff. 6/16/17

REMOP Services, LLC – Services agreement – franchisee real estate support.
REMOP Services Agt._REMOP_Shred415Franchising_Eff. 8/30/17

FF&E Procurement Company of America, LLC – Franchisee furniture, fixtures and equipment product purchasing support.
FF&E Procurement Services Agt._FF&EPCA_Shred415Franchising_Eff. 8/30/17

Club Pilates:

1. The TES Agreement.
2. The FranChoice Agreement.
3. The FranNet Agreement.
4. Franchise Referral Agreement dated December 22, 2015 between AllWright Franchise Consulting, Inc. d/b/a The You Network and the Company.
5. The St. Gregory Agreement.
6. The Colorado Agreement.

(m)

Club Pilates First Refusal Schedule:

1. Area Development Agreement dated April 17, 2017 between the Company and Stephanie Violas as amended by that certain Amendment and Acknowledgement dated April 17, 2017 between the parties.
2. Area Development Agreement dated October 31, 2016 between the Company and Katya Stromblad and the Company as amended by that certain Amendment and Acknowledgement dated October 31, 2016 between the parties.
3. Area Development Agreement dated August 23, 2016 between the Company and Mark A. Worely as amended by that certain Amendment and Acknowledgment between the parties.
4. Amendment and Right of First Refusal dated September 24, 2014 between Global and Amanda Gomez, as assigned to the Company pursuant to that certain Contribution Agreement (the "Contribution Agreement") dated March 12, 2015 between CP, Global and the Company.
5. Amendment and Right of First Refusal dated March 6, 2014 between Global and October First LLC, as assigned to the Company pursuant to the Contribution Agreement.
6. Right of First Refusal dated August 12, 2014 between Global and Jennifer Marrinan, as assigned to the Company pursuant to the Contribution Agreement.
7. Area Development Agreement dated November 30, 2015 between the Company, Christopher M. Fichaud and Susan D. Bryan as amendment by that Amendment and Acknowledgement dated November 30, 2015 between the parties.

8. For a period of twenty-four (24) months following the date of the Row House Purchase Agreement, the Row House Licensee has a right of first refusal on the opening of any "Row House" studios in (a) the following neighborhoods of Manhattan: (i) the Financial District, (ii) the Upper West Side, (iii) Midtown East and (iv) the Upper East Side or (b) the Hamptons.

(n)

Shred415

REMOP Services, LLC – Franchisee payments made to Shred 415 Franchising for Real Estate site selection and construction management services are then paid to REMOP to perform those services.

FF&E PROCUREMENT - FF&E performs furniture and fixture procurement services for Shred 415 Franchising. Franchisees pay monies directly to Shred 415 Franchising for these services, and Shred415 Franchising pays FF&E for rendering these services on behalf of its franchisees.

ClubReady
Master Vendor Agreement_S415_ClubReady, LLC_Eff. 02/01/2018
Pricing Agreement_S415_ClubReady, LLC_Eff. 02/01/2018

CycleBar:

1. CycleBar Approved Vendor Agreement dated May 27, 2016, by and between CBF and Core Health & Fitness, LLC.
2. FitMetrix Service Agreement
3. Groupon Agreement
4. Screencast Service Agreement
5. Mindbody Subscriber Agreement
6. Emma Email Marketing Agreement
7. Sharper Decorating Systems Inc.

Club Pilates:

Summary of Vendors & Agreement Terms

Vendor	Discount, Royalty, Rebate or Convention Sponsorship Amount	Notes or Additional Terms	Written Contract?
Suppliers Terms			
Balanced Body	33.5% discount off MSRP	*2%-10, net 30 terms*	No
ToeSox	33% Royalty		Yes
Trigger Point / Implus	55% discount from MSRP		
Ringside-CSI-Fitness	Discounts ranging from 10-25% off MSRP		
Glyder.	30% discount from MSRP		
Fitness First.	Discounts ranging from 15-30% off MSRP		
Paychex*	Franchisees get 15% permanent discount		
Beyond Yoga	20% discount from MSRP		
Chicago/RX Bar	34% discount from MSRP		
TRX Fitness Anywhere	40% discount from MSRP		
Revenue Share Agreements			
ClubReady	~$175/studio	*See Additional Details Below*	Yes

Priority Signs	*10% of invoiced amount*		No
FloWater	$25/studio/mo		No
RFS Fooring	*10% of invoiced amount*		No

Summary of Vendors & Agreement Terms

Vendor	Discount, Royalty, Rebate or Convention Sponsorship Amount	Notes or Additional Terms	Written Contract?
C&C Signs	*10% of invoiced amount*	*Verbal only, but has not reported or paid for 2016 yet*	No
Geneva/Amerifund	$500 per financed Studio		No
Action Glass	*10% of invoiced amount*	*Verbal only, but has not reported or paid for 2016 yet*	No
Other Vendors/Partners Rebates & Sponsorships			
Trigger Point / Implus	*$5,000 convention sponsorship*		No
ColePro, Inc.	*$10,000 convention sponsorship*		No
ClubReady	*$20,000 convention sponsorship*		No

Glyder.	*$5,000 convention sponsorship*		No
Fitness First.	*$5,000 convention sponsorship*		No
Priority Signs	*$5,000 convention sponsorship*		No
Paychex*	*$2,000 convention sponsorship*		No
Paris, Ackerman & Schmierer	*$5,000 convention sponsorship*		No
Toesox customer	*$5,000 convention sponsorship*		No
FranConnect	*$2,000 convention sponsorship*		No
Savvier Fitness	*$5,000 convention sponsorship*		No
ESIX	*$2,000 convention sponsorship*		No
FloWater Inc.	*$5,000 convention sponsorship*		No
GymWrench	*$5,000 convention sponsorship*		No
C&R Components	*$5,000 convention sponsorship*		No

Summary of Vendors & Agreement Terms

Vendor	**Discount, Royalty, Rebate or Convention Sponsorship Amount**	**Notes or Additional Terms**	**Written Contract?**

Additional Details:

Club Ready Rebate Summary

	CR Fee to Franchisee	**Rebate to Franchisor**	*Notes:*
Software Fee	$149.00	$39.00	
Draft Fee	3.75%	0.50%	
Swipe Fee	2.50%	0.10%	
PDC	20.00%	5.00%	
Leadspeak	$69.00	$20.00	
Gym HQ	$-	5%	
ACH	$9.95	$9.95	
Remit Stmt	$4.95	$4.95	
App Fee	$49.00	$39.00	
Contract Template	$350.00	$50.00	
			New clubs only

(o)

N/A

(p)

See Schedules 9.27(a), 9.27(b) and 9.27(c) above.

Row House

Franchise Agreements in Effect Summary - excluding terminations

As of: 6/20/2018

	Studio Name	State	Last Name	First Name	Street	City	State	Zip	Studio Phone	Franchisee Phone	Franchisee Email	Royalty Rate	MFC Rate	Min. Royalty	Required Minimum	Individual Territory FA Date
	Franchisee				**Studio Information**					**Franchisee Personal Information**						
1	Row House Hilton Head	SC	Steward	Stephen						(843) 226–3482	stephen.stewart@therowhouse.com	7%	2%			02/02/18
2	Row House Connecticut	CT	Montefusco	Rob/Dana						(203) 770–1497	robert.montefusco@therowhouse.com dana.montefusco@therowhouse.com	7%	2%			05/05/18
3	Row House Colordo	CO	Johnson	Anne						(314) 249–3753	anne.johnson@therowhouse.com	7%	2%			05/10/18

4	Row House Frisco	TX	Puga	Reuben/Nishani						(214) 455–3277	ruben.puga@therowhouse.com nishani.puga@therowhouse.com	7%	2%			06/04/18
5	Row House West End	MA	O'Malley	Gyee/Bob						(817) 368–3484	gyee.omalley@therowhouse.com bob.omalley@therowhouse.com	7%	2%			06/11/18
6	Row House Walnut Creek	CA	Yang	Henry						(925) 247–4533	henry.yang@therowhouse.com	7%	2%			05/31/18
7	Row House San Rafael	CA	Kfouri	Emile						(781) 864–9728	emile.kfouri@therowhouse.com	7%	2%			06/14/18

Area Development Agreement (ADA Summary) - excluding terminations

As of: 06/20/18

	Area Name	State	Franchisee Information: Last Name	First Name	Franchisee Phone	Franchisee Email	ADA Date	Total # Studios in ADA	Development Fee	# Studios Open (PreSale)	Development Schedule	# Add'l Studios to be Opened
1	Denver	CO	Johnson	Anne	(314) 249-3753	anne.johnson@therowhouse.com	05/10/18	3	$ 125,000	0	10/12/18	3
											04/12/19	
											10/12/1	

											9	
2	Dallas	TX	Puga	Ruben/Nishani	(214) 455-3277	ruben.puga@therowhouse.com nishani.puga@therowhouse.com	06/04/18	3	$ 125,000	0	12/04/18	3
											06/04/19	
											10/05/19	
3	East Bay	CA	Yang	Henry	(925) 247-4533	yang_henry@yahoo.com	05/31/18	3	$ 125,000	0	11/30/18	3
											05/31/19	
											11/30/19	
4	Boston	MA	O'Malley	Gyee/Bob	(817) 368-3484	gyee.omalley@therowhouse.com bob.omalley@therowhouse.com	06/11/18	3	$ 125,000	0	12/11/18	3
											06/11/19	
											12/11/19	
5	San Francisco	CA	Kfouri	Emile	(781) 864-9728	emile.kfouri@therowhouse.com	06/14/18	6	$ 210,000	0	11/14/18	6
											04/14/19	
											09/14/19	
											02/14/20	
											07/14/20	
											01/14/20	

Stretch Lab

Area Development Agreement (ADA Summary) - excluding terminations

As of: 06/19/18

	Area Name	State	Last Name	First Name	Franchisee Email	ADA Date	Total # Studios in ADA	Development Fee	# Studios Open (PreSale)	# Add'l Studios to be Opened
1	New Jersey	NJ	Weaving	Dave	David.Weaving@stretchlab.com	04/19/18	3	$125,000	0	3
2	Los Angeles; Seattle	CA/WA	Elton	Byron	Byron.Elton@stretchlab.com	04/16/18	6	$210,000	0	6
3	Austin	TX	Stanley	Jerry & Rachel	Jerry.Stanley@stretchlab.com	04/16/18	3	$125,000	0	3
4	Los Gatos, CA	CA	Kemp	John	John.Kemp@stretchlab.com	05/11/18	3	$125,000	0	3
5	Del Mar, CA	CA	Cohen	Angie	Angie.Cohen@stretchlab.com	06/09/18	3	$125,000	0	3

Franchise Agreements in Effect Summary - excluding terminations

As of: 06/19/18

	Studio Name	State	Last Name	First Name	City	State	Franchisee Email	Royalty Rate	MFC Rate	Min. Royalty	Required Minimum	Individual Territory FA Date
1	StretchLab New Jersey (Weaving)	NJ	Weaving	Dave		NJ	David.Weaving@stretchlab.com	7%	2%			
2	StretchLab Westwood (Elton)	CA	Elton	Byron	Westwood	CA	Byron.Elton@stretchlab.com	7%	2%			
3	StretchLab Austin (Stanley)	TX	Stanley	Jerry & Rachel	Austin	TX	Jerry.Stanley@stretchlab.com	7%	2%			
4	StretchLab Los Gatos (Kemp)	CA	Kemp	John	Los Gatos	CA	John.Kemp@stretchlab.com	7%	2%			

5	StretchLab Del Mar (Cohen)	CA	Cohen	Angie	Del Mar	CA	Angie.Cohen@stretchlab.com	7%	2 %			
6	StretchLAB Los Angeles (Coronel)	CA	Coronel	Alexys & Oscar	Los Angeles	CA	Oscar.Coronel@stretchlab.com	7%	2 %			
7	StretchLab Eagle (Ely)	ID	Ely	Suzanne	Eagle	ID	Suzanne.Ely@stretchlab.com	7%	2 %			

Pursuant to the terms of the Purchase Agreement and the License Arrangement, the Licensee has the right to open two (2) additional "AKT Studios" (the "Area Development Arrangement"). The Area Development Arrangement is the only Area Development or analogous agreement of Licensor. The following information required to be disclosed pursuant to Schedule 9.27(p) is applicable to the License Arrangement

Subsection	Information Requested	Disclosure
(i)	Franchisee contact info	AKT inMotion, Inc. c/o AKT Fitness LLC 244 84th Street New York, New York 10028 Attention: Anna Kaiser a@aktinmotion.com
(ii)	Geographic Area	N/A
(iii)	Number of existing studios	Four (4)
(iv)	Development Schedule	N/A
(v)	Compliance Status	N/A
(vi)	Initial Fee	$0
(vii)	Effective Date	March 21, 2018
(viii)	Modifications or Waivers	N/A
(ix)	Third Party Franchisees	N/A

Pursuant to the terms of the Stretch Lab Purchase Agreement and the Stretch Lab License Arrangement, the Stretch Lab Licensee has the right to open two (2) additional "Stretch Lab Studios" (the "Stretch Lab Area Development Arrangement"). The Stretch Lab Area Development Arrangement is the only Area Development or analogous agreement of Stretch Lab Licensor. The following information required to be disclosed pursuant to Schedule 9.27(p) is applicable to the Stretch Lab License Arrangement

Subsection	Information Requested	Disclosure
(i)	Franchisee contact info	Stretch Lab, LLC 512 Rose Ave,

		Venice, CA 90291 (310) 450-2510 Attention: Saul J. Janson
(ii)	Geographic Area	N/A
(iii)	Number of existing studios	Three (3)
(iv)	Development Schedule	N/A
(v)	Compliance Status	N/A
(vi)	Initial Fee	$0
(vii)	Effective Date	November 15, 2017
(viii)	Modifications or Waivers	N/A
(ix)	Third Party Franchisees	N/A

Pursuant to the terms of the Yoga Six Purchase Agreement and the Yoga Six License Arrangement, the Yoga Six Licensee has the right to open up to seven (7) additional "Yoga Six Studios" (the "Additional Studios") and the option to have certain studios of the Seller Subsidiaries (the "Rebranded Studios") enter the "Yoga Six" Franchise System upon satisfying certain conditions set forth in the Yoga Six Purchase Agreement (the "Yoga Six Area Development Arrangement"). The Yoga Six Area Development Arrangement is the only Area Development or analogous agreement of the Yoga Six Licensor. The following information required to be disclosed pursuant to Schedule 9.27(p) is applicable to the License Arrangement.

Subsection	Information Requested	Disclosure
(i)	Franchisee contact info	Yoga 6 Company, LLC 512 Via De La Valle Solana Beach, CA 92075 Attention: Peter Barbaresi Email: pbarbaresi@yogasix.com
(ii)	Geographic Area	Additional Studios ● The St. Louis Metropolitan Area, including without limitation Chesterfield, Creve Coeur, St. Charles, and/or the

		Central West End ● The Chicago Metropolitan Area, including without limitation Evanston ● The San Diego Metropolitan Area, including without limitation downtown San Diego, North Carlsbad, La Jolla and San Marcos <u>Rebranded Studios</u> ● 1150 N. State St., Chicago, IL 60610 ● 2105 N Southport Ave Suite 200, Chicago, IL 60614 ● 1136 S Delano Ct Suite E-204, Chicago, IL 60605 ● 1600 W Lane Ave, Upper Arlington, OH 43221
(iii)	Number of existing studios	Seven (7)
(iv)	Development Schedule	<u>Additional Studios</u> Twenty-one (21) months to open five (5) Additional Studios and then an additional six (6) months to open an additional two (2) Additional Studios. <u>Rebranded Studios</u> Within ninety (90) days of any Rebranded Studio having net sales at or above the average net sales of the studios in the Yoga Six franchise system.
(v)	Compliance Status	N/A
(vi)	Initial Fee	$0

(vii)	Effective Date	July 26, 2018
(viii)	Modifications or Waivers	N/A
(ix)	Third Party Franchisees	N/A

Schedule 9.29
Bank Accounts

Entity Name	Bank	Account Number	Account Type
Club Pilates Franchise, LLC	Citizens Business Bank Checking	591001167	Checking
	Citizens Business Bank Marketing Fund	591001906	Marketing Fund
Pilates Licensing, LLC	Citizens Business Bank Checking	591001965	Checking
St. Gregory Development Group, LLC	First Financial	5312532897	Checking
	First Financial	5312532905	Checking
J3T Logistics, LLC	First Financial	5312628398	Checking
	First Financial	5312628406	Checking
Coworking Cincinnati, LLC	First Financial	5312566887	Checking
LB Hyde Park, LLC	First Financial	5312627978	Checking
CycleBar Franchising LLC	First Financial	5312566911	Checking
	First Financial	5312566895	Checking
	First Financial	5312566929	Checking
	First Financial	5312566994	Checking
	First Financial	5312567000	Checking
	First Financial	5312566937	Checking
	Citizens Business Bank	591002791	Checking
	Citizens Business Bank	591002805	Checking
	Citizens Business Bank	591002813	Checking
CB IP LLC	First Financial	5312566879	Checking
CycleBar International Inc.	First Financial	5312628349	Checking
CycleBar Worldwide Inc.	First Financial	5312628356	Checking
CycleBar Canada Franchising, ULC			
AKT Franchise, LLC	Citizens Business Bank	591003194	Checking
	Citizens Business Bank	591003968	
	Citizens Business Bank	591003798	
Row House Franchise, LLC	Citizens Business Bank	591002732	Checking
	Citizens Business Bank	591002988	
	Citizens Business Bank	591003216	
Stretch Lab	Citizens Business Bank	591002589	Checking

Franchise, LLC	Citizens Business Bank	591002996	
	Citizens Business Bank	591003224	
Row House Tustin, LLC	Citizens Business Bank	591003216	Checking
Yoga Six Studio, LLC	Citizens Business Bank	122234149	Checking
Xponential Fitness LLC	Citizens Business Bank	591002503	Checking
H&W Franchise Holdings, LLC	Citizens Business Bank	591002481	Checking
PB Franchising LLC	First National Bank	0054987255	Checking
PB Product LLC	First National Bank	0054988951	Checking
Pure Barre LLC	First National Bank	0054992577	Checking
PB Opco LLC	Bank of America	223015325719	Checking
PB Opco LLC	Bank of America	223015327474	Checking
Barre Midco LLC	Silicon Valley Bank	3302225058	Checking
Yoga Six Franchise, LLC	Citizens Business Bank	591003801 591003941	Checking

Schedule 9.30
Material Contracts

1. Management Services Agreement, dated as of September 29, 2017, by and among H&W Franchise Holdings LLC and TPG Growth III Management, LLC, as assigned to H&W Investco Management LLC pursuant to that certain Assignment, Assumption, Waiver and Release Agreement dated as of the date hereof.
2. Premium Finance Agreement, dated May 10, 2017, by and between St. Gregory Development Group LLC and IPFS Corporation.
3. Shred Chicago Services Agreement, effective June 16, 2017, by and between Shred415 Franchising, LLC, and Shred415 Chicago, LLC.
4. 1410 Enterprises Services Agreement, dated August, 11, 2016, by and between Fueled Collective Franchising, LLC, and 1410 Enterprises, LLC.
5. Services Agreement, dated May 11, 2016, by and between Fueled Collective Franchising, LLC and Fueled Coworking New York LLC.
6. The following Independent Contractor Agreements:
    a. Independent Contractor Agreement, effective November 7, 2011, by and between St. Gregory Development Group, LLC, and InXpress , LLC.
    b. Independent Contractor Agreement, effective January 7, 2014, by and between St. Gregory Development Group, LLC, and PSP Franchising, LLC.
    c. Independent Contractor Agreement, effective April 1, 2016, by and between St. Gregory Development Group, LLC, and Bishops Franchising, LLC.
    d. Independent Contractor Agreement, effective February 1, 2014, by and between St. Gregory Development Group, LLC, and Medi-Weightloss Franchising USA, LLC.
    e. Independent Contractor Agreement, effective June 28, 2017, by and between St. Gregory Development Group, LLC, and APEX FUN RUN, LLC.
7. Master Vendor Agreement, effective March 15, 2017, by and between the Club Pilates Franchising, LLC and CLUBREADY, LLC and First Amendment to Master Vendor Agreement and Terms of Service, dated April 27, 2017.
8. Pilates System Multi-Unit License Agreement, dated April 3, 2017, by and among Pilates Licensing and both Fitness International, LLC and Fitness Sport & Sports Club, LLC.
9. Shopping Center Lease dated February 13, 2018 between Row House Tustin, LLC and 2C Tustin Legacy, LLC.
10. Lease dated May 31, 2018 between Stretch Lab Franchise, LLC and Laguna Heights Marketplace, LLC.
11. The Yoga Six Purchase Agreement.

Schedule 9.33
Legal Names; Etc.

Legal Name	**Jurisdiction**	**Organizational Identification Number**	**Additional Place(s) of Business**	**Chief Executive Office**	**Federal Employer Identification Number**
H&W Franchise Holdings LLC	Delaware	6525263	N/A	17877 Von Karman Avenue, Irvine, CA 92614	82-2858652
H&W Franchise Intermediate Holdings LLC	Delaware	6552716	N/A	17877 Von Karman Avenue, Irvine, CA 92614	Pending
Xponential Fitness LLC	Delaware	6508612	N/A	17877 Von Karman Avenue, Irvine, CA 92614	82-2858491
St. Gregory Holdco, LLC	Delaware	6528538	N/A	Rookwood Exchange, Norwood, Ohio, 3825 Edwards Road, #103, Cincinnati, Ohio 45209	82-2804962
Club Pilates Franchise, LLC	Delaware	5706045	3001 Red Hill Avenue, Building 1, Suite 103, Costa Mesa, California 92626 2270 Northwest Parkway #120, Marietta, GA	17877 Von Karman Avenue, Irvine, CA 92614	47-3380223

CycleBar Holdco, LLC	Delaware	6527735	N/A	17877 Von Karman Avenue, Irvine, CA 92614	82-2735288
Pilates Licensing, LLC	Delaware	6263407	N/A	17877 Von Karman Avenue, Irvine, CA 92614	81-4810568
CycleBar Franchising, LLC	Ohio	2283131	N/A	17877 Von Karman Avenue, Irvine, CA 92614	46-5766610
CB IP, LLC	Ohio	2330484	N/A	17877 Von Karman Avenue, Irvine, CA 92614	47-4472604
CycleBar Worldwide Inc.	Ohio	2414068	N/A	17877 Von Karman Avenue, Irvine, CA 92614	47-5253532
CycleBar International Inc.	Ohio	3867891	N/A	17877 Von Karman Avenue, Irvine, CA 92614	81-1528129
Shred415 Cincinnati, LLC	Ohio	4037972	N/A	2105 N. Southport Ave., Unit 203, Chicago, Illinois 60614	82-2841035
FC JV, LLC	Ohio	3909163	N/A	Rookwood Exchange, Norwood, Ohio, 3825 Edwards Road, #103, Cincinnati, Ohio 45209	81-2847806
St. Gregory	Ohio	1948312	N/A	Rookwood	27-2405259

Development Group, LLC				Exchange, Norwood, Ohio, 3825 Edwards Road, #103, Cincinnati, Ohio 45209	
Shred415 Franchising, LLC	Delaware	6438539	N/A	2105 N. Southport Ave., Unit 203, Chicago, Illinois 60614	82-1933928
Shred415 Franchising IP, LLC	Delaware	6438545	N/A	2105 N. Southport Ave., Unit 203, Chicago, Illinois 60614	82-2841035
Fueled Collective Franchising, LLC	Ohio	3902590	N/A	Rookwood Exchange, Norwood, Ohio, 3825 Edwards Road, #103, Cincinnati, Ohio 45209	81-2797254
Fueled Collective IP, LLC	Ohio	3902591	N/A	Rookwood Exchange, Norwood, Ohio, 3825 Edwards Road, #103, Cincinnati, Ohio 45209	81-2797600
FF&E Procurement Company of America, LLC	Ohio	3971438	N/A	Rookwood Exchange, Norwood, Ohio, 3825 Edwards Road, #103, Cincinnati, Ohio 45209	82-2841504
J3T	Ohio	2179795	N/A	Rookwood	47-3452324

Logistics, LLC				Exchange, Norwood, Ohio, 3825 Edwards Road, #103, Cincinnati, Ohio 45209	
REMOP Services, LLC	Ohio	3971454	N/A	Rookwood Exchange, Norwood, Ohio, 3825 Edwards Road, #103, Cincinnati, Ohio 45209	82-2768616
LB Hyde Park, LLC	Ohio	3840122	Rookwood Exchange, 3825 Edwards Rd #102a, Cincinnati, OH 45209	Rookwood Exchange, 3825 Edwards Rd #102a, Cincinnati, OH 45209	81-1000488
Coworking Cincinnati, LLC	Ohio	3848657	Rookwood Exchange, 3825 Edwards Rd #103 and 2nd Floor, Cincinnati, OH 45209	Rookwood Exchange, Norwood, Ohio, 3825 Edwards Road, #103, Cincinnati, Ohio 45209	81-1093996
Modular Office Company of America, LLC	Ohio	3971455	N/A	Rookwood Exchange, Norwood, Ohio, 3825 Edwards Road, #103, Cincinnati, Ohio 45209	82-2841963
LB Franchising, LLC	Ohio	2444268	N/A	Rookwood Exchange, Norwood, Ohio, 3825 Edwards Road, #103, Cincinnati,	47-5535865

				Ohio 45209	
LB IP, LLC	Ohio	2444266	N/A	Rookwood Exchange, Norwood, Ohio, 3825 Edwards Road, #103, Cincinnati, Ohio 45209	47-5536032
LB Product, LLC	Ohio	3939030	N/A	Rookwood Exchange, Norwood, Ohio, 3825 Edwards Road, #103, Cincinnati, Ohio 45209	82-2841206
CycleBar Canada Franchising, ULC	Canada	None; British Columbia Incorporation No.: BC1046097	N/A	17877 Von Karman Avenue, Irvine, CA 92614	81020 5328
AKT Franchise, LLC	Delaware	6784863	N/A	17877 Von Karman Avenue, Irvine, CA 92614	35-2620635
Row House Franchise, LLC	Delaware	6645634	N/A	17877 Von Karman Avenue, Irvine, CA 92614	82-3600175
Stretch Lab Franchise, LLC	Delaware	6566497	N/A	17877 Von Karman Avenue, Irvine, CA 92614	82-2895286
Row House Tustin, LLC	Delaware	6721459	15020 Kensington Park Drive Suite J100, Tustin, CA 92870	17877 Von Karman Avenue, Irvine, CA 92614	N/A – never obtained one
Yoga Six Franchise, LLC	Delaware	6964504	17877 Von Karman Avenue,	17877 Von Karman Avenue,	Pending

			Irvine, CA 92614	Irvine, CA 92614	
Experience Brand Development, LLC	Delaware	6885148	N/A	3825 Edwards Rd, Ste 103 Cincinnati, OH 45209	Pending
EBD RH, LLC	Delaware	6885151	N/A	3825 Edwards Rd, Ste 103 Cincinnati, OH 45209	Pending
EBD SL, LLC	Delaware	6885152	N/A	3825 Edwards Rd, Ste 103 Cincinnati, OH 45209	Pending
EBD CP, LLC	Delaware	6885150	N/A	3825 Edwards Rd, Ste 103 Cincinnati, OH 45209	Pending
EBD CB, LLC	Delaware	6885149	N/A	3825 Edwards Rd, Ste 103 Cincinnati, OH 45209	Pending
EBD FC, LLC	Delaware	6885153	N/A	3825 Edwards Rd, Ste 103 Cincinnati, OH 45209	Pending
EBD AKT, LLC	Delaware	6990684	N/A	3825 Edwards Rd, Ste 103 Cincinnati, OH 45209	Pending
EBD YS, LLC	Delaware	7006940	N/A	3825 Edwards Rd, Ste 103 Cincinnati, OH 45209	Pending
PB 1001, LLC	Delaware	5328934	N/A	100 Dunbar Street, Suite 301	Pending

				Spartanburg, SC 29306	
PB 1002, LLC	Delaware	5328999	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	Pending
PB 1005, LLC	Delaware	5329008	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	Pending
PB 1006, LLC	Delaware	5330032	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	Pending
PB 1007, LLC	Delaware	5334259	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	Pending
PB 1012, LLC	Delaware	5340461	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	Pending
PB 1016, LLC	Delaware	5341910	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	Pending
PB 1018, LLC	Delaware	5342417	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	Pending
PB 1020, LLC	Delaware	5346465	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	Pending
PB 1021, LLC	Delaware	5346467	N/A	100 Dunbar Street, Suite 301 Spartanburg,	Pending

				SC 29306	
PB 1029, LLC	Delaware	5363540	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	Pending
PB 1035, LLC	Delaware	5382387	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	Pending
PB 1042, LLC	Delaware	5434205	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	Pending
PB Franchising, LLC	Delaware	5215896	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	Pending
PB OPCO, LLC	Delaware	5319138	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	Pending
PB Product, LLC	Delaware	5215897	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	Pending
PBH 1001, LLC	Delaware	5585898	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	Pending
Pure Barre, LLC (f/k/a PB Holdco, LLC)	Delaware	5215891	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	46-1047399
Barre Midco, LLC	Delaware	5722438	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	47-3618546

STG Brand Ambassador Franchising, LLC	Ohio	4227317	N/A	3825 Edwards Rd, Ste 103 Cincinnati, OH 45209	Pending
Yoga Six Studio, LLC	Delaware	7063817	N/A	17877 Von Karman Avenue, Irvine, CA 92614	Pending
AKT Studio, LLC	Delaware	7063816	N/A	17877 Von Karman Avenue, Irvine, CA 92614	Pending
Barre Holdco, LLC	Delaware	5722428	N/A	100 Dunbar Street, Suite 301 Spartanburg, SC 29306	Pending

Schedule 10.11
Post-Closing Obligations

Pure Barre

1. On or before the 20th day after the Closing Date (or such later date as Administrative Agent may agree in writing), Borrower shall deliver to Administrative Agent the lender's loss payable and additional insured endorsements in favor of Administrative Agent related to the certificates of insurance required by Section 10.3(b) of the Agreement, in each case in form and substance reasonably satisfactory to Administrative Agent.

2. On or before the 90th day after the Closing Date (or such later date as Administrative Agent may agree in writing), Borrower shall provide Administrative Agent with evidence in form and substance reasonably satisfactory to Administrative Agent that Borrower has caused the registration of each copyright and trademark of the Borrower with the United States Patent and Trademark Office, the United States Copyright Office, and the Canadian Intellectual Property Office, as applicable, to reflect "Pure Barre, LLC" as the owner of each such copyright and trademark.

3. On or before the 60th day after the Closing Date (or such later date as Administrative Agent may agree in writing), the Loan Parties shall deliver duly executed control agreements with respect to each deposit account of the Loan Parties, including without limitation with respect to Pure Barre, other than Excluded Deposit Accounts, including without limitation account #591002805 at Citizens Business Bank, account #591003194 at Citizens Business Bank, account #122234149 at Citizens Business Bank and account #591002481 at Citizens Business Bank.

4. On or before the 60th day after the Closing Date (or such later date as Administrative Agent may agree in writing), the Loan Parties shall use commercially reasonable efforts to deliver to Administrative Agent all executed Collateral Access Agreements required to be delivered pursuant to Section 5.9 of the Guaranty and Collateral Agreement, including without limitation with respect to 3186 Pullman Streeet, Costa Mesa, CA 92626 and including without limitation with respect to Pure Barre.

5. On or before the 10th Business Day after the Closing Date (or such later date as Administrative Agent may agree in writing), the Loan Parties shall deliver a duly executed lease agreement with respect to 3186 Pullman Street, Costa Mesa, CA 92626.

Schedule 11.1
Existing Debt

1. Corporate Guaranty made by St. Gregory Development Group, LLC, dated May 17, 2017, for that certain Lease Agreement dated May 15, 2017 (Lease No 40267517) by and between Cycle Bar Hyde Park, LLC and United Leasing, Inc.
2. Corporate Guaranty made by St. Gregory Development Group, LLC, dated December 20, 2016, for that certain Lease Agreement dated December 22, 2016 (Lease No 40251291) by and between Cycle Seven Ventures Kenwood, LLC and Western Equipment Finance, Inc.
3. Corporate Guaranty made by St. Gregory Development Group, LLC, dated June 2, 2014, for that certain Sublease Agreement, dated June 2, 2014 by and between Rookwood Hot Yoga, LLC and Cycle Bar Hyde Park, LLC and CLP-SPF Rookwood Commons, LLC.
4. Corporate Co-Guaranty made by St. Gregory Development Group, LLC, dated January 25, 2016, for that certain Lease Agreement dated February 1, 2016 by and between Cycle Seven Ventures Kenwood, LLC and Kenwood Collection Retail LLC.

Schedule 11.2
Existing Liens

None.

Schedule 11.11
Investments

1. Schedule 9.8 is incorporated herein by reference.
2. Franchisee Loan by Club Pilates Franchise, LLC, as lender, to Pallatroni Ventures Inc., as debtor, dated as of September 5, 2017, with an outstanding principal balance of $187,810.37.
3. Secured Promissory Note dated December 8, 2017 in the principal amount of $1,500,000 between Row House Franchise, LLC as lender and Row House Holdings, Inc., EVF RH Staffing, Inc., EVF Row House Inc., and Row House CC, LLC as borrowers.

Schedule 12.1

Debt to be Repaid

Credit Agreement dated as of June 11, 2015 by and among Pure Barre LLC, the other loan parties thereto, the various financial institutions parties thereto, and Monroe Capital Managmenet Advisors, LLC, as administrative agent

EXHIBIT A

AMENDED AND RESTATED [REVOLVING] [TERM] NOTE

$_____ _____,_____
Chicago, Illinois

The undersigned, for value received, jointly and severally, promise to pay to _____ (the "Lender") and its permitted assigns at the principal office of Monroe Capital Management Advisors, LLC (the "Administrative Agent") in Chicago, Illinois the principal amount of _____ ($_____), or if less, the unpaid principal amount of all [Revolving] [Term] Loans made to the undersigned by the Lender pursuant to the Credit Agreement referred to below (as shown on the schedule attached hereto (and any continuation thereof) or in the records of the Lender), such principal amount to be payable in the amounts and on the dates set forth in the Credit Agreement.

The undersigned further, jointly and severally, promise to pay interest on the unpaid principal amount of each Loan from the date of such Loan until such Loan is paid in full, payable at the rate(s) and at the time(s) set forth in the Credit Agreement. Payments of both principal and interest are to be made in lawful money of the United States of America.

This Amended and Restated Note evidences indebtedness incurred under, and is subject to the terms and provisions of, the Second Amended and Restated Credit Agreement, dated as of October 25, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"; terms not otherwise defined herein are used herein as defined in the Credit Agreement), among Xponential Fitness LLC, a Delaware limited liability company, St. Gregory Holdco, LLC, a Delaware limited liability company, any Person from time to time joined thereto as a borrower party in accordance with the terms thereof, the other Loan Parties party thereto, the financial institutions (including the Lender) that are or may from time to time become parties thereto and the Administrative Agent, to which Credit Agreement reference is hereby made for a statement of the terms and provisions under which this Amended and Restated Note may or must be paid prior to its due date or its due date accelerated.

This Amended and Restated Note is made and given in replacement of, and as an amendment and restatement of any Notes issued by the undersigned Borrowers to the Lender in connection with that certain Credit Agreement, dated as of September 29, 2017, among Xponential Fitness LLC and St. Gregory Holdco, LLC, as borrowers, the other loan parties party thereto, the financial institutions that are party thereto and Monroe Capital Management Advisors, LLC, as administrative agent, as amended, restated, supplemented or otherwise modified, and is not intended to be a novation.

This Amended and Restated Note is made under and governed by the laws of the State of New York applicable to contracts made and to be performed entirely within such State, without regard to conflict of law principles.

[Signature Page Follows]

BORROWERS:

XPONENTIAL FITNESS LLC

By: _____
_____
Name: _____
_____
Title: _____
_____

ST. GREGORY HOLDCO, LLC

By: _____
_____
Name: _____
_____
Title: _____
_____

EXHIBIT B

FORM OF COMPLIANCE CERTIFICATE[1]

To: Monroe Capital Management Advisors, LLC, as Administrative Agent

Please refer to the Second Amended and Restated Credit Agreement dated as of October 25, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among Xponential Fitness LLC, a Delaware limited liability company, St. Gregory Holdco, LLC, a Delaware limited liability company, any Person from time to time joined thereto as a borrower party in accordance with the terms thereof, the other Loan Parties party thereto, the financial institutions that are or may from time to time become parties thereto and Monroe Capital Management Advisors, LLC, as Administrative Agent. Terms used but not otherwise defined herein are used herein as defined in the Credit Agreement.

I. Reports. Enclosed herewith is a copy of the **[annual audited/quarterly]** report of Borrower as at _____, ____ (the "Computation Date"), **[certified without adverse reference to going concern qualification by independent auditors of recognized standing selected by Borrower and reasonably acceptable to Administrative Agent (except to the extent such qualification is due to the scheduled maturity date of any Debt)]**[2] and prepared in accordance with GAAP consistently applied.

II. Financial Tests. Borrower Representative hereby certifies and warrants to you that the following is a true and correct computation as at the Computation Date of the following ratios and/or financial restrictions and/or financial calculations contained in the Credit Agreement:

A.	**Section 11.14.1 - Minimum Fixed Charge Coverage Ratio**		
	1.	EBITDA (without giving effect to the final sentence thereof in the Credit Agreement) (from Item C(4) below)	$_____
	2.	Income taxes paid or payable in cash by the Loan Parties and their Subsidiaries (including without duplication Tax Distributions)	$_____
	3.	All Capital Expenditures made by the by the Loan Parties and their Subsidiaries not financed with (x) the proceeds Debt (other than Revolving Loans) or (y) Capital Securities	$_____
	4.	Sum of (2) and (3)	$_____

[1] This certificate is for convenience only and, to the extent of any conflict between the terms of this certificate and the terms of the Credit Agreement, the Credit Agreement shall control.

[2] Bracketed language only with respect to annual financial reports.

	5.	Remainder of (1) minus (4)	$_____
	6.	Cash Interest Expense	$_____
	7.	Scheduled payments (other than payments scheduled to be made on the applicable maturity date) of principal of Funded Debt (including the Term Loans and Permitted Seller Debt but excluding the Revolving Loans and Permitted Earn-Outs)	$_____
	8.	Management fees paid in cash to Sponsor	$_____
	9.	Sum of (6), (7) and (8)	$_____
	10.	Ratio of (5) to (9)	_____to 1
	11.	Minimum Required	[1.20 to 1.00]
B.	**Section 11.14.2 - Maximum Total Debt to EBITDA Ratio**		
	1.	Total Debt	$_____
	2.	Qualified Cash	$_____
	3.	Remainder of (1) minus (2)	$_____
	4.	EBITDA (from Item C(4) below)	$_____
	5.	Ratio of (3) to (4)	_____to 1
	6.	Maximum allowed	_____to 1
C.	**EBITDA Computation[3]**		
	1.	Consolidated Net Income	$_____
	2.	Plus:[4]	

[3] increased or decreased (without duplication) by, as applicable, any adjustments resulting from the application of FASB Accounting Standards Codification 460, Guarantees

[4] The amount added to EBITDA pursuant to Section 1.3(c), clauses (c), (f) (other than pursuant to clause (f)(1)(A)), (g) and (m) may in the aggregate not exceed (i) 45% of EBITDA of Holdings and its Subsidiaries for any period ending on or prior to September 30, 2018, (ii) 40% of EBITDA of Holdings and its Subsidiaries for any period ending after September 30, 2018 but on or prior to December 31, 2018, (iii) 40% of EBITDA of Holdings and its Subsidiaries for any period ending after December 31, 2018 but on or prior to March 31, 2019 and (iv) 20% of EBITDA of Holdings and its Subsidiaries for any period ending thereafter

		(a) any provision for (or less any benefit, including income tax credits and refunds, from) income taxes (including franchise, gross receipts and single business taxes imposed in lieu of income taxes)	$ _____
		(b) Consolidated Depreciation and Amortization Expense	$ _____ -
		(c) the amount of any documented and clearly identifiable restructuring charges[5]	$ _____ -
		(d) any other non-cash charges or adjustments, including (i) any write offs or write downs reducing Consolidated Net Income for such period, (ii) equity-based awards compensation expense and expenses related to or associated with deferred compensation programs, (iii) losses on sales, disposals or abandonment of, or any impairment charges or asset write-down or write-off related to, intangible assets, long-lived assets, inventory and investments in debt and equity securities, (iv) all losses from investments recorded using the equity method, (v) charges for facilities closed prior to the applicable lease expiration, and (vi) non-cash expenses in connection with new studio or other facility openings and closings	$_____
		(e) the amount of (i) board of directors fees not to exceed $500,000 in the aggregate for such period and (ii) any management, monitoring, consulting and advisory fees (including termination and transaction fees) and related indemnities and expenses paid or accrued in such period under the Management Agreement	$_____
		(f) (1) all fees, costs, charges or expenses in connection with acquisitions and Investments (including	$_____

[5] provided that the amounts added to EBITDA pursuant to this clause (c) shall not exceed 25% of EBITDA for the period ending after September 30, 2018 but on or prior to December 31, 2019 (provided that no more than 15% of such amount is derived from Pure Barre and no more than 10% of such amount is derived from Loan Parties other than Pure Barre) and 5% of EBITDA for any period ending after December 31, 2019; and provided further, that amounts added to EBITDA pursuant to this clause (c) when aggregated with amounts added to EBITDA pursuant to clause (f) (other than pursuant to clause (f)(1)), clause (f) and Section 1.3(c) of the Credit Agreement shall not exceed (i) 40% of EBITDA for any period ending after December 31, 2018 but on or prior to March 31, 2019, (ii) 35% of EBITDA for any period ending after March 31, 2019 but on or prior to June 30, 2019, (iii) 30% of EBITDA for any period ending after June 30, 2019 but on or prior to September 30, 2019, (iv) 25% of EBITDA for any period ending after September 30, 2019 but on or prior to December 31, 2019 and (iv) 10% of EBITDA for any period ending thereafter.

		Permitted Acquisitions), including without limitation, consulting fees paid in connection with the Closing Date Acquisition, whether or not such acquisitions are consummated; provided, (A) with respect to acquisitions and Investments (other than the Closing Date Acquisition) that are consummated after the Closing Date, such fees, costs, charges or expenses (a) are incurred within 120 days following the consummation of such acquisition or Investment and (b) shall not exceed (i) $4,000,000 in the aggregate in any period ending on or prior to December 31, 2019 and (ii) $1,500,000 for any period ending after December 31, 2019, and (B) with respect to acquisitions and Investments which are not consummated, the aggregate amount of such fees, costs, charges or expenses added back shall not exceed (x) $1,275,000 in the aggregate for such period with respect to any period ending on or prior to March 31, 2019 and (y) $680,000 in the aggregate for such period with respect to any period ending after March 31, 2019 and (2) the amount of extraordinary, nonrecurring or unusual losses (including all fees and expenses relating thereto), charges or expenses, integration costs, transition costs, pre-opening, opening, consolidation and closing costs for facilities or studios, costs and operating expenses incurred in connection with any strategic initiatives or attributable to the implementation of cost saving initiatives, costs or accruals or reserves incurred in connection with acquisitions (including the Related Transactions and Permitted Acquisitions, and whether or not such acquisitions are consummated) whether on, after or prior to the Closing Date, other business optimization expenses (including costs and expenses relating to business optimization programs and new systems design and implementation costs), severance costs and expenses, one-time compensation charges, retention or completion bonuses, executive recruiting costs, consulting fees, restructuring costs and reserves, and curtailments or modifications to pension and postretirement employee benefit plans; [6]	

[6] provided, that the amounts added to EBITDA pursuant to clause (f)(2) shall not exceed 20% of EBITDA for such period; and provided further, that amounts added to EBITDA pursuant to this clause (f) (other than clause

		(g) (1) the amount of "run-rate" cost savings, cost synergies and operating expense reductions related to restructurings, cost savings initiatives or other initiatives that are projected by the Borrower in good faith to result from Permitted Acquisitions and Investments permitted by Section 11.11 of the Credit Agreement (1) with respect to which substantial steps have been taken, in each case, during the 15 month period following such Permitted Acquisition or Investment and (2) with respect to which substantial steps are expected to be taken (in the good faith determination of the Borrower) on or before June 30, 2019 in an amount not to exceed $900,000 in any such period (provided that in each case, such cost savings, cost synergies or operating expense reductions shall be certified by management of the Borrower and calculated on a pro forma basis as though such cost savings, cost synergies or operating expense reductions had been realized on the first day of such period), net of the amount of actual benefits realized from such actions during such period (it is understood and agreed that "run-rate" means the full recurring benefit that is associated with any action taken or with respect to which substantial steps have been taken) (which adjustments shall exclude the annualization of any studio royalties and may be incremental to (but not duplicative of) pro forma cost savings, cost synergies or operating expense reduction adjustments made pursuant to Section 1.3(c) of the Credit Agreement); provided that such cost savings, cost synergies and operating expenses are (i) reasonably identifiable and factually supportable and (ii) shall not exceed $2,500,000 with respect to Pure Barre and $1,000,000 with respect to all other brands (excluding amounts associated with brands related to the Original Related Transactions in an amount not to exceed $1,250,000); [7]	$_____

(f)(1)) when aggregated with amounts added to EBITDA pursuant to Section 1.3(c) of the Credit Agreement, clause (c) and clause (g) shall not exceed (i) 20% of EBITDA for any period ending after June 30, 2018 but on or prior to September 30, 2018, (ii) 15% of EBITDA for any period ending after September 30, 2018 but on or prior to December 31, 2018, (iii) 15% of EBITDA for any period ending after December 31, 2018 but on or prior to March 31, 2019 and (iv) 10% of EBITDA for any period ending thereafter

[7] provided further that the amounts added to EBITDA pursuant to this clause (g) shall not exceed 20% of EBITDA for such period; and provided further, that amounts added to EBITDA pursuant to this clause (g) when aggregated with amounts added to EBITDA pursuant to clause (c) and clause (f) (other than pursuant to clause (f)(1)) shall not exceed (i) 40% of EBITDA for any period ending after December 31, 2018 but on or prior to March

		(h) any non-cash costs or expense incurred by Holdings or a Subsidiary pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement	$_____
		(i) cash receipts (or any netting arrangements resulting in reduced cash expenditures) not representing EBITDA or Consolidated Net Income in any period to the extent non-cash gains relating to such income were deducted in the calculation of EBITDA pursuant to Item (C)(3) below for any previous period and not added back	$_____
		(j) Interest Expense for such period	$_____
		(k) to the extent covered by insurance and actually reimbursed in cash, expenses with respect to liability or casualty events	$_____
		(l) any proceeds of a business interruption insurance claim actually received in cash and solely to the extent replacing lost profits	$_____
		(m) any losses or start-up costs or expenses (excluding marketing costs and expenses funded or reasonably and in good faith expected to be funded with amounts contributed by franchisees in to marketing funds) incurred and reducing Consolidated Net Income for such period; provided that with respect to any test period, such amounts (A) be solely and directly attributable to any brand acquired by Borrower or any other Loan Party during the trailing twelve month period following the acquisition of such brand, (B) shall not exceed an amount equal to (i) $1,000,000 with respect to any brand in any period, (ii) $5,000,000, in the aggregate for all brands in any period ending on or prior to June 30, 2019, (iii) $2,500,000 in the aggregate for all brands in any period ending after June 30, 2019 but on or prior to December 31, 2019, (iv) $1,500,000 in the aggregate for any period ending after December 31, 2019 but on or prior to March 31, 2020, (v) $1,000,000 in the	$_____

31, 2019, (ii) 35% of EBITDA for any period ending after March 31, 2019 but on or prior to June 30, 2019, (iii) 30% of EBITDA for any period ending after June 30, 2019 but on or prior to September 30, 2019, (iv) 25% of EBITDA for any period ending after September 30, 2019 but on or prior to December 31, 2019 and (iv) 10% of EBITDA for any period ending thereafter

		aggregate for any period ending after March 31, 2020 but on or prior to June 30, 2020 and (vi) $0 in the aggregate for an period ending after June 30, 2020 and (C) be supported by documentation to the satisfaction of the Administrative Agent	
		(n) solely with respect to the testing of financial covenants all reasonable and documented fees or expenses incurred or paid by Holdings, Borrower or any Subsidiary in connection with the consummation of the Original Related Transactions, including payments to officers, employees and directors as change of control payments, severance payments and charges for repurchase or rollover of, or modifications to, stock options, provided that such fees or expenses shall not (together with all adjustments pursuant to clause (xiii)) exceed $3,955,000 in the aggregate and shall be incurred within 180 days of the Closing Date	
		(o) all reasonable and documented fees, costs, charges or expenses incurred or paid by Holdings, Borrower or any Subsidiary in connection with the consummation of the Closing Date Acquisition, including payments to officers, employees and directors as change of control payments, severance payments and charges for repurchase or rollover of, or modifications to, stock options; provided that such fees, costs, charges or expenses shall not exceed $5,000,000 in the aggregate and shall be incurred within 180 days of the Closing Date	
		(p) to the extent funded with proceeds of Incremental Loans and deducted from Consolidated Net Income, up to $10,000,000 invested by the Borrowers on or prior to December 31, 2019 in franchisees in exchange for longer contract terms from such franchisees	
	3.	Minus:	
		(a) non-cash gains increasing Consolidated Net Income of such Person for such period, excluding any non-cash gains to the extent they represent the reversal of an accrual or reserve for a potential cash item that reduced EBITDA in any prior period	$_____

		(b) any non-cash gains with respect to cash actually received in a prior period unless such cash did not increase EBITDA in such prior period	$_____
		(c) extraordinary gains and unusual or non-recurring gains (less all fees and expenses relating thereto)	$_____
		(d) in each case to the extent included in determining such Consolidated Net Income for such period and without duplication, the amount of positive EBITDA of Subsidiaries that have not guaranteed the Obligations hereunder and provided Liens on their assets securing the Obligations for such period	$_____
	4.	Total (EBITDA)[8]	$_____
D.	**Section 6.2.2(a)(iv) – Excess Cash Flow[9]**		
	1.	EBITDA (from Item C(4) above)	$_____
	2.	the amount of positive EBITDA of Subsidiaries that have not guaranteed the Obligations hereunder and provided Liens on their assets securing the Obligations for such period in an amount not to exceed the amount of cash distributed by such Subsidiary to a Loan Party during such period	$_____
	3.	any net decrease in the Working Capital Adjustment during	$_____

[8] Notwithstanding the foregoing, the amount added to EBITDA pursuant to Section 1.3(c) of the Credit Agreement, Items C(2)(c), C(2)(f) (other than pursuant to Item C(2)(f)(1)), C(2)(g) and C(2)(h) may in the aggregate not exceed (i) 55% of EBITDA of Holdings and its Subsidiaries for any period ending on or prior to December 31, 2018 (provided that EBTIDA attributable to Pure Barre shall not exceed $6,000,000 of such amount), (ii) 50% of EBITDA of Holdings and its Subsidiaries for any period ending after December 31, 2018 but on or prior to March 31, 2019 (provided that EBTIDA attributable to Pure Barre shall not exceed $6,000,000 of such amount), (iii) 45% of EBITDA of Holdings and its Subsidiaries for any period ending after March 31, 2019 but on or prior to June 30, 2019 (provided that EBTIDA attributable to Pure Barre shall not exceed $6,000,000 of such amount), (iv) 40% of EBITDA of Holdings and its Subsidiaries for any period ending after June 30, 2019 but on or prior to September 30, 2019 (provided that EBTIDA attributable to Pure Barre shall not exceed $6,000,000 of such amount), (v) 35% of EBITDA of Holdings and its Subsidiaries for any period ending after September 31, 2019 but on or prior to December 31, 2019 (provided that EBTIDA attributable to Pure Barre shall not exceed $6,000,000 of such amount), and (vii) 20% of EBITDA of Holdings and its Subsidiaries for any period ending thereafter.

[9] Only for annual financials

		such period	
	4.	scheduled repayments of principal of the Term Loans and other Funded Debt (other than payments of revolving Debt that do not include a dollar-for-dollar commitment reduction) permitted under the Credit Agreement and made during such period	$_____
	5.	voluntary prepayments of the Term Loan pursuant to the Credit Agreement during such period and voluntary prepayments of the Revolving Loans during such period that are accompanied by a dollar-for-dollar reduction of the Revolving Commitments	$_____
	6.	cash payments permitted under the Credit Agreement and made during such period with respect to unfinanced (whether with equity or Debt) Capital Expenditures	$_____
	7.	all income and franchise taxes paid in cash by the Loan Parties during such period (including, without limitation (but without duplication), Tax Distributions) net of refunds actually received in cash during such period	$_____
	8.	cash Interest Expense (net of interest income) of the Loan Parties during such period	$_____
	9.	in each case solely to the extent added in determining EBITDA for such period and without duplication of any of the foregoing, any other amounts paid in cash and added back to EBITDA pursuant to the definition thereof	$_____
	10.	any net increase in Working Capital Adjustments during such period	$_____
	11.	cash payments (not financed with the proceeds of Equity (including the Available Amount) or Debt other than Revolving Loans) made in such period with respect to Permitted Acquisitions	$_____
	12.	Sum of (1) through (3)	$_____
	13.	Remainder of (12) minus the sum of (4) through (11)	$_____
	14.	ECF Percentage multiplied by (13)	$_____
	15.	Voluntary prepayments of the revolving loans to the extent accompanied by a permanent reduction of the Commitments	$_____

		pursuant to Section 6.1.1 of the Credit Agreement	
	16.	Voluntary prepayments of the Term Loans pursuant to Section 6.2.1 (excluding payments funded from the Available Amount) of the Credit Agreement	$ _____
	17.	Remainder of (14) minus (15) minus (16)	$ _____

III. Borrower further certifies to you that **[no Default or Event of Default has occurred and is continuing]**.[10]

[Borrower hereby notifies you pursuant to Section 5.7(f) of the Guaranty and Collateral Agreement that an application for the registration of the following Intellectual Property has been filed with [insert filing office]: **[provide description of Intellectual Property]**]

IV. Enclosed herewith is a written statement of Holdings' management setting forth a discussion of Holdings' and its Subsidiaries' financial condition, changes in financial condition and results of operations.

Borrower Representative has caused this Certificate to be executed and delivered by its duly authorized signatory on _____, ____.

XPONENTIAL FITNESS LLC

By: _____
Name: _____
Title: _____

[10] If a Default or Event of default has occurred and is continuing describe the Default or Event of Default and the steps, if any, being taken to cure it.

EXHIBIT C

ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (this "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between **[the][each]** [11] Assignor identified in item 1 below (**[the][each, an]** "Assignor") and **[the][each]**[12] Assignee identified in item 2 below (**[the][each, an]** "Assignee"). **[It is understood and agreed that the rights and obligations of [the Assignors][the Assignees]** [13] hereunder are several and not joint.] [14] Capitalized terms used but not defined herein shall have the meanings given to them in the Second Amended and Restated Credit Agreement identified below (the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, **[the][each]** Assignor hereby irrevocably sells and assigns to **[the Assignee][the respective Assignees]**, and **[the][each]** Assignee hereby irrevocably purchases and assumes from **[the Assignor][the respective Assignors]**, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by Administrative Agent as contemplated below (i) all of [the **Assignor's][the respective Assignors']** rights and obligations in **[its capacity as a Lender][their respective capacities as Lenders]** under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of **[the Assignor][the respective Assignors]** under the respective facilities identified below (including, without limitation, the Letters of Credit included in such facilities [15]) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of **[the Assignor (in its capacity as a Lender)][the respective Assignors (in their respective capacities as Lenders)]** against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by **[the][any]** Assignor to **[the][any]** Assignee pursuant to clauses (i) and (ii) above

[11] For bracketed language here and elsewhere in this form relating to the Assignor(s), if the assignment is from a single Assignor, choose the first bracketed language. If the assignment is from multiple Assignors, choose the second bracketed language.

[12] For bracketed language here and elsewhere in this form relating to the Assignee(s), if the assignment is to a single Assignee, choose the first bracketed language. If the assignment is to multiple Assignees, choose the second bracketed language.

[13] Select as appropriate.

[14] Include bracketed language if there are either multiple Assignors or multiple Assignees.

[15] Include all applicable subfacilities.

being referred to herein collectively as **[the][an]** "Assigned Interest"). Each such sale and assignment is without recourse to **[the][any]** Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by **[the][any]** Assignor.

1. Assignor**[s]** _____
_____

2. Assignee**[s]** _____
_____
[for each Assignee, indicate [Affiliate][Approved Fund] of **[identify Lender]**]

3. Borrower(s): Xponential Fitness LLC, a Delaware limited liability company and St. Gregory Holdco, LLC, a Delaware limited liability company

4. Administrative Agent: Monroe Capital Management Advisors, LLC, as the administrative agent under the Credit Agreement

5. Credit Agreement: Second Amended and Restated Credit Agreement, dated as of October 25, 2018 among the Borrowers, the other Loan Parties party thereto, the Lenders from time to time party thereto, and Monroe Capital Management Advisors, LLC, as Administrative Agent

6. Assigned Interest:

Assignor**[s]**[16]	Assignee**[s]**[17]	Facility Assigned[18]	Aggregate Amount of Commitment / Loans for all Lenders[19]	Amount of Commitment / Loans Assigned	Percentage Assigned of Commitment/ Loans[20]	CUSIP Number
		_____	$_____	$_____	_____%	
		_____	$_____	$_____	_____%	
		_____	$_____	$_____	_____%	

[16] List each Assignor, as appropriate.

[17] List each Assignee, as appropriate.

[18] Fill in the appropriate terminology for the types of facilities under the Credit Agreement that are being assigned under this Assignment (e.g. "Revolving Commitment", "Term Loan Commitment", etc.).

[19] Amounts in this column and in the column immediately to the right to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

[20] Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

7. **[Trade Date: _____][21]**

Effective Date: _____, 20__ **[TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]**

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: _____
Name: _____
Title: _____

ASSIGNEE

[NAME OF ASSIGNEE]

By: _____
Name: _____
Title: _____

[Consented to and][22] Accepted:

MONROE CAPITAL MANAGEMENT ADVISORS, LLC, as Administrative Agent

By: _____
Name: _____
Title: _____

[21] To be completed if the Assignor and the Assignee intend that the minimum assignment amount is to be determined as of the Trade Date.

[22] To be added only if the consent of Administrative Agent is required by the terms of the Credit Agreement.

[Consented to][23]

_____

By: _____
Name: _____
Title: _____

[23] To be added only if the consent of Borrower and/or other parties (e.g. Issuing Lender) is required by the terms of the Credit Agreement.

ANNEX 1 TO ASSIGNMENT AND ASSUMPTION

[_____][24]

STANDARD TERMS AND CONDITIONS FOR ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor. **[The][Each]** Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of **[the][the relevant]** Assigned Interest, (ii) **[the][such]** Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1 . 2 Assignee. **[The][Each]** Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all the requirements to be an assignee under the Credit Agreement (subject to such consents, if any, as may be required under the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of **[the][the relevant]** Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by **[the][such]** Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire **[the][such]** Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section __ thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase **[the][such]** Assigned Interest, and (vi) it has, independently and without reliance upon Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase **[the][such]** Assigned Interest; and (b) agrees that (i) it will, independently and without reliance upon Administrative Agent, **[the][any]** Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in

[24] Describe Credit Agreement at option of Administrative Agent.

accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2 . Payments. From and after the Effective Date, Administrative Agent shall make all payments in respect of **[the] [each]** Assigned Interest (including payments of principal, interest, fees and other amounts) to **[the][the relevant]** Assignor for amounts which have accrued to but excluding the Effective Date and to **[the][the relevant]** Assignee for amounts which have accrued from and after the Effective Date.

3 . General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of Illinois, without regard to conflict of laws principles of such State.

EXHIBIT D

FORM OF NOTICE OF BORROWING

To: Monroe Capital Management Advisors, LLC, as Administrative Agent

Please refer to the Second Amended and Restated Credit Agreement dated as of October 25, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among Xponential Fitness LLC, a Delaware limited liability company, St. Gregory Holdco, LLC, a Delaware limited liability company, any Person from time to time joined thereto as a borrower party in accordance with the terms thereof, the other Loan Parties party thereto, the financial institutions that are or may from time to time become parties thereto and Monroe Capital Management Advisors, LLC, as Administrative Agent. Terms used but not otherwise defined herein are used herein as defined in the Credit Agreement.

The undersigned hereby gives irrevocable notice, pursuant to Section 2.2.2 of the Credit Agreement, of a request hereby for a borrowing of Revolving Loans as follows:

i. The requested borrowing date for the proposed borrowing (which is a Business Day) is _____, ____.

ii. The aggregate amount of the proposed borrowing is $_____.

iii. The type of Loans comprising the proposed borrowing are LIBOR Loans.

iv. The duration of the Interest Period for each LIBOR Loan made as part of the proposed borrowing, if applicable, is one month.

The undersigned hereby certifies (solely in his/her capacity as an officer of the Borrower Representative, and not in his/her personal capacity) that on the date hereof and on the date of borrowing set forth above, and immediately after giving effect to the borrowing requested hereby: (i) no Default or Event of Default has occurred or is continuing under the Credit Agreement; (ii) each of the representations and warranties contained in the Credit Agreement and the other Loan Documents is true and correct in all material respects as of the date hereof without duplication of any "material" or "Material Adverse Effect" qualifier, except to the extent stated to relate to a specific earlier date, in which case such representations and warranties shall be true and correct in all material respects (without duplication of any "material" or "Material Adverse Effect" qualifier) as of such earlier date; and (iii) the Loan Parties are and shall be in compliance on a pro forma basis with the financial covenants set forth in Section 11.14 computed using the covenant levels and financial information for the most recently ended quarter for which information is available.

Borrower Representative has caused this Notice of Borrowing to be executed and delivered by its signatory thereunto duly authorized on _____, _____.

XPONENTIAL FITNESS LLC

By: _____
Name: _____
Title: _____

Exhibit 10.3

EXECUTION VERSION

SECOND AMENDMENT AND WAIVER TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT

This SECOND AMENDMENT AND WAIVER TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT (this "Amendment"), dated as of December 20, 2019, among Xponential Fitness LLC, a Delaware limited liability company, and St. Gregory Holdco, LLC, a Delaware limited liability company (collectively, the "Borrower"), the other loan parties party hereto (together with the Borrower, the "Loan Parties"), the financial institutions party hereto (together with their respective successors and assigns, the "Lenders") and Monroe Capital Management Advisors, LLC, as administrative agent for the Lenders (in such capacity, the "Administrative Agent"). Unless otherwise specified herein, capitalized terms used in this Amendment shall have the meanings ascribed to them in the Credit Agreement (as hereinafter defined).

BACKGROUND

WHEREAS, the Borrower, the other Loan Parties party thereto, the Administrative Agent, and the Lenders are parties to that certain Second Amended and Restated Credit Agreement dated as of October 25, 2018, as amended by that certain First Amendment to Second Amended and Restated Credit Agreement and Incremental Term Loan Joinder Agreement, dated as of April 18, 2019 (as further amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement");

WHEREAS, the Loan Parties have requested that the Administrative Agent and the Lenders waive any Default and Event of Default that exists under Section 13.1.5(a) of the Credit Agreement arising from the Loan Parties' failure to comply with Section 10.1.1 of the Credit Agreement for the Fiscal Year ending December 31, 2018 (the " Specified Default");

WHEREAS, subject to the terms and conditions set forth herein, the Administrative Agent and the Lenders have agreed to waive the Specified Default; and

WHEREAS, the Loan Parties party hereto have requested that the Administrative Agent and the Lenders agree to amend the Credit Agreement in certain respects as more fully described herein, and the Administrative Agent and the Lenders are willing to do so on the terms and subject to the conditions set forth herein;

NOW THEREFORE, in consideration of the matters set forth in the recitals and the covenants and provisions herein set forth, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

Section 1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Credit Agreement.

Section 2. Amendments to the Credit Agreement. As of the Second Amendment Effective Date (as defined below), the Credit Agreement is hereby amended as follows:

2.1 Section 1.1 of the Credit Agreement is hereby further amended by amending and restating the following definitions in their entirety as set forth below:

"Agent Fee Letter" means, collectively, (i) the second amended and restated fee letter dated as of the Closing Date between Borrower and the Administrative Agent, (ii) the first amendment fee letter dated as of April 18, 2019 between Borrower and the Administrative Agent, and (iii) the second amendment fee letter dated as of December 20, 2019 between Borrower and the Administrative Agent.

2.2 Section 1.1 of the Credit Agreement is hereby further amended by inserting the following at the end of the definition of "Applicable Margin":

"Notwithstanding the foregoing, the Applicable Margin shall increase by 1% per annum on the first day of each month commencing on February 1, 2020 until the Obligations are Paid in Full."

2.3 Section 6.4.2 of the Credit Agreement is hereby amended by amending and restating it in its entirety as follows:

6.4.2. Payment of Principal. (i) On the last day of each fiscal quarter, commencing with the fiscal quarter ending December 31, 2018 and ending with the fiscal quarter ending December 31, 2019, the Term A Loan shall be repaid to Administrative Agent, for the benefit of the Lenders in accordance with each Lender's Pro Rata Share of the aggregate principal amount of funded Term A Loans, in an amount equal to one-quarter of one percent (1/4%) of the aggregate amount of Term A Loans made hereunder (as such amounts shall be reduced in connection with prepayments in accordance with Section 6.3.1) and (ii) on the first day of each month, commencing on February 1, 2020, the Term A Loan shall be repaid to Administrative Agent, for the benefit of the Lenders in accordance with each Lender's Pro Rata Share of the aggregate principal amount of funded Term A Loans, in an amount equal to one percent (1%) of the aggregate amount of Term A Loans made hereunder (as such amounts shall be reduced in connection with prepayments in accordance with Section 6.3.1). Unless sooner paid in full, the outstanding principal balance of the Term A Loans shall be paid in full on the Term Loan Maturity Date. The principal amounts of any Incremental Term Loan shall be repaid in installments as set forth in the applicable Incremental Term Loan Joinder Agreement.

2.4 Section 10.1 of the Credit Agreement is hereby amended to add the following new Section 10.1.13 in the appropriate numerical order therein as follows:

"10.1.13 Weekly Cash Flow Reports. On Tuesday of each week, commencing with Tuesday, December 10, 2019, (x) a rolling 13-week consolidated cash

flow forecast, in form and substance consistent with the cash flow forecast documentation previously delivered to the Administrative Agent on the Second Amendment Effective Date (the "13-Week Forecast") and (y) a variance report (a "Variance Report") reflecting, among other things, the amount and percentage variance of the actual cash receipts and disbursements of the Loan Parties for the immediately preceding weekly period and a reasonably detailed explanation for any such variance. Within two days of delivery of such 13-Week Forecast, the Borrower and Administrative Agent shall have an update call to discuss the 13-Week Forecast and Variance Report at a time mutually agreeable to the Borrower and Administrative Agent."

2.5 Section 12.2.1 of the Credit Agreement is hereby amended to delete "and" after the semicolon at the end of clause (b), to replace the period at the end of clause (c) with a semicolon, to add "and" after the semicolon at the end of clause (c), and to add the following clause (d) in appropriate alphabetical order, as follows:

"(d) Administrative Agent shall have consented in writing to the borrowing of such Loan or issuance of such Letter of Credit."

2.6 Section 13.1 of the Agreement is hereby amended by (i) inserting a reference to ", 10.1.13" immediately following the reference to "10.12" in Section 13.1.5.

Section 3. Waiver.

3.1 The Loan Parties acknowledge and agree that the Specified Default constitutes an Event of Default under the Credit Agreement. The Administrative Agent and the Lenders hereby agree to waive (a) the Specified Default, (b) any Defaults or Events of Default arising under the Credit Agreement or the other Loan Documents solely from the failure to give notice (or timely notice) of any Specified Defaults, and (c) any Defaults or Events of Default arising under the Credit Agreement or the other Loan Documents solely from the making, or deemed making, of any inaccurate representation or warranty in the Credit Agreement or the other Loan Documents solely as a result of the existence of any Specified Defaults.

3.2 The Administrative Agent and the Lenders hereby agree to waive the requirement under Section 10.1.1 of the Credit Agreement which requires the Loan Parties' to deliver an annual audit report for Fiscal Year ending December 31, 2019 for Holdings and its Subsidiaries; provided that the Loan Parties shall still deliver the annual audit report of Xponential Fitness, LLC and its Subsidiaries as required under section 10.1.1. After April 1, 2020, the Administrative Agent may request a quality of earnings report for Holdings and its Subsidiaries for the trailing twelve month period ending December 31, 2019 in form and substance satisfactory to Administrative Agent and prepared by RSM which quality of earnings report shall be delivered within 30 days of such request (or such longer period as the Administrative Agent may agree in its sole discretion). Failure to provide such quality of earnings report shall constitute an immediate Event of Default.

3.3 Except as set forth in Section 3.1 and Section 3.2 of this Amendment, the Administrative Agent and the Lenders hereby reserve all rights and remedies granted to the Administrative Agent and the Lenders under the Credit Agreement, the other Loan Documents or applicable law or otherwise and nothing contained herein shall be construed to limit, impair or otherwise affect the right of the Administrative Agent and the Lenders to declare an Event of Default pursuant to the terms of the Credit Agreement or the other Loan Documents with respect to any other or future non-compliance with any covenant, term or provision of the Credit Agreement, the other Loan Documents or any other document now or hereafter executed and delivered in connection therewith.

Section 4. Representations and Warranties. Each Loan Party hereby represents and warrants to Administrative Agent and each Lender that the following are true and correct as of the Second Amendment Effective Date:

4.1 Continuation of Representations and Warranties. After giving effect to this Amendment, all representations and warranties of Borrower and the other Loan Parties set forth in the Credit Agreement, this Amendment and the other Loan Documents are true and correct in all material respects with the same effect as if then made (except to the extent such representations and warranties expressly relate to a specific earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date) as of the Second Amendment Effective Date;

4.2 No Existing Default. Both immediately before and after giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing, other than the Specified Default;

4.3 Authorization; No Conflict. Each Loan Party is duly authorized to execute and deliver this Amendment and each Loan Party is duly authorized to perform its Obligations under each Loan Document to which it is a party. The execution, delivery and performance by each Loan Party of this Amendment do not and will not (a) require any consent or approval of any governmental agency or authority (other than any consent or approval which has been obtained and is in full force and effect); (b) conflict with (i) any provision of law, (ii) the charter, by-laws or other organizational documents of any Loan Party or (iii) any agreement, indenture, instrument or other document, or any judgment, order or decree, which is binding upon any Loan Party or any of their respective properties, except, in the case of clauses (i) and (iii), to the extent such violations would not reasonably be expected to result in a Material Adverse Effect or (c) require, or result in, the creation or imposition of any Lien on any asset of any Loan Party (other than Liens in favor of Administrative Agent created pursuant to the Collateral Documents or permitted by Section 11.2 of the Credit Agreement); and

4.4 Binding Effect. This Amendment constitutes the legal, valid and binding obligation of each Loan Party, enforceable against each Loan Party in accordance with its terms, subject to bankruptcy, insolvency and similar laws affecting the enforceability of creditors' rights generally and to general principles of equity.

Section 5. Conditions Precedent. This Amendment (including without limitation Section 3 hereof) shall be effective as of the date first set forth above, subject to the satisfaction (or waiver) of the following conditions precedent (the date of such satisfaction being the "Second Amendment Effective Date"):

5.1 Execution and Delivery. Each Loan Party, Administrative Agent and Required Lenders shall have executed and delivered to Administrative Agent this Amendment.

5.2 [intentionally omitted]

5.3 Agent Fee Letter. Administrative Agent shall have received an executed Agent Fee Letter dated as of the date hereof by the Administrative Agent and acknowledged by the Borrower (the "Second Amendment Fee Letter").

5.4 Payment of Fees and Attorney Costs. Borrower shall have paid to Administrative Agent reasonable and documented out-of-pocket costs and expenses of Administrative Agent incurred by it in connection with the transactions contemplated hereby (including reasonable legal costs of Administrative Agent in connection with the preparation and negotiation of this Amendment).

5.5 RSM Diligence. Borrower shall have paid to Administrative Agent a $250,000 deposit (the "RSM Deposit"), which shall be delivered to RSM US LLP ("RSM") in respect of the quality of earnings report that RSM is preparing.

Section 6. Reaffirmation. Each Loan Party hereby (i) expressly reaffirms and assumes all of its obligations and liabilities to Administrative Agent and the Lenders as set forth in the Credit Agreement, the Collateral Documents and the other Loan Documents (in each case, as the same have been amended by this Amendment or as otherwise amended, amended and restated, supplemented or otherwise modified) (collectively, the "Reaffirmed Documents") and agrees to be bound by and abide by and operate and perform under and pursuant to and comply fully with all of the terms, conditions, provisions, agreements, representations, undertakings, warranties, indemnities, grants of security interests and covenants contained in the Reaffirmed Documents as though such Reaffirmed Documents were being re-executed on the date hereof, except to the extent that such terms expressly relate to an earlier date; and (ii) acknowledges, ratifies, confirms and reaffirms without condition, all Liens and security interests granted to Administrative Agent, for its benefit and the benefit of Lenders, pursuant to the Reaffirmed Documents and acknowledges and agrees that all of such Liens and security interests are intended and shall be deemed and construed to continue to secure the Obligations under the Reaffirmed Documents, as amended, restated, supplemented or otherwise modified and in effect from time to time, and all extensions, renewals, refinancing, amendments or modifications of any of the foregoing.

Section 7. Miscellaneous.

7.1 Effect of Amendment. Except as expressly set forth herein, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of Administrative Agent or any Lender under the Credit

Agreement or any Loan Document, or constitute a waiver of any provision of the Credit Agreement or any Loan Document and each Loan Party hereby fully ratifies and affirms each Loan Document to which it is a party.

7.2 Entire Agreement. This Amendment embodies the entire agreement and understanding among the parties hereto and supersedes all prior or contemporaneous agreements and understandings of such Persons, verbal or written, relating to the subject matter hereof.

7.3 References. Any reference to the Credit Agreement contained in any notice, request, certificate, or other document executed concurrently with or after the execution and delivery of this Amendment shall be deemed to include this Amendment unless the context shall otherwise require. Reference in this Amendment, the Credit Agreement or any other Loan Document to the Credit Agreement shall be a reference to the Credit Agreement as amended hereby and as further amended, modified, restated, supplemented or extended from time to time.

7.4 Ratification of Liability; Acknowledgment of Rights; Release of Claims. Each Loan Party hereby ratifies and confirms its liabilities, obligations and agreements under the Credit Agreement and the other Loan Documents, and the Liens granted or purported to be granted and perfected thereby, and acknowledges that: (i) it has no defenses, claims or set-offs to the enforcement by Administrative Agent and/or Lender of such liabilities, obligations and agreements through and as of the date hereof; (ii) Administrative Agent and each Lender has fully performed all undertakings owed to the Loan Parties through and as of the date hereof; and (iii) except as otherwise expressly set forth herein, neither Administrative Agent nor any Lender waives, diminishes or limits any term or condition contained in the Credit Agreement or in any of the other Loan Documents.

7.5 Governing Law. THIS AMENDMENT SHALL BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE.

7.6 FORUM SELECTION AND CONSENT TO JURISDICTION. ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS AMENDMENT, SHALL BE BROUGHT AND MAINTAINED EXCLUSIVELY IN THE COURTS OF THE STATE OF NEW YORK OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK; PROVIDED THAT NOTHING IN THIS AMENDMENT SHALL BE DEEMED OR OPERATE TO PRECLUDE ADMINISTRATIVE AGENT FROM BRINGING SUIT OR TAKING OTHER LEGAL ACTION IN ANY OTHER APPROPRIATE JURISDICTION. EACH LOAN PARTY, ADMINISTRATIVE AGENT AND EACH LENDER HEREBY EXPRESSLY AND IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK AND OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK FOR THE PURPOSE OF ANY SUCH LITIGATION AS

SET FORTH ABOVE. ADMINISTRATIVE AGENT, EACH LENDER AND EACH LOAN PARTY FURTHER IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS BY REGISTERED MAIL, POSTAGE PREPAID, OR BY PERSONAL SERVICE WITHIN OR WITHOUT THE STATE OF NEW YORK. EACH LOAN PARTY, ADMINISTRATIVE AGENT AND EACH LENDER HEREBY EXPRESSLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH LITIGATION BROUGHT IN ANY SUCH COURT REFERRED TO ABOVE AND ANY CLAIM THAT ANY SUCH LITIGATION HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

7.7 WAIVER OF JURY TRIAL. EACH LOAN PARTY, ADMINISTRATIVE AGENT AND EACH LENDER HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS AMENDMENT AND ANY INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HEREWITH OR THEREWITH OR ARISING FROM ANY LENDING RELATIONSHIP EXISTING IN CONNECTION WITH ANY OF THE FOREGOING, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

7.8 Severability. Whenever possible, each provision of this Amendment shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Amendment is held to be prohibited by or invalid under applicable law in any jurisdiction, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating any other provision of this Amendment.

7.9 Headings. Article, section and subsection headings in this Amendment are included for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

7.10 Counterparts. This Amendment may be executed in any number of counterparts and by either party hereto on separate counterparts, each of which, when so executed and delivered, shall be an original, but all such counterparts shall together constitute one and the same instrument. Receipt by telecopy or other electronic means, including .pdf of any executed signature page to this Amendment shall constitute effective delivery of such signature page.

Section 8. Post-Closing Requirements.

8.1 Annual Financials. Within five (5) Business Days of the Second Amendment Effective Date, the Borrower shall deliver to the Administrative Agent the annual audit report of Xponential Fitness, LLC and its Subsidiaries, in form and substance satisfactory to the Administrative Agent, for the Fiscal Year ending December 31, 2018.

8.2 Quality of Earnings Report. Within 10 days of the Second Amendment Effective Date, the Borrower shall deliver to the Administrative Agent a quality of earnings report for Holdings and its Subsidiaries for the Fiscal Year ending December 31, 2018 and for the trailing twelve month period ending August 31, 2019 in form and substance satisfactory to Administrative Agent and prepared by RSM. To the extent in excess of the RSM Deposit, Borrower shall pay all costs and expenses of RSM in connection with delivering its quality of earnings report promptly following receipt of a request for such payment from Administrative Agent.

8.3 Warrant. The Sponsor and Loan Parties will negotiate in good faith with the Administrative Agent to enter in to a penny warrant, within 15 days of the Second Amendment Effective Date, in form and substance satisfactory to the Administrative Agent (including customary anti-dilution, tag-along, preemptive and transfer rights), providing the Administrative Agent or its Affiliates, as applicable, with the right to purchase up to 1% of the outstanding equity interests of Holdings (on a fully-diluted, post-exercise basis) on April 1, 2020 if the Obligations haven't been Paid in Full as of such date which warrant will automatically increase to provide the Administrative Agent or its Affiliates the right to purchase an additional 1% of the outstanding equity interests of Holdings (on a fully-diluted, post-exercise basis) on the first day of each month ending after April 1, 2020 until such time as the Obligations are Paid in Full (by way of example, on May 1, 2020 the Administrative Agent or its Affiliates, as applicable, shall have the right to purchase up to 2% of the outstanding equity interests of Holdings (on a fully-diluted, post-exercise basis), on June 1, 2020 the Administrative Agent or its Affiliates, as applicable, shall have the right to purchase up to 3% of the outstanding equity interests of Holdings (on a fully-diluted, post-exercise basis), and so on until such time as all of the Obligations have been Paid in Full).

The Borrower acknowledges and agrees that the failure to comply with the covenants set forth in this Section 8 shall constitute an immediate Event of Default under the Credit Agreement, provided that the Administrative Agent may extend the deadlines set forth in this Section 8 in its reasonable discretion.

Section 9. Release. In consideration of the agreements of the Administrative Agent and the Lenders contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Loan Party, on behalf of itself and its successors, assigns, and other legal representatives (collectively, the "Releasors" and each, a "Releasor"), hereby absolutely, unconditionally and irrevocably releases, remises and forever discharges the Administrative Agent and each Lender, and their successors and assigns, and their respective present and former shareholders, affiliates, subsidiaries, divisions,

predecessors, directors, officers, attorneys, employees, agents and other representatives (collectively, the Administrative Agent, each Lender, and all such other Persons, the "Releasees", and each, a "Releasee"), of and from all demands, actions, causes of action, suits, damages and any and all other claims, counterclaims, and rights of set off whatsoever (individually, a "Claim" and collectively, "Claims") of every name and nature, known or that reasonably should be known, suspected or that reasonably should be suspected, both at law and in equity (and all defenses that may arise out of the foregoing), which such Loan Party or any of its successors, assigns, or other legal representatives may now or hereafter own, hold, have or claim to have against the Releasees or any of them for, upon, or by reason of any circumstance, action, cause or thing whatsoever which has arisen at any time prior to the date of this Amendment for or on account of, or relating to the Credit Agreement or any of the other Loan Documents or transactions thereunder.

Each Loan Party understands, acknowledges and agrees that the release set forth above may be pleaded as a full and complete defense in respect of the matter covered thereby and may be used as a basis for an injunction against any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of the provisions of such release.

Each Loan Party agrees that no fact, event, circumstance, evidence or transaction which could now be asserted or which may hereafter be discovered shall affect in any manner the final, absolute and unconditional nature of the release set forth above.

Each Loan Party, on behalf of itself and each Releasor, hereby absolutely, unconditionally, and irrevocably, covenants and agrees with and in favor of each Releasee that it will not sue (at law, in equity, in any regulatory proceeding, or otherwise) any Releasee on the basis of any Claim released, remised, and discharged by such Loan Party pursuant to this Section 9.

[signature page follows]

The parties hereto have caused this Amendment to be duly executed and delivered by their duly authorized officers as of the date first set forth above.

BORROWER:

XPONENTIAL FITNESS LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

ST. GREGORY HOLDCO, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

OTHER LOAN PARTIES:

H&W FRANCHISE HOLDINGS LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

H&W FRANCHISE INTERMEDIATE HOLDINGS LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

CLUB PILATES FRANCHISE, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PILATES LICENSING, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

CYCLEBAR HOLDCO, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

CYCLEBAR FRANCHISING, LLC, an Ohio limited liability company

By: CycleBar Holdco, LLC, a Delaware limited liability company, its sole member

By: /s/ John Meloun
Name: John Meloun
Title: CFO

CYCLEBAR WORLDWIDE INC., an Ohio corporation

By: /s/ John Meloun
Name: John Meloun
Title: CFO

FC JV, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

ST. GREGORY DEVELOPMENT GROUP, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

FF&E PROCUREMENT COMPANY OF AMERICA, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

J3T LOGISTICS, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

REMOP SERVICES, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

LB HYDE PARK, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

COWORKING CINCINNATI, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

ROW HOUSE FRANCHISE, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

STRETCH LAB FRANCHISE, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

YOGA SIX FRANCHISE, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

CYCLEBAR CANADA FRANCHISING, ULC, a British Columbia unlimited liability corporation

By: /s/ John Meloun
Name: John Meloun
Title: CFO

AKT FRANCHISE, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

LB FRANCHISING, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

ROW HOUSE TUSTIN, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

AKT STUDIO, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

YOGA SIX STUDIO, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

EXPERIENCE BRAND DEVELOPMENT, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

EBD RH, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

EBD SL, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

EBD CP, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

EBD CB, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

EBD FC LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

EBD AKT, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

EBD YS, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

STG BRAND AMBASSADOR FRANCHISING, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

BARRE MIDCO, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1001, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1002, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1005, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1006, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1007, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1012, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1016, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1018, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1020, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1021, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1029, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1035, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1042, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB FARNCHSING, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB OPCO, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PBH 1001, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB PRODUCT, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PURE BARRE, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

BARRE HOLDCO, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

STRIDE FRANCHISE, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

ADMINISTRATIVE AGENT:

MONROE CAPITAL MANAGEMENT ADVISORS, LLC

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

LENDERS:

MONROE CAPITAL PRIVATE CREDIT FUND II LP, in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND II LLC,** its general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND II FINANCING SPV LLC, in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND II LP,** as Designated Manager

By: **MONROE CAPITAL PRIVATE CREDIT FUND II LLC,** its general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND II (UNLEVERAGED) LP, in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND II LLC,** its general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND II (UNLEVERAGED OFFSHORE) LP, in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND II LLC,** its general partner

By: /s/Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE PRIVATE CREDIT FUND A FINANCING SPV LLC, in its capacity as a Lender

By: **MONROE PRIVATE CREDIT FUND A LP,** as its Designated Manager

By: **MONROE PRIVATE CREDIT FUND A LLC,** its general partner

By: /s/Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND I LP, in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND I LLC,** its general partner

By: /s/Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND I FINANCING SPV LLC, in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND I LP**, as its Designated Manager

By: **MONROE CAPITAL PRIVATE CREDIT FUND I LLC**, its general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL MML CLO VI, LTD., in its capacity as a Lender

By: **MONROE CAPITAL MANAGEMENT LLC,** as Asset Manager and Attorney-in-fact

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL MML CLO 2017-1, LTD., in its capacity as a Lender

By: **MONROE CAPITAL MANAGEMENT LLC,** as Collateral Manager Attorney-in Fact

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title Managing Director

MONROE CAPITAL MML CLO VI, LTD., in its capacity as a Lender

By: **MONROE CAPITAL MANAGEMENT LLC**, as Asset Manager and Attorney-in-fact

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND III LP, in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND III LLC**, its general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND III FINANCING SPV LLC, in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND III LP**, as Designated Manager

By: **MONROE CAPITAL PRIVATE CREDIT FUND III LLC**, as general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND III (UNLEVERAGED) LP, in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND III LLC**, its general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND VT LP, in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND VT LLC**, its general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MC FINANCING SPV I, LLC, in its capacity as a Lender

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

EVEREST REINSURANCE COMPANY, in its capacity as a Lender

By: PineBridge Investments LLC, its investment manager

By: /s/ Doug Lyons
Name: Doug Lyons
Title: Managing Director

PINEBRIDGE PRIVATE CREDIT, L.P., in its capacity as a Lender

By: PineBridge Private Credit General Partner, L.P., its general partner

By: PineBridge Private Credit General Partner, LLC, its general partner

By: PineBridge Investments LLC, its sole member

By: /s/ Doug Lyons
Name: Doug Lyons
Title: Managing Director

PINEBRIDGE PRIVATE HOLDINGS I, LLC, in its capacity as a lender

By: /s/ Doug Lyons
Name: Doug Lyons
Title: Managing Director

Exhibit 10.4

EXECUTION VERSION

THIRD AMENDMENT TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT

This THIRD AMENDMENT TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT (this "Amendment"), dated as of February 12, 2020, among Xponential Fitness LLC, a Delaware limited liability company, and St. Gregory Holdco, LLC, a Delaware limited liability company (collectively, the "Borrower"), the other loan parties party hereto (together with the Borrower, the "Loan Parties"), the financial institutions party hereto (together with their respective successors and assigns, the "Lenders") and Monroe Capital Management Advisors, LLC, as administrative agent for the Lenders (in such capacity, the "Administrative Agent"). Unless otherwise specified herein, capitalized terms used in this Amendment shall have the meanings ascribed to them in the Credit Agreement (as hereinafter defined).

BACKGROUND

WHEREAS, the Borrower, the other Loan Parties party thereto, the Administrative Agent, and the Lenders are parties to that certain Second Amended and Restated Credit Agreement dated as of October 25, 2018, as amended by that certain First Amendment to Second Amended and Restated Credit Agreement and Incremental Term Loan Joinder Agreement, dated as of April 18, 2019, as further amended by that certain Second Amendment and Waiver to Second Amended and Restated Credit Agreement, dated as of December 20, 2019 (the "Second Amendment") (as further amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement");

WHEREAS, the Loan Parties party hereto have (i) advised Administrative Agent and the Lenders that Holdings is going to receive $50,000,000 in Net Cash Proceeds (the "Equity Infusion") from the issuance of Capital Securities to the Purchaser (the "Equity Acquisition") pursuant to, and as such term is defined in, that certain Class A-4 Unit Purchase Agreement dated as of February 12, 2020 (a true and correct copy of which is attached hereto as Exhibit A, the "SPA"), and (ii) requested that the Administrative Agent and the Lenders consent to the application of the Equity Infusion and the Equity Acquisition pursuant to the SPA, in each case, as set forth herein, and agree to amend the Credit Agreement in certain respects as more fully described herein, and the Administrative Agent and the Lenders are willing to do so on the terms and subject to the conditions set forth herein; NOW THEREFORE, in consideration of the matters set forth in the recitals and the covenants and provisions herein set forth, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

Section 1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Credit Agreement.

Section 2. Consent. Notwithstanding anything to the contrary set forth in the Credit Agreement or any of the other Loan Documents, and provided that $30,000,000 of the Equity Infusion is paid to Administrative Agent to be applied to the outstanding principal balance of Term Loan A, Administrative Agent and Lenders consent to (x) the retention by Holdings of the remaining $20,000,000 of the Equity Infusion and hereby waive any Mandatory Prepayment Event with respect thereto, (y) the Equity Acquisition by the Purchaser pursuant to the SPA and the Change of Control resulting therefrom and (z) the voluntary prepayment of $30,000,000 of the Equity Infusion and hereby waive any Prepayment Fee in connection therewith. The foregoing consent shall apply only to the transactions as specified herein, and shall not apply to any other similar transaction.

Section 3. Amendments to the Credit Agreement. As of the Third Amendment Effective Date (as defined below), the Credit Agreement is hereby amended as follows:

3.1 Section 1.1 of the Credit Agreement is hereby further amended by amending and restating the following definitions in their entirety as set forth below:

"Agent Fee Letter" means, collectively, (i) the second amended and restated fee letter dated as of the Closing Date between Borrower and the Administrative Agent, (ii) the first amendment fee letter dated as of April 18, 2019 between Borrower and the Administrative Agent, (iii) the second amendment fee letter dated as of December 20, 2019 (the "Second Fee Letter") between Borrower and the Administrative Agent, and (iv) the third amendment fee letter dated as of February 12, 2020 between Borrower and the Administrative Agent.

3.2 Section 6.4.2 of the Credit Agreement is hereby amended by amending and restating it in its entirety as follows:

6.4.2. Payment of Principal. On the last day of each fiscal quarter, commencing with the fiscal quarter ending December 31, 2018, the Term A Loan shall be repaid to Administrative Agent, for the benefit of the Lenders in accordance with each Lender's Pro Rata Share of the aggregate principal amount of funded Term A Loans, in an amount equal to: (a) with respect to each of the first seven full fiscal quarters after the Closing Date, one-quarter of one percent (1/4%) of the aggregate amount of Term A Loans made hereunder and (b) with respect to each fiscal quarter ending thereafter, one and one-quarter of one percent (1¼%) of the aggregate amount of Term A Loans made hereunder (as such amounts shall be reduced in connection with prepayments in accordance with Section 6.3.1). Unless sooner paid in full, the outstanding principal balance of the Term A Loans shall be paid in full on the Term Loan Maturity Date. The principal amounts of any Incremental Term Loan shall be repaid in installments as set forth in the applicable Incremental Term Loan Joinder Agreement.

3.3 Paragraphs (a), (b) and (c) of the Second Fee Letter are hereby deleted and shall be of no further force or effect.

Section 4. Representations and Warranties. Each Loan Party hereby represents and warrants to Administrative Agent and each Lender that the following are true and correct as of the Third Amendment Effective Date:

4.1 Continuation of Representations and Warranties. After giving effect to this Amendment, all representations and warranties of Borrower and the other Loan Parties set forth in the Credit Agreement, this Amendment and the other Loan Documents are true and correct in all material respects with the same effect as if then made (except to the extent such representations and warranties expressly relate to a specific earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date) as of the Third Amendment Effective Date;

4.2 No Existing Default. Both immediately before and after giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing;

4.3 Authorization; No Conflict. Each Loan Party is duly authorized to execute and deliver this Amendment and each Loan Party is duly authorized to perform its Obligations under each Loan Document to which it is a party. The execution, delivery and performance by each Loan Party of this Amendment do not and will not (a) require any consent or approval of any governmental agency or authority (other than any consent or approval which has been obtained and is in full force and effect); (b) conflict with (i) any provision of law, (ii) the charter, by-laws or other organizational documents of any Loan Party or (iii) any agreement, indenture, instrument or other document, or any judgment, order or decree, which is binding upon any Loan Party or any of their respective properties, except, in the case of clauses (i) and (iii), to the extent such violations would not reasonably be expected to result in a Material Adverse Effect or (c) require, or result in, the creation or imposition of any Lien on any asset of any Loan Party (other than Liens in favor of Administrative Agent created pursuant to the Collateral Documents or permitted by Section 11.2 of the Credit Agreement); and

4.4 Binding Effect. This Amendment constitutes the legal, valid and binding obligation of each Loan Party, enforceable against each Loan Party in accordance with its terms, subject to bankruptcy, insolvency and similar laws affecting the enforceability of creditors' rights generally and to general principles of equity.

Section 5. Conditions Precedent. This Amendment shall be effective as of the date first set forth above, subject to the satisfaction (or waiver) of the following conditions precedent (the date of such satisfaction being the "Third Amendment Effective Date"):

5.1 Execution and Delivery. Each Loan Party, Administrative Agent and Required Lenders shall have executed and delivered to Administrative Agent this Amendment.

5.2 Agent Fee Letter. Administrative Agent shall have received an executed Agent Fee Letter dated as of the date hereof by the Administrative Agent and acknowledged by the Borrower (the "Third Amendment Fee Letter").

5.3 Equity Infusion Payment. The Administrative Agent shall have received (or shall receive substantially contemporaneously with the closing of the Equity

Acquisition on the date hereof) proceeds from the Equity Infusion in an amount equal to $30,000,000 which proceeds shall be applied to the outstanding principal balance of the Term Loan A.

5.4 Payment of Fees and Attorney Costs. Borrower shall have paid to Administrative Agent reasonable and documented out-of-pocket costs and expenses of Administrative Agent incurred by it in connection with the transactions contemplated hereby (including reasonable legal costs of Administrative Agent in connection with the preparation and negotiation of this Amendment).

Section 6. Reaffirmation. Each Loan Party hereby (i) expressly reaffirms and assumes all of its obligations and liabilities to Administrative Agent and the Lenders as set forth in the Credit Agreement, the Collateral Documents and the other Loan Documents (in each case, as the same have been amended by this Amendment or as otherwise amended, amended and restated, supplemented or otherwise modified) (collectively, the "Reaffirmed Documents") and agrees to be bound by and abide by and operate and perform under and pursuant to and comply fully with all of the terms, conditions, provisions, agreements, representations, undertakings, warranties, indemnities, grants of security interests and covenants contained in the Reaffirmed Documents as though such Reaffirmed Documents were being re-executed on the date hereof, except to the extent that such terms expressly relate to an earlier date; and (ii) acknowledges, ratifies, confirms and reaffirms without condition, all Liens and security interests granted to Administrative Agent, for its benefit and the benefit of Lenders, pursuant to the Reaffirmed Documents and acknowledges and agrees that all of such Liens and security interests are intended and shall be deemed and construed to continue to secure the Obligations under the Reaffirmed Documents, as amended, restated, supplemented or otherwise modified and in effect from time to time, and all extensions, renewals, refinancing, amendments or modifications of any of the foregoing. Without limiting the foregoing, each Loan Party, Administrative Agent and each Lender expressly acknowledges and reaffirms Section 3 (Waiver) of the Second Amendment.

Section 7. Miscellaneous.

7.1 Effect of Amendment. Except as expressly set forth herein, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of Administrative Agent or any Lender under the Credit Agreement or any Loan Document, or constitute a waiver of any provision of the Credit Agreement or any Loan Document and each Loan Party hereby fully ratifies and affirms each Loan Document to which it is a party.

7.2 Entire Agreement. This Amendment embodies the entire agreement and understanding among the parties hereto and supersedes all prior or contemporaneous agreements and understandings of such Persons, verbal or written, relating to the subject matter hereof.

7.3 References. Any reference to the Credit Agreement contained in any notice, request, certificate, or other document executed concurrently with or after the execution and delivery of this Amendment shall be deemed to include this Amendment unless the context shall otherwise require. Reference in this Amendment, the Credit Agreement or any other Loan Document to the Credit Agreement shall be a reference to the Credit Agreement as amended hereby and as further amended, modified, restated, supplemented or extended from time to time.

7.4 Ratification of Liability; Acknowledgment of Rights; Release of Claims. Each Loan Party hereby ratifies and confirms its liabilities, obligations and agreements under the Credit Agreement and the other Loan Documents, and the Liens granted or purported to be granted and perfected thereby, and acknowledges that: (i) it has no defenses, claims or set-offs to the enforcement by Administrative Agent and/or Lender of such liabilities, obligations and agreements through and as of the date hereof; (ii) Administrative Agent and each Lender has fully performed all undertakings owed to the Loan Parties through and as of the date hereof; and (iii) except as otherwise expressly set forth herein, neither Administrative Agent nor any Lender waives, diminishes or limits any term or condition contained in the Credit Agreement or in any of the other Loan Documents.

7.5 Governing Law. THIS AMENDMENT SHALL BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE.

7.6 FORUM SELECTION AND CONSENT TO JURISDICTION. ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS AMENDMENT, SHALL BE BROUGHT AND MAINTAINED EXCLUSIVELY IN THE COURTS OF THE STATE OF NEW YORK OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK; PROVIDED THAT NOTHING IN THIS AMENDMENT SHALL BE DEEMED OR OPERATE TO PRECLUDE ADMINISTRATIVE AGENT FROM BRINGING SUIT OR TAKING OTHER LEGAL ACTION IN ANY OTHER APPROPRIATE JURISDICTION. EACH LOAN PARTY, ADMINISTRATIVE AGENT AND EACH LENDER HEREBY EXPRESSLY AND IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK AND OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK FOR THE PURPOSE OF ANY SUCH LITIGATION AS SET FORTH ABOVE. ADMINISTRATIVE AGENT, EACH LENDER AND EACH LOAN PARTY FURTHER IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS BY REGISTERED MAIL, POSTAGE PREPAID, OR BY PERSONAL SERVICE WITHIN OR WITHOUT THE STATE OF NEW YORK. EACH LOAN PARTY, ADMINISTRATIVE AGENT AND EACH LENDER HEREBY EXPRESSLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH LITIGATION BROUGHT IN ANY SUCH COURT REFERRED TO ABOVE AND ANY CLAIM THAT ANY SUCH LITIGATION HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

7.7 WAIVER OF JURY TRIAL. EACH LOAN PARTY, ADMINISTRATIVE AGENT AND EACH LENDER HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS AMENDMENT AND ANY INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HEREWITH OR THEREWITH OR ARISING FROM ANY LENDING RELATIONSHIP EXISTING IN CONNECTION WITH ANY OF THE FOREGOING, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

7.8 Severability. Whenever possible, each provision of this Amendment shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Amendment is held to be prohibited by or invalid under applicable law in any jurisdiction, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating any other provision of this Amendment.

7.9 Headings. Article, section and subsection headings in this Amendment are included for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

7.10 Counterparts. This Amendment may be executed in any number of counterparts and by either party hereto on separate counterparts, each of which, when so executed and delivered, shall be an original, but all such counterparts shall together constitute one and the same instrument. Receipt by telecopy or other electronic means, including .pdf of any executed signature page to this Amendment shall constitute effective delivery of such signature page.

Section 8. Release. In consideration of the agreements of the Administrative Agent and the Lenders contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Loan Party, on behalf of itself and its successors, assigns, and other legal representatives (collectively, the "Releasors" and each, a "Releasor"), hereby absolutely, unconditionally and irrevocably releases, remises and forever discharges the Administrative Agent and each Lender, and their successors and assigns, and their respective present and former shareholders, affiliates, subsidiaries, divisions, predecessors, directors, officers, attorneys, employees, agents and other representatives (collectively, the Administrative Agent, each Lender, and all such other Persons, the "Releasees", and each, a "Releasee"), of and from all demands, actions, causes of action, suits, damages and any and all other claims, counterclaims, and rights of set off whatsoever (individually, a "Claim" and collectively, "Claims") of every name and nature, known or that reasonably should be known, suspected or that reasonably should be suspected, both at law and in equity (and all defenses that may arise out of the foregoing), which such Loan Party or any of its successors, assigns, or other legal representatives may now or hereafter own, hold, have or claim to have against the Releasees or any of them for, upon, or by reason of any circumstance, action, cause or thing whatsoever which has arisen at any time prior to the date of this Amendment for or on account of, or relating to the Credit Agreement or any of the other Loan Documents or transactions thereunder.

Each Loan Party understands, acknowledges and agrees that the release set forth above may be pleaded as a full and complete defense in respect of the matter covered thereby and may be used as a basis for an injunction against any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of the provisions of such release.

Each Loan Party agrees that no fact, event, circumstance, evidence or transaction which could now be asserted or which may hereafter be discovered shall affect in any manner the final, absolute and unconditional nature of the release set forth above.

Each Loan Party, on behalf of itself and each Releasor, hereby absolutely, unconditionally, and irrevocably, covenants and agrees with and in favor of each Releasee that it will not sue (at law, in equity, in any regulatory proceeding, or otherwise) any Releasee on the basis of any Claim released, remised, and discharged by such Loan Party pursuant to this Section 8.

[signature page follows]

The parties hereto have caused this Amendment to be duly executed and delivered by their duly authorized officers as of the date first set forth above.

BORROWER:

XPONENTIAL FITNESS LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

ST. GREGORY HOLDCO, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

OTHER LOAN PARTIES:

H&W FRANCHISE HOLDINGS LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

H&W FRANCHISE INTERMEDIATE HOLDINGS LLC, a Delaware limited liability company

By: /s/ John MEloun
Name: John MEloun
Title: CFO

CLUB PILATES FRANCHISE, LLC, a Delaware limited liability company

By: /s/John Meloun
Name: John Meloun
Title: CFO

PILATES LICENSING, LLC, a Delaware limited liability company

By: /s/ John MEloun
Name: John MEloun
Title: CFO

CYCLEBAR HOLDCO, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

CYCLEBAR FRANCHISING, LLC, an Ohio limited liability company

By: CycleBar Holdco, LLC, a Delaware limited liability company, its sole member

By: /s/ John Meloun
Name: John Meloun
Title: CFO

CYCLEBAR WORLDWIDE INC., an Ohio corporation

By: /s/ John Meloun
Name: John Meloun
Title: CFO

FC JV, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

ST. GREGORY DEVELOPMENT GROUP, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

FF&E PROCUREMENT COMPANY OF AMERICA, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

J3T LOGISTICS, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

REMOP SERVICES, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

LB HYDE PARK, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

COWORKING CINCINNATI, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

ROW HOUSE FRANCHISE, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

STRETCH LAB FRANCHISE, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

YOGA SIX FRANCHISE, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

CYCLEBAR CANADA FRANCHISING, ULC, a British Columbia unlimited liability corporation

By: /s/ John Meloun
Name: John Meloun
Title: CFO

AKT FRANCHISE, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

LB FRANCHISING, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

ROW HOUSE TUSTIN, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

AKT STUDIO, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

YOGA SIX STUDIO, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

EXPERIENCE BRAND DEVELOPMENT, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

EBD RH, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

EBD SL, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

EBD CP, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

EBD CB, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

EBD FC LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

EBD AKT, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

EBD YS, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

STG BRAND AMBASSADOR FRANCHISING, LLC, an Ohio limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

BARRE MIDCO, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1001, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1002, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1005, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1006, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1007, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1012, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1016, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1018, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1020, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1021, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1029, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1035, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB 1042, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB FRANCHSING, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB OPCO, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PBH 1001, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PB PRODUCT, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

PURE BARRE, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

BARRE HOLDCO, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

STRIDE FRANCHISE, LLC, a Delaware limited liability company

By: /s/ John Meloun
Name: John Meloun
Title: CFO

ADMINISTRATIVE AGENT:

MONROE CAPITAL MANAGEMENT ADVISORS, LLC

By: Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

LENDERS:

MONROE CAPITAL PRIVATE CREDIT FUND II LP, in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND II LLC**, its general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND II FINANCING SPV LLC, in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND II LP,** as Designated Manager

By: **MONROE CAPITAL PRIVATE CREDIT FUND II LLC,** its general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND II (UNLEVERAGED) LP, in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND II LLC,** its general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND II (UNLEVERAGED OFFSHORE) LP,
in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND II LLC,** its general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE PRIVATE CREDIT FUND A FINANCING SPV LLC, in its capacity as a Lender

By: **MONROE PRIVATE CREDIT FUND A LP,** as its Designated Manager

By: **MONROE PRIVATE CREDIT FUND A LLC,**its general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND I LP,in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND I LLC,** its general Partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND I FINANCING SPV LLC, in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND I LP,** as its Designated Manager

By: **MONROE CAPITAL PRIVATE CREDIT FUND I LLC,** its general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL MML CLO VI, LTD., in its capacity as a Lender

By: **MONROE CAPITAL MANAGEMENT LLC,** as Asset Manager and Attorney-in-fact

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL MML CLO 2017-1, LTD., in its capacity as a Lender

By: **MONROE CAPITAL MANAGEMENT LLC,** as Collateral Manager Attorney-in Fact

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL MML CLO VI, LTD., in its capacity as a Lender

By: **MONROE CAPITAL MANAGEMENT LLC,** as Asset Manager and Attorney-in-fact

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND III LP,
in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND III LLC,** its general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND III FINANCING SPV LLC, in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND III LP,** as Designated Manager

By: **MONROE CAPITAL PRIVATE CREDIT FUND III LLC,** as general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND III (UNLEVERAGED) LP, in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND III LLC,** its general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MONROE CAPITAL PRIVATE CREDIT FUND VT LP,
in its capacity as a Lender

By: **MONROE CAPITAL PRIVATE CREDIT FUND VT LLC,** its general partner

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

MC FINANCING SPV I, LLC, in its capacity as a Lender

By: /s/ Nathan Harrell
Name: Nathan Harrell
Title: Managing Director

EVEREST REINSURANCE COMPANY, in its capacity as a Lender

By: PineBridge Investments LLC, its investment manager

By: /s/ Doug Lyons
Name: Doug Lyons
Title: Managing Director

PINEBRIDGE PRIVATE CREDIT, L.P., in its capacity as a Lender

By: PineBridge Private Credit General Partner, L.P., its general partner

By: PineBridge Private Credit General Partner, LLC, its general partner

By: PineBridge Investments LLC, its sole member

By: /s/ Doug Lyons
Name: Doug Lyons
Title: Managing Director

PINEBRIDGE PRIVATE HOLDINGS I, LLC, in its capacity as a lender

By: /s/ Doug Lyons
Name: Doug Lyons
Title: Managing Director

Exhibit 10.5

Privileged and Confidential

MANAGEMENT SERVICES AGREEMENT

This Management Services Agreement (this "Agreement") is entered into as of September 29, 2017 by and among H&W Franchise Holdings LLC, a Delaware limited liability company ("H&W" and together with any subsidiaries, the "Companies"), and TPG Growth III Management, LLC (the "Manager").

WHEREAS, TPG Growth III Fitness, L.P., a Delaware limited partnership (the "CP Buyer"), has acquired certain of the membership units of the Companies pursuant to that certain Unit Purchase Agreement (the "CP Purchase Agreement"), dated as of May 2, 2017, by and among the CP Buyer, Club Pilates Franchise, LLC ("CP"), the holders of all the membership units of CP and Anthony Geisler (such acquisition, the "CP Transaction");

WHEREAS, H&W has acquired certain of the membership units of the Companies pursuant to (i) that certain Unit Purchase and Contribution Agreement (the "STG Purchase Agreement"), dated as of the date hereof, by and among H&W, Montgomery Ventures Investments II, LLC, St. Gregory Holdco, LLC, Jeffrey D. Herr, the Jeffrey D. Herr Irrevocable Family Trust Agreement Dated May 27, 2016, James M. Jagers, the James M. Jagers Irrevocable Family Trust Agreement Dated May 27, 2016, Todd M. Kirby, the Todd M. Kirby Irrevocable Family Trust Agreement Dated May 27, 2016, Joseph H. Roda II, and the Joseph H. Roda II Irrevocable Family Trust Agreement Dated May 27, 2016 (collectively referred to herein as the "STG Principals") and (ii) that certain Unit Purchase Agreement (the "CB Purchase Agreement" and together with the CP Purchase Agreement and the STG Purchase Agreement, the "Purchase Agreements"), dated as of the date hereof, by and among H&W, Montgomery Venture Investments, LLC, CycleBar Holdco, LLC and the STG Principals (such acquisitions, the "STG Transaction" and together with the CP Transaction, the "Transactions");

WHEREAS, the Companies wish to retain the Manager to provide certain management, advisory, consulting, strategic planning, and/or specialized (operational or otherwise) services to the Companies, and the Manager is willing to provide such services on the terms set forth below.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Services. The Manager hereby agrees that, during the term of this Agreement set forth in Section 4 below (the "Term"), it will provide to the Companies, to the extent mutually agreed by the Companies and the Manager, by and through itself and/or the Manager's successors, assigns, affiliates, officers, employees and/or representatives and third parties (including, without limitation, third party consulting firms, law firms, public relations firms and firms providing similar or related services) (collectively hereinafter referred to as the "Manager Designees"), as the Manager in its sole discretion may designate from time to time, management, advisory, consulting, strategic planning and/or specialized (operational or otherwise) services (the "Services") in relation to the affairs of the Companies. The Services may include, without limitation:

(a) advice in connection with the negotiation and consummation of agreements, contracts, documents and instruments necessary to provide the Companies with financing on terms and conditions satisfactory to the Companies;

(b) consulting and strategic advice in connection with acquisition, disposition and change of control transactions involving any of the Companies or any of their direct or indirect subsidiaries or any of their respective successors;

(c) financial, managerial and day to day and specialized operational advice in connection with the Companies' operations, including, without limitation, advice with respect to the development and implementation of strategies for improving the operating, marketing and financial performance of the Companies or their respective subsidiaries;

(d) financial and strategic planning analysis and advice, consulting services, regulatory and legal support, leveraged procurement and other cross-portfolio services, public relations services, human resources and recruitment services and other similar or related services; and

(e) such other services as the Manager and the Companies may from time to time agree.

The parties agree that the fees contemplated hereunder are intended to represent retainer fees to afford the Companies with access to the above-described services. Accordingly, the Manager and/or its Manager Designees will devote such time and efforts to the performance of the services contemplated hereby as the Manager deems reasonably necessary or appropriate (taking into consideration requests made by the Companies to the Managers or its Manager Designees); provided that, for the avoidance of doubt, for any given weekly, monthly, annual or other period, there shall be no minimum number of hours required to be devoted by the Manager or any Manager Designee (as to any particular service or type of service or as to all services provided in the aggregate). The Companies acknowledge that each of the Manager's and any Manager Designees' services are not exclusive to the Companies or their respective subsidiaries and that the Manager and any Manager Designee may render similar services to other persons and entities. The Manager and the Companies understand that the Companies or their respective subsidiaries may at times engage one or more investment bankers or other advisers to provide services in addition to, but not in lieu of, services provided by the Manager and/or the Manager Designees under this Agreement. In providing services to the Companies or their respective subsidiaries, the Manager and any Manager Designees will act as independent contractors, and it is expressly understood and agreed that this Agreement is not intended to create, and does not create, any partnership, agency, joint venture or similar relationship and that no party hereto has the right or ability to contract for or on behalf of any other party or to effect any transaction for the account of any other party hereto.

2 . Payment of Fees. As compensation for the Services provided by the Manager and the Manager Designees under this Agreement:

(a) On the date hereof, the Companies, jointly and severally, will pay to the Manager (or its Manager Designee(s)) an initial fee (the "Initial Fee") equal to $1,000,000, to be paid at the closing of the STG Transaction. In addition to the Initial Fee, on the date hereof, the Companies will pay to the Manager (or its Manager Designee(s)), an amount equal to all reasonable out-of pocket expenses incurred by or on behalf of the Manager and its affiliates in connection with the provision of the Services to the Companies pursuant to this Agreement through the date hereof (all such fees and expenses, in the aggregate, the "Covered Costs").

(b) During the Term, the Companies, jointly and severally, will pay to the Manager (or its Manager Designee(s)) an aggregate annual retainer fee (the "Annual Fee") equal to $750,000. The Annual Fee will be paid on a quarterly basis in advance, on each March 31, June 30, September 30 and December 31 (or if any such date is not a day where banks in New York, New York are able to be open for business, on the next day where such banks are able to be open for business).

(c) Each payment made pursuant to this Section 2 will be paid by wire transfer of immediately available funds to the account(s) specified by the Manager from time to time. On or before the date of each payment made pursuant to this Section 2, the Manager shall send an invoice to H&W indicating the amount due under this Section 2 and any Reimbursable Expenses pursuant to Section 5. Solely for purposes of this Section 2(c), the Manager may provide notice to H&W using electronic mail.

(d) Notwithstanding anything herein to the contrary, Manager (and each Manager Designee) acknowledges and agrees that (i) no amount shall be paid or payable hereunder to the extent prohibited by the terms or provisions of, or resulting in a default under any guarantee, financing or security agreement or indenture entered into by any of the Companies or any of their respective subsidiaries and in effect on such date in respect of indebtedness for borrowed money or debt security, including without limitation that certain Credit Agreement (the "Credit Agreement") dated as of the date hereof among H&W Franchise Intermediate Holdings LLC, the financial institutions party thereto as lenders (the "Lenders") and Monroe Capital Management Advisors, LLC, as administrative agent (the "Administrative Agent") (collectively, the "Financing Documents") and (ii) the failure by the Companies to make any payment under this Agreement by reason of any provision of a Financing Document shall not constitute a breach of or a default under this Agreement.

3. Deferral. Any fee (or portion thereof) that would have been payable to the Manager or any Manager Designee pursuant to Section 2(a) or (b) above but is prohibited from being paid under Section 2(d) will accrue upon the immediately succeeding period in which such amounts could, consistent with the Financing Documents, be paid, and will be paid in such succeeding period (in addition to such other amounts that would otherwise be payable at such time) in the manner set forth in Section 2(c). The parties hereto shall not amend either (i) Section 2(d) or 3 without the prior written consent of the Administrative Agent) or (ii) any other section hereof that in any way could reasonably be expected to materially adversely affect the interests of the Administrative Agent or Lenders without the prior written consent of the Administrative Agent. In the event any payment is received by Manager (or any Manager Designee) pursuant to the terms hereof, which is in violation of the Credit Agreement or other

Financing Documents, Manager (or such Manager Designee) shall turn over any such payment to the Companies. Administrative Agent and the Lenders are intended to be third party beneficiaries of, and Administrative Agent, on behalf of itself and the Lenders shall be entitled to enforce, the provisions of Section 2(d) and this Section 3. Notwithstanding anything herein to the contrary, all rights and benefits of Administrative Agent and the Lenders hereunder, including, without limitation, the subordination provisions set forth in this Section 3, shall terminate upon the Payment in Full of all Obligations (as such terms are defined in the Credit Agreement) and termination of any commitments to extend credit under the Credit Agreement, provided, however, that if at any time any payment of the Obligations is rescinded or must otherwise be returned by Administrative Agent or any Lender in connection with any insolvency, bankruptcy, receivership, custodianship, liquidation, reorganization, assignment for the benefit of creditors, secured or unsecured creditor enforcement, proposal, compromise, arrangement, realization, or proceeding for the liquidation, dissolution or other winding up of any of the Companies or any of their respective properties, the rights and benefits of Administrative Agent and Lenders, as applicable, hereunder shall automatically be reinstated.

4 . Term. This Agreement will continue in full force and effect until the earliest of (i) December 31, 2027, (ii) such time as affiliates of the Manager cease to directly or indirectly hold at least ten percent (10%) of the equity securities of H&W, (iii) written termination by the Manager, (iv) the consummation by any of the Companies, one or more of their subsidiaries or any of their direct or indirect successors of an initial public offering of equity securities or equity interests in the Companies or their successors (an "IPO") and (v) the consummation of a Sale (as defined below). For the avoidance of doubt, termination of this Agreement will not relieve a party hereto from liability for any breach of this Agreement on or prior to such termination. In the event of a termination of this Agreement, the Companies will pay the Manager (or its Manager Designees) (y) all unpaid Initial Fees (pursuant to Section 2(a) above), unpaid Covered Costs incurred through the date of such termination (pursuant to Section 2(a) above), accrued but unpaid Annual Fees (pursuant to Section 2(b) above), unpaid Deferred Fees accrued through the date of such termination (pursuant to Section 3 above) and Reimbursable Expense (pursuant to Section 5(a) below) due with respect to periods prior to the date of termination. All of Section 4 through Section 14 will survive termination of this Agreement with respect to matters arising before or after such termination (whether in respect of or relating to services rendered during or after the Term). Each payment made pursuant to this Section 4 will be paid by wire transfer of immediately available funds to such account(s) as the Manager may specify to the Companies in writing prior to such payment. For the purposes of this Agreement, "Sale" means a transfer or issuance of equity securities of H&W (including, without limitation, by way of a merger, consolidation, amalgamation, share exchange or other form of similar business combination), in a single or series of related transactions, resulting in a person or persons, or entity or entities, other than the existing members owning, directly or indirectly, a majority of the voting power of H&W upon the consummation of such transfer or issuance or the sale of all or substantially all of the assets of H&W.

5. Expenses; Indemnification.

(a) Expenses. The Companies, jointly and severally, will pay to the Manager (or its Manager Designee(s)) on demand all Reimbursable Expenses (as defined below) whether

incurred prior to or following the date of this Agreement. As used herein, "Reimbursable Expenses" means, without duplication, (i) all reasonable out-of-pocket expenses incurred by the Manager, Manager Designees or any of their affiliates from and after the date hereof in connection with the provision of the Services pursuant to this Agreement (including, without limitation, all travel-related expenses and professional fees), and (ii) all reasonable out-of-pocket legal expenses incurred by the Manager, its affiliates or the Manager Designees in connection with (x) the negotiation and execution of the STG Purchase Agreement and the CB Purchase Agreement and (y) the enforcement of rights or taking of actions under this Agreement; provided, however, that such expenses will not be Reimbursable Expenses to the extent previously paid by the Companies as Covered Costs in accordance with Section 2.

(b) Indemnity and Liability. The Companies, jointly and severally, will indemnify, exonerate and hold the Manager, the Manager Designees and each of their respective partners, shareholders, members, affiliates, associated investment funds, directors, officers, fiduciaries, managers, controlling persons, employees and agents and each of the partners, shareholders, members, affiliates, associated investment funds, directors, officers, fiduciaries, managers, controlling persons, employees and agents of each of the foregoing (collectively, the "Indemnitees"), each of whom is an intended third-party beneficiary of this Agreement, free and harmless from and against any and all actions, causes of action, suits, claims, liabilities, losses, damages and costs and out-of-pocket expenses in connection therewith (including, without limitation, attorneys' fees and expenses) incurred by the Indemnitees or any of them before or after the date of this Agreement (collectively, the "Indemnified Liabilities") arising out of any action, cause of action, suit, arbitration, investigation or claim (whether between the relevant Indemnitee and any of the Companies or involving a third party claim against the relevant Indemnitee), or in any way arising out of or directly or indirectly relating to this Agreement or the Services provided hereunder; provided that the foregoing indemnification rights will not be available to the extent that any such Indemnified Liabilities arose on account of such Indemnitee's fraud, gross negligence or willful misconduct; and provided, further, that if and to the extent that the foregoing undertaking may be unavailable or unenforceable for any reason, each of the Companies hereby agrees to make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable law. For purposes of this Section 5(b), none of the circumstances described in the limitations contained in the two provisos in the immediately preceding sentence will be deemed to apply absent a final non-appealable judgment of a court of competent jurisdiction to such effect, in which case to the extent any such limitation is so determined to apply to any Indemnitee as to any previously advanced indemnity payments made by the Companies, then such payments will be promptly repaid by such Indemnitee to the Companies without interest. The rights of any Indemnitee to indemnification hereunder will be in addition to any other rights any such person or entity may have under any other agreement or instrument referenced above or any other agreement or instrument to which such Indemnitee is or becomes a party or is or otherwise becomes a beneficiary or under law or regulation; provided that (i) the Companies hereby agree that they are the indemnitors of first resort under this Agreement and under any other applicable indemnification agreement (i.e., their obligations to Indemnitees under this Agreement or any other agreement or undertaking to provide advancement and/or indemnification to such Indemnitees are primary and any obligation of the Manager (or any affiliate thereof other than

H&W) to provide advancement or indemnification for the Indemnified Liabilities incurred by Indemnitees are secondary) and (ii) if the Manager (or any affiliate thereof) pays or causes to be paid, for any reason, any amounts otherwise indemnifiable hereunder or under any other indemnification agreement (whether pursuant to contract, by-laws or charter) with any Indemnitee, then (x) the Manager (or such affiliate, as the case may be) will be fully subrogated to all rights of such Indemnitee with respect to such payment and (y) the Companies will fully indemnify, reimburse and hold harmless the Manager (or such other affiliate) for all such payments actually made by the Manager (or such other affiliate) and irrevocably waive, relinquish and release the Manager for contribution, subrogation or any other recovery of any kind in respect of any advancement of expenses or indemnification hereunder.

6. Disclaimer and Limitation of Liability; Opportunities.

(a) Disclaimer; Standard of Care. Neither the Manager nor any of its Manager Designees makes any representations or warranties, express or implied, in respect of the services to be provided by the Manager or the Manager Designees hereunder.

(b) Freedom to Pursue Opportunities. In recognition that the Manager, the Manager Designees and the Indemnitees have access to information about the Companies that will enhance such persons' knowledge and understanding of the industries in which the Companies operate, and currently have and will in the future have or will consider acquiring, investments in numerous companies with respect to which the Manager, the Manager Designees or the Indemnitees may serve as an advisor, a director or in some other capacity, and in recognition that the Manager, each Manager Designee and the Indemnitees have myriad duties to various investors and partners, and in anticipation that the Companies, on the one hand, and the Manager and each Manager Designee (or one or more of the Indemnitees), on the other hand, may engage in the same or similar activities or lines of business and have an interest in the same areas of corporate opportunities, and in recognition of the benefits to be derived by the Companies hereunder and in recognition of the difficulties which may confront any advisor who desires and endeavors fully to satisfy such advisor's duties in determining the full scope of such duties in any particular situation, the provisions of this Section 6(b) are set forth to regulate, define and guide the conduct of certain affairs of the Companies as they may involve the Manager, the Manager Designees or the Indemnitees, and, except as the Manager or a Manager Designee may otherwise agree in writing after the date hereof:

(i) the Manager or such Manager Designee and their respective Indemnitees will have the right: (A) to directly or indirectly engage in any business (including, without limitation, any business activities or lines of business that are the same as or similar to those pursued by, or competitive with, the Companies and their subsidiaries), (B) to directly or indirectly do business with any client or customer of the Companies and their subsidiaries, (C) to take any other action that the Manager or such Manager Designee believes in good faith is necessary to or appropriate to fulfill its obligations as described in the first sentence of this Section 6(b) to third parties and (D) not to communicate or present potential transactions, matters or business opportunities to the Companies or any of their subsidiaries, and to pursue, directly or indirectly, any such opportunity for itself, and to direct any such opportunity to another person or entity;

(ii) the Manager, such Manager Designee and their respective Indemnitees will have no duty (contractual or otherwise) to communicate or present any corporate opportunities to the Companies or any of their affiliates or to refrain from any actions specified in Section 6(b)(i), and the Companies, on their own behalf and on behalf of their affiliates, hereby renounce and waive any right to require the Manager, such Manager Designee or any of their respective Indemnitees to act in a manner inconsistent with the provisions of this Section 6(b);

(iii) except as provided in Section 6(a), or in any of the agreements entered into in connection with the Transactions, none of the Manager, the Manager Designees nor any of their respective Indemnitees will be liable to the Companies or any of their affiliates for breach of any duty (contractual or otherwise) by reason of any activities or omissions of the types referred to in this Section 6(b) or of any such person's or entity's participation therein; and

(iv) there is no restriction on the Manager, Manager Designee or any Indemnitee using such knowledge and understanding in making investment, voting, monitoring, governance or other decisions relating to other entities or securities.

(c) Limitation of Liability. Except in the event of fraud, gross negligence or willful misconduct, in no event will the Manager, its Manager Designees or any of its related Indemnitees be liable to the Companies or any of their affiliates for any indirect, special, incidental or consequential damages, including, without limitation, lost profits or savings, whether or not such damages are foreseeable, or for any third party claims (whether based in contract, tort or otherwise), relating to, in connection with or arising out of this Agreement, before or after termination of this Agreement, including, without limitation, the services to be provided by the Manager or the Manager Designees hereunder, or in excess of the fees received by the Manager or Manager Designee hereunder.

7. Assignment, etc. Except as provided below, and without limiting the Manager's rights to have payments owed to it under this Agreement to be paid to its Manager Designees or other affiliates, none of the parties hereto will have the right to assign this Agreement without the prior written consent of each of the other parties. Notwithstanding the foregoing, (a) the Manager may assign all or part of its rights and obligations hereunder to any of its respective affiliates that provides services similar to those called for by this Agreement and (b) the provisions hereof for the benefit of Indemnitees will inure to the benefit of such Indemnitees and their successors and assigns as third-party beneficiaries hereof.

8. Amendments and Waivers. No amendment or waiver of any term, provision or condition of this Agreement will be effective unless in writing and executed by the Companies and the Manager; provided, that the Manager may waive any portion of any fee to which it is entitled pursuant to this Agreement. No waiver on any one occasion will extend to or effect or be construed as a waiver of any right or remedy on any future occasion. No course of dealing of any person or entity nor any delay or omission in exercising any right or remedy will constitute an amendment of this Agreement or a waiver of any right or remedy of any party hereto.

9 . Governing Law; Jurisdiction. THIS AGREEMENT AND ALL MATTERS ARISING UNDER OR RELATED TO THIS AGREEMENT WILL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE DOMESTIC SUBSTANTIVE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICTS OF LAW PRINCIPLES THEREOF. ANY ACTION OR PROCEEDING AGAINST ANY OF THE PARTIES HERETO RELATING IN ANY WAY TO THIS AGREEMENT MUST BE BROUGHT AND ENFORCED EXCLUSIVELY IN THE COURTS OF THE STATE OF DELAWARE OR (TO THE EXTENT SUBJECT MATTER JURISDICTION EXISTS THEREFOR) IN ANY FEDERAL COURT LOCATED IN THE STATE OF DELAWARE SITTING IN WILMINGTON COUNTY, AND THE PARTIES IRREVOCABLY SUBMIT TO THE JURISDICTION OF BOTH SUCH COURTS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING.

1 0 . Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

1 1 . Entire Agreement. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes any prior communication, contracts or agreements, whether oral or written, including, for the avoidance of doubt, that certain Management Services Agreement, dated May 2, 2017, by and among Club Pilates Franchise, LLC (a subsidiary of H&W) and the Manager (the "Prior Agreement"). Notwithstanding the foregoing, this Agreement shall not limit any obligations of Club Pilates Franchise, LLC or any rights or remedies of the Manager due under the Prior Agreement.

1 2 . Notice. All notices, demands, and communications required or permitted under this Agreement will be in writing and will be effective if served upon another party and such other party's copied persons as specified below to the address set forth for it below (or to such other address as such party will have specified by notice to each other party delivered in accordance with this Section 12) if (i) delivered personally, (ii) sent and received by facsimile or (iii) sent by certified or registered mail or by Federal Express, UPS or any other comparably reputable overnight courier service, postage prepaid, to the appropriate address as follows:

If to the Companies, to:

H&W Franchise Holdings LLC
c/o TPG Growth
301 Commerce Street
Suite 3300
Fort Worth, TX 76102
Attn: Office of General Counsel

If to the Manager, to:

TPG Growth III Management, LLC
301 Commerce Street
Suite 3300
Fort Worth, TX 76102
Attention: General Counsel
Facsimile: (817) 871-4010

with a copy (which will not constitute notice) to:

Morrison Cohen LLP
909 Third Avenue
New York, NY 10022
Attention: David A. Scherl, Esq.
Steven M. Cooperman, Esq.
Facsimile: (212) 735-8708

Unless otherwise specified herein, such notices or other communications will be deemed effective, (a) on the date received, if personally delivered or sent by facsimile during normal business hours, (b) on the business day after being received if sent by facsimile other than during normal business hours, (c) one business day after being sent by Federal Express, DHL or UPS or other comparably reputable delivery service and (d) five business days after being sent by registered or certified mail. Each of the parties hereto will be entitled to specify a different address by giving notice as aforesaid to each of the other parties hereto.

13. Severability. If in any proceedings a court will refuse to enforce any provision of this Agreement, then such unenforceable provision will be deemed eliminated from this Agreement for the purpose of such proceedings to the extent necessary to permit the remaining provisions to be enforced. To the full extent that provisions of any applicable law may be waived, they are hereby waived to the end that this Agreement be deemed to be a valid and binding agreement enforceable in accordance with its terms, and in the event that any provision hereof will be found to be invalid or unenforceable, such provision will be construed by limiting it so as to be valid and enforceable to the maximum extent consistent with and possible under applicable law.

14. Counterparts. This Agreement may be executed in any number of counterparts and by each of the parties hereto in separate counterparts, each of which when so executed will be deemed to be an original and all of which together will constitute one and the same agreement.

[remainder of page intentionally left blank – signature page follows]

IN WITNESS WHEREOF, each of the parties hereto has duly executed this Agreement as of the date first above written.

H&W FRANCHISE HOLDINGS LLC

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Co-Chief Executive Officer

TPG GROWTH III MANAGEMENT, LLC

By: /s/ Michael LaGatta
Name: Michael LaGatta
Title: Vice President

Exhibit 10.6

ASSIGNMENT, ASSUMPTION, WAIVER AND RELEASE AGREEMENT

This ASSIGNMENT, ASSUMPTION, WAIVER AND RELEASE AGREEMENT (this " Agreement"), dated as of June 28, 2018, is entered into by and among TPG Growth III Management, LLC, a Delaware limited liability company ("TPG"), H&W Franchise Holdings LLC, a Delaware limited liability company (the "Company," and together with any direct and indirect subsidiaries, the "Companies"), and H&W Investco LP, a Delaware limited partnership ("Assignee," and together with TPG and the Companies, the "Parties"). Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed thereto in the Management Agreement referred to below.

WHEREAS, the TPG and the Companies have previously entered into that certain Management Services Agreement, dated as of September 29, 2017 (together with all exhibits thereto, as the same may have been amended, the "Management Agreement");

WHEREAS, certain affiliates of TPG shall sell all of their direct and indirect equity interests in the Companies to certain affiliates of Assignee pursuant to the terms of that certain Securities Purchase Agreement dated as of the date hereof between such affiliates of TPG and such affiliates of the Assignee (the "Purchase Agreement"); and

WHEREAS, in connection with the closing of the transactions contemplated by the Purchase Agreement, the Parties wish to pay certain fees and expenses to TPG thereunder, waive certain provisions of the Management Agreement, provide the releases set forth herein and assign TPG's rights, title and interest under the Management Agreement to the Assignee, pursuant to the terms hereof.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

1 . Payment of Fees. Upon the closing of the transactions contemplated by the Purchase Agreement, the Company shall pay to TPG the aggregate amount of $935,935.30 (the "Closing Payment") consisting of (a) $520,879.00 in respect of accrued and unpaid Annual Fees and (b) $415,056.30 in respect of Reimbursable Expenses. TPG (on behalf of itself, any Manager Designee or their respective affiliates) acknowledges that the payment of the Closing Payment constitutes payment in full and satisfaction by the Companies of all of their obligations to TPG under the Management Agreement as of the date hereof.

2 . Waiver. Notwithstanding the provisions of Section 4(v) of the Management Agreement to the contrary, the Parties agree that: (i) the closing of the transactions contemplated by the Purchase Agreement shall not constitute a Sale within the meaning of Section 4(v) of the Management Agreement; (ii) each party shall waive its rights pursuant to Section 4(v) of the Management Agreement, which call for the termination of the Management Agreement upon the consummation of the transactions contemplated by the Purchase Agreement; and (iii) the Management Agreement (including Section 4(v) thereof) shall of the survive the closing of the Transaction and continue in full force and effect following such closing.

3 . Release. TPG, on the one hand, and the Companies, on the other hand, on behalf of itself or themselves and its or their present and former affiliates and direct and indirect equityholders and its and their directors, managers, officers, employees, other representatives, and the successors and assigns of the foregoing (collectively, the "Releasors"), hereby releases, waives and forever discharges the Companies on the one hand, or TPG on the other hand, as applicable, and its or their present and former affiliates and direct and indirect equityholders and its and their directors, managers, officers, other representatives, and the successors and assigns of the foregoing (collectively, the "Releasees") of and from any and all actions, causes of action, suits, losses, liabilities, rights, debts, dues, sums of money, accounts, reckonings, obligations, costs, expenses, liens, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and demands, of every kind and nature whatsoever, whether now known or unknown, foreseen or unforeseen, matured or unmatured, suspected or unsuspected, in law, admiralty or equity, which any of such Releasors ever had, now have, or hereafter can, shall, or may have against any of such Releasees for, upon, or by reason of any matter, cause, or thing whatsoever arising out of or relating to the Management Agreement or the transactions contemplated thereby or services performed thereunder. The Releasees are expressly made third-party beneficiaries of this Section 3.

4 . Assignment and Assumption. Effective upon the closing of the transactions contemplated by the Purchase Agreement (including the making of the Closing Payment pursuant to Section 1 hereof), and in reliance on the releases provided pursuant to Section 3 hereof, TPG hereby irrevocably transfers, assigns and delivers to Assignee all of TPG's rights, title and interest under the Management Agreement and Assignee hereby accepts such assignment and assumes and agrees to be responsible for performance and discharge of TPG's obligations under the Management Agreement.

5 . Governing Law; Jurisdiction. THIS AGREEMENT AND ALL MATTERS ARISING UNDER OR RELATED TO THIS AGREEMENT WILL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE DOMESTIC SUBSTANTIVE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICTS OF LAW PRINCIPLES THEREOF. ANY ACTION OR PROCEEDING AGAINST ANY OF THE PARTIES HERETO RELATING IN ANY WAY TO THIS AGREEMENT MUST BE BROUGHT AND ENFORCED EXCLUSIVELY IN THE COURTS OF THE STATE OF DELAWARE OR (TO THE EXTENT SUBJECT MATTER JURISDICTION EXISTS THEREFOR) IN ANY FEDERAL COURT LOCATED IN THE STATE OF DELAWARE SITTING IN WILMINGTON COUNTY, AND THE PARTIES IRREVOCABLY SUBMIT TO THE JURISDICTION OF BOTH SUCH COURTS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING.

5 . Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY

6. Further Assurances. Upon the terms and subject to the conditions contained herein, the Parties agree (i) to use commercially reasonable efforts to take, or cause to be taken,

all actions and to do, or cause to be done, all things necessary, proper or advisable to effect, consummate, make effective, confirm or evidence transactions contemplated by this Agreement and (ii) to execute any documents, instruments or conveyances of any kind which may be reasonably necessary or advisable to carry out any of the transactions contemplated by this Agreement.

7 . Counterparts. This instrument may be executed in one or more counterparts (including by facsimile or other electronic transmission), each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

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

TPG:

TPG GROWTH III MANAGEMENT, LLC

By: /s/ Michael LaGatta
Name: Michael LaGatta
Title: Vice President

COMPANY:

H&W FRANCHISE HOLDINGS LLC

By: /s/ Mark Grabowski
Name: Mark Grabowski
Title: Manager

ASSIGNEE:

H&W INVESTCO MANAGEMENT LLC,
a Delaware limited liability company

By: MGAG LLC, a Delaware limited liability company, as its general partner

By: /s/ Mark Grabowski
Name: Mark Grabowski
Title: Managing Partner

Exhibit 10.7

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (this "Agreement") is made and entered into and effective this 30th day of June, 2018 (the "Effective Date") by and between H&W Investco Management, LLC (the "Company") and Anthony Geisler ("Consultant").

WHEREAS, the Company was assigned from TPG Growth III Management, LLC ("TPG"), all of its right, title and interest in that certain Management Services Agreement (the "Management Agreement"), dated September 29, 2017, between TPG and H&W Franchise Holdings, LLC ("H&W Franchise").

WHEREAS, Company desires to retain Consultant's services in connection with the Management Agreement and Consultant desires to perform such services pursuant to the terms and conditions hereof.

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

Section 1. Consulting Appointment; Term; Services and Compensation

1.1 Retention. Subject to the terms and conditions hereof, the Company hereby retains, effective as of the Closing, Consultant, and Consultant hereby agrees to act, as a consultant to the Company in accordance with the terms hereof.

1.2 Term. Consultant shall render consulting services hereunder to the Company, as determined in Consultant's sole discretion, commencing on the Effective Date and continuing during the Term (as such term is defined in the Management Agreement), or during the term of any successor Agreement entered into with the Company or any of its affiliates or related parties. For avoidance of doubt, the term hereunder will continue in the event the Management Agreement is amended or replaced with an agreement between H&W Franchise and the Company or any of their respective affiliates or related parties. Consultant may terminate this Agreement upon ten (10) days prior written notice.

1.3 Compensation. In consideration of the consulting services to be performed by Consultant under this Agreement, the Company shall pay Consultant a consulting fee payable at the rate of $400,000 per year. Such fee shall be payable at any time the Company receives payment of the Annual Fee under the Management Agreement and shall be payable proportionately based upon the percentage such consulting fee is to the entire Annual Fee (i.e. $400,000/$750,000 or 53.333%). Consultant acknowledges and agrees that Consultant shall be solely responsible for any and all costs, withholdings, taxes, social security, health care, insurance policies, or other similar expenses related to or required in conjunction with Consultant's providing of the Services.

1.4 Indemnification. The Consultant shall be a beneficiary of any rights to indemnification or similar rights provided the Company under the Management Agreement.

Section 2. Miscellaneous

2.1 Entire Agreement; Modification. This Agreement constitutes the full and complete understanding and agreement of the parties with respect to the matters set forth herein and supersedes all prior and contemporaneous oral or written negotiations, undertakings, discussions, understandings and agreements between such parties with respect thereto. This Agreement may not be amended, modified, altered or supplemented other than by means of a written instrument duly executed and delivered on behalf of the Company and Consultant.

2.2 General Provisions.

(a) Severability. Whenever possible each provision and term of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision or term of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law, then such provision or term shall be ineffective only to the extent of such invalidity, illegality or unenforceability, without invalidating or affecting in any manner whatsoever the remainder of such provision or term or the remaining provisions or terms of this Agreement; provided, that if a court having competent jurisdiction shall find that any covenant or other provision contained in this Agreement is unreasonable, arbitrary or against public policy, such court shall have the power to reduce the maximum period, scope or geographic area of such covenant, and such covenant shall be enforceable in such reduced form.

(b) Governing Law. All issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement and the exhibits and schedules hereto shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

(c) Waiver. No failure on the part of the Company to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of the Company in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy. The Company shall not be deemed to have waived any claim arising out of this Agreement, or any power, right, privilege or remedy under this Agreement, unless the waiver of such claim, power, right, privilege or remedy is expressly set forth in a written instrument duly executed and delivered on behalf of the Company, as applicable, and any such waiver shall not be applicable or have any effect except in the specific instance in which it is given.

(d) Assignment. Except as otherwise expressly provided herein, this Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and permitted assigns. Consultant shall have the right to assign all or part of this Agreement to any family member, trust or affiliate of Consultant.

(e) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. This Agreement and any amendments hereto, to the extent signed and delivered by means of digital imaging and electronic mail or a facsimile machine, shall be treated in all manner and respects as an original contract and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement effective as of the date first written above.

H&W INVESTCO MANAGEMENT, LLC

By: /s/ Mark Grabowski
Name: Mark Grabowski
Title:

CONSULTANT:

/s/ ANTHONY GEISLER
ANTHONY GEISLER

Exhibit 10.11

EXECUTION COPY

ASSIGNMENT AGREEMENT

This Assignment Agreement is dated as of September 26, 2017, (this "Agreement"), and is entered into by and among Club Pilates Franchise, LLC, a Delaware limited liability company (the "Assignor"), Xponential Fitness LLC, a Delaware limited liability company (the "Assignee"), and Anthony Geisler (the "Executive").

W I T N E S S E T H:

WHEREAS, Assignor and Executive are parties to that certain Employment Agreement, dated as of May 2, 2017, by and between Assignor and Executive (the "Employment Agreement"); and

WHEREAS, Assignor desires to assign, transfer and convey all of its rights and obligations under the Employment Agreement to Assignee pursuant to the terms and conditions of this Agreement and Assignee desires to accept and assume all rights and obligations under the Employment Agreement pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for the mutual agreements herein contained, the parties hereto agree as follows:

1 . **Assignment and Assumption of Employment Agreement**. Effective as of the date hereof, (i) Assignor hereby assigns to Assignee the Employment Agreement and all of Assignor's rights and obligations thereunder, and Assignee hereby assumes the Employment Agreement and agrees to perform and discharge all of Assignor's rights and obligations thereunder and (ii) all references to Club Pilates Franchise, LLC in the Employment Agreement shall be deemed to be references to Xponential Fitness LLC.

2 . **Acknowledgments and Agreements by Executive**. In reliance upon Assignor's and Assignee's agreements set forth herein, Executive acknowledges and agrees that all of Executive's obligations under the Employment Agreement shall inure to the benefit of Assignee.

3 . **Effectiveness of Employment Agreement**. Except as set forth herein, the Employment Agreement remains in full force and effect for the benefit of Assignee and Executive, as applicable, in accordance with their terms. No provision of this Agreement may be waived, amended, supplemented or otherwise modified without the prior written consent of Assignor, Assignee and Executive.

4 . **Governing Law**. This Agreement shall be governed by and construed and enforced under the laws of the State of Delaware, without giving effect to the conflicts of law principles that would require the application of any other law.

5 . **Counterparts**. This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original but all of which shall constitute one and the same agreement.

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

CLUB PILATES FRANCHISE, LLC

By: /s/ Megan Moen
Name: Megan Moen
Title: Executive Vice President of Finance

XPONENTIAL FITNESS LLC

By: /s/ Megan Moen
Name: Megan Moen
Title: Executive Vice President of Finance

EXECUTIVE

Anthony Geisler

IN WITNESS WHEREOF, the patties hereto have executed this Agreement as of the date first written above.

CLUB PILATES FRANCHISE, LLC

By: _____
Name: Megan Moen
Title: Executive Vice President of Finance

XPONENTIAL FITNESS LLC

By: _____
Name: Megan Moen
Title: Executive Vice President of Finance

EXECUTIVE

/s/ Anthony Geisler
Anthony Geisler

Employment Agreement

This Employment Agreement (this "***Agreement***") is dated as of May 2, 2017, and is made by and between Club Pilates Franchise, LLC, a Delaware limited liability company (the "***Company***"), and Anthony Geisler ("***Executive***").

W i t n e s s e t h:

Whereas, the Company desires to continue to employ Executive, and Executive desires to be so continuously employed, in each case, on the terms and conditions set forth herein.

Now, Therefore, in consideration of the foregoing premises and the mutual covenants and promises contained herein, and for other good and valuable consideration, the Company and Executive hereby agree as follows:

1. Agreement to Employ; No Conflicts

Upon the terms and subject to the conditions of this Agreement, the Company hereby agrees to continue to employ Executive, and Executive hereby accepts such continued employment by the Company. Executive represents and warrants that (a) Executive is entering into this Agreement voluntarily, and that Executive's employment hereunder and compliance with the terms and conditions hereof will not conflict with or result in the breach by Executive of any agreement to which Executive is a party or by which Executive may be bound; (b) Executive has not violated, and in connection with Executive's employment with the Company will not violate, any non-competition or non-solicitation covenant or agreement by which Executive is or may be bound; *provided*, that this clause (b) will not be deemed to address any such covenants contained in the Purchase Agreement (as defined below); and (c) in connection with Executive's employment by the Company, Executive will not use any confidential or proprietary information Executive may have obtained in connection with Executive's employment with any prior employer.

2. Term; Position and Responsibilities

2 . 1 Term. Unless Executive's employment shall sooner terminate pursuant to Section 7, the Company shall employ Executive for a term commencing on the Closing Date (as defined in the Purchase Agreement (as defined below)) (the "***Commencement Date***") and ending on the third anniversary thereof (the "***Initial Term***"). Effective upon the expiration of the Initial Term and of each Additional Term (as defined below), unless Executive's employment shall sooner terminate pursuant to Section 7, Executive's employment hereunder shall be deemed to be automatically extended, upon the same terms and conditions, for an additional period of one year (each, an "***Additional Term***"), in each such case, commencing upon the expiration of the Initial Term or the then current Additional Term, as the case may be, unless, at least 60 days prior to the expiration of the Initial Term or such Additional Term, as the case may be, either party hereto shall have notified the other party thereto in writing that such extension shall not take effect. The period during which Executive is employed pursuant to this Agreement shall be referred to as the "***Employment Period***".

2 . 2 Position and Responsibilities. During the Employment Period, Executive shall serve as the Chief Executive Officer of the Company, reporting to the Board of Managers of the

Company (the "***Board***"). Executive shall have such duties and responsibilities as are customarily assigned to individuals serving in such position, and such other duties consistent with Executive's position as the Board reasonably specifies from time to time. Executive shall devote Executive's skill and knowledge, and substantially all of Executive's business time to the conscientious performance of such duties and responsibilities, except for vacation time (as set forth in Section 6.2), absence for sickness or similar disability, and time spent performing services for any charitable, religious or community organizations, so long as such services do not materially interfere with the performance of Executive's duties hereunder.

3. Base Salary

As compensation for the services to be performed by Executive during the Employment Period, the Company shall pay Executive a base salary at an annualized rate of $400,000, payable in periodic installments on the Company's regular payroll dates. The Board of Directors of the Company (the "***Board***") will review Executive's base salary annually during the Employment Period and, in its sole discretion, may increase (but not decrease) such base salary from time to time. The annual base salary payable to Executive under this Section 3, as the same may be increased from time to time, shall hereinafter be referred to as the "***Base Salary***".

4. Incentive Compensation

4 . 1 Annual Bonus. Beginning with the 2017 calendar year, and for each subsequent calendar year of the Company that ends during the Employment Period, Executive shall have an annual cash bonus opportunity of 50% of Base Salary (the "***Bonus***"), which shall be payable if the Performance Targets (as defined below) are achieved, as determined by the Board in its sole discretion. For purposes of this Agreement, "***Performance Targets***" means the individual and Company performance objectives established by the Board for the applicable calendar year; *provided*, that, for the 2017 calendar year only, the Performance Target will be equal to the Company's 2017 EBITDA target (pro forma) of $12,846,623. Any Bonus that becomes payable pursuant to this Section 4.1 shall be paid to Executive within ten days following the approval by the Board of the audited financial statements for the calendar year to which such Bonus relates, but in no event later than March 15th of the subsequent calendar year to which such Bonus relates. Notwithstanding anything to the contrary contained in this Agreement or any applicable bonus plan, program or arrangement, Executive shall be eligible to receive any such Bonus only if Executive is actively employed on the bonus payout date.

4.2 Equity Compensation.

4 . 2 . 1 Generally. Within sixty (60) days after the Commencement Date, the Company shall grant to Executive such number of Class B Units (as defined below in the Operating Agreement (as defined below)) of the Company as is equal to four percent (4%) of the Company's issued and outstanding Units (as defined in the Operating Agreement) as of the grant date. Such Class B Units shall be issued in accordance with the Operating Agreement and the Profits Interest Plan (the "***Plan***"), and will be evidenced by a Profits Interest Award Agreement (the "***Award Agreement***") entered into between Executive and the Company. Such Class B Units shall vest as follows:

(a) *Time-Based Vesting Units*. Subject to Executive's continuous compliance with Section 8 and Executive's continuous employment by the Company through the applicable vesting date, 50% of the Class B Units so granted (the "***Time-Based Units***") shall vest in four equal annual installments on each of the first four anniversaries of the Commencement Date; *provided*, that any then unvested Time-Based Units so granted under this Section 4.2.1(a) shall automatically vest in full upon a Sale of the Company (as defined in the Operating Agreement).

(b) *Performance-Based Vesting Units*. Subject to Executive's continuous compliance with Section 8 and Executive's continuous employment by the Company through the applicable vesting date, 50% of the Class B Units so granted (the "***Performance-Based Units***") shall vest upon the achievement of performance objectives as follows (i) 50% of the Performance-Based Units so granted (i.e., 25% of the total Class B Units granted to Executive) shall vest upon a Sale of the Company, if, in connection with such Sale of the Company, TPG Growth III Fitness, L.P., a Delaware limited partnership ("***TPG***") realizes Net Cash Proceeds (as defined below) of at least 3.0x its Equity Investment Amount (as defined below) and (ii) 50% of the Performance-Based Units so granted (i.e., 25% of the total Class B Units granted to Executive) shall vest upon a Sale of the Company, if, in connection with such Sale of the Company, TPG realizes Net Cash Proceeds of at least 4.0x its Equity Investment Amount.

4.2.2 *Certain Definitions*. For purposes of this Section 4.2 (i) the "***Operating Agreement***" means the Fourth Amended and Restated Limited Liability Company Operating Agreement of the Company, dated as of the date hereof, (ii) "***Equity Investment Amount***" means the aggregate amount, without duplication, of financing contributed to the Company (as determined in the reasonable, good faith judgment of the Board) by TPG, in exchange for equity of the Company at any time prior to the date upon which such Sale of the Company is consummated, and (iii) "***Net Cash Proceeds***" means the aggregate amount of cash, cash equivalents, promissory notes and the fair market value (as determined in the reasonable, good faith judgment of the Board) of marketable and freely transferable securities or other property actually received by TPG in respect of the equity of the Company held by it in connection with such Sale of the Company. In addition and for the avoidance of doubt, (A) any payment of future annual management fees, transaction, monitoring, investment banking fees in connection with such Sale of the Company, or any other fees, costs, expenses or payments made to TPG (including, but not limited to, reimbursement of expenses) shall not be taken into account when determining Net Cash Proceeds and (B) the calculation of Net Cash Proceeds shall be made under this Agreement after taking into account (i.e., deducting) any amounts paid by the Company in connection with such Sale of the Company to any other employees receiving Class B Units.

5. Employee Benefits

During the Employment Period, Executive (and, to the extent eligible, Executive's dependents and beneficiaries) shall be entitled to participate in any defined contribution plan, any insurance program and any medical and other health benefit plan, in each case, sponsored by the Company for its executive-level employees on terms and conditions set forth in such programs and plans (as amended from time to time); *provided*, the Company shall continue to pay for

Executive's current medical and dental plan (or any reasonable equivalent plan acceptable to Executive) in lieu of participating in any such Company medical and other health benefit plans; *provided*, *however*, that the Company's payment of medical and dental plan premiums will be taxable as wages to Executive if and to the extent such payments would result in the imposition of excise taxes on the Company for the failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and the Health Care and Education Reconciliation Act of 2010, as amended.

6. Expenses; Vacation

6.1 Business Travel, Lodging, etc. The Company shall reimburse Executive for reasonable travel, lodging, meal and other reasonable expenses incurred by Executive in connection with Executive's performance of services hereunder upon submission of evidence, satisfactory to the Company, of the incurrence and purpose of each such expense, and otherwise in accordance with the Company's Board approved expense policy applicable to its employees as in effect from time to time; provided all air travel shall be reimbursed at a minimum of business class air travel.

6.2 Vacation. During the Employment Period, Executive shall be entitled to paid vacation in accordance with the Company's Board approved vacation policy.

7. Termination of Employment

7.1 Termination Due to Death or Disability. During the Employment Period, Executive's employment shall automatically terminate in the event of Executive's death, and may be terminated by the Company due to Executive's Disability. For purposes of this Agreement, "***Disability***" shall mean a physical or mental disability that prevents, regardless of any reasonable accommodation, the performance by Executive of Executive's duties for a continuous period of 90 days or longer, or for 180 days or more in any 12-month period.

7.2 Termination by the Company. The Company may terminate Executive's employment with the Company with or without Cause; *provided*, that the Company will not terminate Executive without Cause before the earlier of (x) January 1, 2018 and (y) Lag Fit, Inc. (and its affiliates) holding at least 23.58% of the issued and outstanding Class A-1 Units and Class A-2 Units, in each case, of the Company, taken together. For purposes of this Agreement, "***Cause***" shall mean the following events or conditions, as determined by the Board in its reasonable judgment within 120 days after the Board first learns of the occurrence of the event, condition or failure constituting Cause: (a) any failure by Executive to substantially perform Executive's duties hereunder (other than any such breach or failure due to Executive's physical or mental illness) and the continuance of such failure for more than 30 days following Executive's receipt of written notice from the Company, which notice shall set forth in reasonable detail the facts or circumstances constituting such failure; (b) any failure by Executive to cooperate, if reasonably requested by the Company, with any investigation or inquiry into Executive's or the Company's business practices, whether internal or external, including, but not limited to, Executive's refusal to be deposed or to provide testimony at any trial or inquiry and the continuance of such failure for more than 30 days following Executive's receipt of written notice from the Company, which notice shall set forth in reasonable detail the

facts or circumstances constituting such failure; (c) Executive's engaging in fraud, willful misconduct, or dishonesty that has caused or is reasonably expected to result in material injury to the Company; (d) any material breach by Executive of any fiduciary duty owed to the Company; (e) Executive's conviction of, or entering a plea of guilty or nolo contendere to, a crime that constitutes a felony (other than a DUI or similar felony); or (f) any material breach by Executive of any of Executive's obligations hereunder or under any other written agreement or covenant with the Company or any of its affiliates (other than the Purchase Agreement) and the continuance of such failure for more than 30 days following Executive's receipt of written notice from the Company, which notice shall set forth in reasonable detail the facts or circumstances constituting such failure. A termination for Cause shall include a reasonable determination by the Company within 60 days following the termination of the Employment Period that circumstances existed during the Employment Period that would have justified a termination by the Company for fraud. For purposes of this Agreement, the "***Purchase Agreement***" shall mean the Unit Purchase Agreement, dated as of the date hereof, by and among the Company, TPG, Executive and the other parties thereto.

7.3 Termination by Executive. Executive may terminate Executive's employment with the Company with or without Good Reason. For purposes of this Agreement, "***Good Reason***" shall mean a termination by Executive of Executive's employment hereunder if (a) any of the following events occur without Executive's express prior written consent; (b) within 120 days after Executive learns of the occurrence of such event, Executive gives written notice to the Company describing such event and demanding cure; and (c) such event is not fully cured within 30 days after such notice is given: (i) a decrease in Executive's Base Salary or a material diminution in Executive's title, (ii) the assignment to Executive of duties that are significantly different from or inconsistent with, or result in a substantial diminution of, the duties or authority that Executive is to assume on the Commencement Date, including failure to appoint Executive as the chief executive officer of the holding company of any business in the franchise fitness space acquired after the date hereof by the Company or any of its affiliate of the Company (i.e., a parent or subsidiary entity), including TPG (or chief executive officer of such business itself if there is no such holding company), (iii) any other material breach of this Agreement by the Company, or (iv) a relocation of Executive's principal place of employment, as a result of which Executive's commute to such principal place of employment from Executive's principal residence as of the date hereof increases by more than 20 miles.

7.4 Notice of Termination. Any termination of Executive's employment by the Company pursuant to Section 7.1 (other than in the event of Executive's death) or Section 7.2 or by Executive pursuant to Section 7.3 shall be communicated by a written Notice of Termination addressed to the other party to this Agreement. A "***Notice of Termination***" shall mean a notice stating that Executive's employment with the Company has been or will be terminated and the specific provisions of this Section 7 under which such termination is being affected.

7.5 Date of Termination. As used in this Agreement, the term "***Date of Termination***" shall mean (a) if Executive's employment is terminated by Executive's death, the date of Executive's death; (b) if Executive's employment is terminated by the Company pursuant to Section 7.1 due to Executive's Disability, 30 days after the date on which the Notice of Termination is given; *provided*, that, if Executive shall have returned to the performance of Executive's duties on a full-time basis during such 30-day period, such Notice of Termination

shall be of no force or effect; (c) if Executive's employment is terminated by the Company for Cause or by Executive for Good Reason, the date any applicable cure period expires (and, if there is no applicable cure period, the date specified in the Notice of Termination); *provided*, that if a party is entitled to cure the nature of such termination and so cures prior to the expiration of the applicable cure period, the Notice of Termination provided to such curing party shall be of no force or effect; or (d) if Executive's employment is terminated for any other reason, the date specified in the Notice of Termination (which shall be 30 days after the date of such notice) and, if no such notice is given, the date of termination of employment.

7.6 Payments Upon Certain Terminations.

7.6.1 Termination Without Cause or for Good Reason. If (a) the Company shall terminate Executive's employment without Cause or (b) Executive shall terminate Executive's employment for Good Reason, in each case, during the Employment Period, the Company shall pay to Executive:

(i) any accrued and unpaid Base Salary and accrued and unused vacation earned through the Date of Termination, which shall be paid on the tenth day after the Date of Termination (or if such day is not a business day, the next business day after such day); plus

(ii) as severance payments and provided that Executive executes and delivers (and does not revoke) a general release of all claims in form and substance satisfactory to the Company within 60 days following the Date of Termination, twelve months' Base Salary, which shall be paid in periodic installments on the Company's regular payroll dates, beginning with the next payroll date immediately following the expiration of the 60th day following the Date of Termination (which first payment shall include any payments of Base Salary that should have been made during such 60-day period but for the 60-day release consideration period).

7.6.2 Termination for Any Other Reason. If Executive's employment is terminated for any reason other than those specified in Section 7.6.1 during the Employment Period, the Company shall pay Executive on the tenth day after the Date of Termination or the expiration of the Employment Period, as the case may be (or, if such day is not a business day, the next business day after such day), accrued and unpaid Base Salary and accrued and unused vacation earned through the Date of Termination.

7.6.3 Effect of Termination on Other Plans and Programs. In the event that Executive's employment with the Company is terminated for any reason, Executive shall be entitled to receive all amounts payable and benefits accrued under any otherwise applicable plan, policy, program or practice of the Company in which Executive was a participant immediately prior to the Date of Termination in accordance with the terms thereof; *provided*, that, if Executive's employment is terminated without Cause or for Good Reason, Executive shall not be entitled to receive any payments or benefits under any such plan, policy, program or practice providing any severance or cash bonus compensation, and the provisions of this Section 7.6 and this Agreement shall supersede such provisions of any such plan, policy, program or practice.

7.6.4 Company Repurchase Right.

(a) *Generally*. If Executive is terminated by the Company with Cause or if Executive terminates Executive's employment without Good Reason during the 18-month period immediately following the date hereof, the Company shall have the right (but not the obligation) to purchase all or any portion of Executive's Class A Units (as defined in the Operating Agreement) (the "***Repurchase Right***"). If the Company elects to purchase such Class A Units (the "***Repurchased Units***"), the purchase price per Unit shall be equal to the Fair Market Value (as defined below) of such Units on (or within a period not more than 10 days before) the date of the Repurchase Closing (as defined below) (the "***Repurchase Price***").

(b) *Procedures; Closing*. The Company shall exercise the Repurchase Right by delivering to Executive within 30 days after the termination of Executive's employment a written notice (the "***Repurchase Notice***") specifying the amount of Repurchased Units to be purchased, the applicable Repurchase Price (based on the Company's estimate), and the date on which the closing of any purchase of the Repurchased Units shall take place, which shall not be later than 60 days after the date of termination of employment (or such longer period as may be mutually and reasonably extended by the parties hereto and subject to the process specified in Section 7.6.4(c) regarding the determination of Fair Market Value) (the "***Repurchase Closing***"). If the Repurchase Notice is not provided within such 30-day period, then the Company shall be deemed to have waived its Repurchase Right. At the Repurchase Closing, Executive shall (i) surrender any certificates representing the Repurchased Units to the Company, and (ii) execute and deliver to the Company a customary agreement (which shall include representations, warranties and indemnities but exclude non-competition and non-solicitation covenants) for transactions of this type, to effectuate the transfer and delivery to the Company of full right, title and interest in and to the Repurchase Units, free and clear of all liens, security interests, adverse claims or restrictions of any kind and nature. Simultaneously with such transfer of title, the Company shall deliver to Executive the Repurchase Price for the Repurchased Units by check or wire transfer of immediately available funds to such bank account as Executive shall designate.

(c) *Determination of Fair Market Value*. "***Fair Market Value***" of the Repurchased Units is equal to the cash distributions that such units would receive in a Sale of the Company under the Operating Agreement, determined on (or within a period not more than 10 days before) the date of the Repurchase Closing, in a deemed all-cash sale of the Company and its subsidiaries as a going concern (free and clear of all liens and after payment of indebtedness) and in an arms-length transaction with an unaffiliated third party consummated on (or within a period not more than 10 days before) the date of the Repurchase Closing. For avoidance of doubt, there shall not be applied any discount for minority interest, lack of liquidity or lack of marketability, or due to the fact that the Executive is no longer employed by the Company. The Company and Executive shall attempt to agree on the Fair Market Value of the Repurchased Units. If such parties are unable to agree on such Fair Market Value within ten (10) days of delivery of the Repurchase Notice, then Fair Market Value will be determined by a qualified independent valuation firm, selected as follows: Within 20 days after the date of delivery of the Repurchase Notice, each of the Executive and Company shall designate one qualified independent valuation firm. The two qualified independent firms shall jointly appoint a third qualified independent valuation firm. The third qualified independent valuation firm shall determine Fair Market Value of the Repurchased Units. The fees and expenses of such third qualified valuation firm shall be borne by the Company.

7.7 Resignation Upon Termination. Effective as of any Date of Termination or otherwise as of the date of Executive's termination of employment with the Company, Executive shall resign, in writing, from all officer positions then held by Executive with the Company and its affiliates unless otherwise requested by the Company and agreed to by Executive. In addition, if Executive is terminated for Cause, Executive shall resign, in writing, from all director positions then held by Executive with the Company and its affiliates.

7.8 Cessation of Professional Activity. Upon delivery of a Notice of Termination by either party or a notice pursuant to Section 2.1, the Company may relieve Executive of Executive's responsibilities described in Section 2.2 and require Executive to immediately cease all professional activity on behalf of the Company, without such action constituting a termination of Executive's employment by the Company without Cause or giving grounds for Executive to terminate for Good Reason; *provided*, that any compensation due to Executive hereunder shall not cease on the date of early cessation of Executive's responsibilities or professional activity pursuant to this Section 7.8 but shall continue through the Date of Termination.

8. Restrictive Covenants

8.1 Unauthorized Disclosure. During the Employment Period and following any termination thereof, without the prior written consent of the Company, except to the extent required by an order of a court having competent jurisdiction or under subpoena from an appropriate government agency, in which event Executive shall use Executive's reasonable efforts to consult with the Company prior to responding to any such order or subpoena, and except as required in performance of Executive's duties hereunder, Executive shall not use or disclose any confidential or proprietary trade secrets, customer lists, drawings, designs, marketing plans, management organization information (including, but not limited to, data and other information relating to members of the boards of directors of the Company or any subsidiary or affiliate thereof (the Company and their subsidiaries and affiliates, the "***Company Group***"), the Company Group, or to the management of the Company Group), operating policies or manuals, business plans, financial records, or other financial, commercial, business or technical information (a) relating to the Company Group or (b) that the Company Group may receive belonging to customers or others who do business with the Company Group (collectively, "***Confidential Information***") to any third Person (as defined below) unless such Confidential Information has been previously disclosed to the public generally, is in the public domain, or has been rightfully received by Executive from a third party who is authorized to make such disclosure, in each case, other than by reason of Executive's breach of this Section 8.1. For purposes of this Agreement, "***Person***" shall mean any natural person, partnership, limited liability company, association, corporation, company, trust, business trust, governmental authority or other entity.

8.2 Non-Solicitation of Employees. During the period beginning on the Commencement Date and ending twelve months after the termination of Executive's employment with the Company (the "***Restriction Period***"), Executive shall not, directly or indirectly, for Executive's own account or for the account of any other Person, in any jurisdiction in which the Company Group has commenced during the Employment Period, (i) solicit for employment any natural person throughout the world who is or was employed by or otherwise engaged to perform services for the Company Group (x) at any time during the Employment

Period (in the case of such prohibited activity occurring during such time) or (y) during the twelve month period preceding such prohibited activity (in the case of such prohibited activity occurring during the Restriction Period but after the date of Executive's termination of employment with the Company), other than any such solicitation on behalf of the Company Group during the Employment Period; or (ii) induce any employee of the Company Group to engage in any activity which Executive is prohibited from engaging in under any of this Section 8 or to terminate such employee's employment with the Company.

8.3 Non-Solicitation of Business Relationships. During the Employment Period, Executive shall not, directly or indirectly, for Executive's own account or for the account of any other Person, in any jurisdiction in which the Company Group has commenced or has actively made plans to commence operations, solicit, interfere with, or otherwise attempt to establish any business relationship of a nature that is competitive with the business or relationship of the Company Group with any Person throughout the world which is or was a customer, client or franchisee of the Company Group (x) at any time during the Employment Period (in the case of such prohibited activity occurring during such time) or (y) during the twelve month period preceding such prohibited activity (in the case of such prohibited activity occurring during the Restriction Period but after the date of Executive's termination of employment with the Company), other than any such activity on behalf of or at the request of the Company Group during the Employment Period.

8.4 Works for Hire.

8.4.1 Generally. Executive agrees that the Company shall own all right, title and interest (including, but not limited to, patent rights, copyrights, trade secret rights and other rights throughout the world) in any inventions, works of authorship, ideas or information made or conceived or reduced to practice, in whole or in part, by Executive (either alone or with others) during the Employment Period (collectively "***Developments***"); *provided*, *however*, that the Company shall not own Developments which are developed without the use of Company resources and outside of the scope of the services provided under this Agreement.

8.4.2 Disclosure; Assignment. Subject to Section 8.4.1, Executive will promptly and fully disclose to the Company, or any persons designated by it, any and all Developments made or conceived or reduced to practice or learned by Executive, either alone or jointly with others during the Employment Period. Executive hereby assigns all right, title and interest in and to any and all of these Developments to the Company. Executive shall further assist the Company, at the Company's expense, to further evidence, record and perfect such assignments, and to perfect, obtain, maintain, enforce, and defend any rights specified to be so owned or assigned. If the Company is unable because of Executive's mental or physical incapacity or unavailability or refuses for any reason to secure Executive's signature to apply for or to pursue any application for any United States or foreign patents, copyright, mask works or other registrations covering Developments or original works of authorship assigned to the Company, then Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Executive's agent and attorney-in-fact, to act for and in Executive's behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the application for, prosecution, issuance, maintenance or

transfer of letters patent, copyright or other registrations thereon with the same legal force and effect as if originally executed by Executive.

8.4.3 Copyright Act; Moral Rights. In addition, and not in contravention of Section 8.4.1 or Section 8.4.2, Executive acknowledges that all original works of authorship which are made by him (solely or jointly with others) within the scope of employment and which are protectable by copyright are "works made for hire," as that term is defined in the United States Copyright Act (17 USC §101). To the extent allowed by law, this Section 8.4.3 includes all rights of paternity, integrity, disclosure and withdrawal and any other rights that may be known as or referred to "moral rights" (collectively, "***Moral Rights***"). To the extent Executive retains any such Moral Rights under applicable law, Executive hereby waives such Moral Rights and consents to any action consistent with the terms of this Agreement with respect to such Moral Rights, in each case, to the full extent of such applicable law. Executive will confirm any such waivers and consents from time to time as requested by the Company.

8.4.4 Authorized Disclosure. Section 1883(b) of Title 18 of the United States Code states "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (i) is made (a) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney and (b) solely for the purposes of reporting or investigating a suspended violation of law or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Accordingly, the Company and Executive have the right to disclose in confidence trade secrets to Federal, State, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The Company and Executive also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with Section 1883(b) of Title 18 of the United States Code or create liability for disclosures of trade secrets that are expressly allowed by Section 1883(b) of Title 18 of the United States Code.

8.4.5 Section 2870 of the California Labor Code. Notwithstanding anything to the contrary contained in this Agreement, Executive may use Executive's own ideas, knowledge, and experience to develop Developments that qualify under the provisions of Section 2870 of the California Labor Code, which provisions are set forth below, and all rights to such Developments that qualify under Section 2870 and are so developed shall belong solely to Executive; *provided*, that such Developments are developed without the use of Company resources and outside of the scope of the services provided under this Agreement. Section 2870 of the California Labor Code reads in its entirety, as follows: "(a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for inventions that either: (1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or (2) Result from any work performed by the employee for the employer; (b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be

assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable".

8.5 Nondisparagement. Executive agrees that Executive shall not, directly or indirectly, make any statement (including through social media) disparaging in any way the Company Group, or any of their personnel, except (i) in connection with litigation against any member of the Company Group or their personnel or (ii) to the extent required by law, and then only after consultation with the Company to the extent possible.

8.6 Return of Documents. In the event of the termination of Executive's employment, Executive shall deliver to the Company (a) all property of the Company Group then in Executive's possession; and (b) all documents and data of any nature and in whatever medium of the Company Group, and Executive shall not take with Executive any such property, documents or data or any reproduction thereof, or any documents containing or pertaining to any Confidential Information.

8.7 Confidentiality of Agreement; Governmental Agency Exception. The parties to this Agreement agree not to disclose its terms to any Person, other than their attorneys, accountants, financial advisors or, in Executive's case, members of Executive's immediate family or, in the Company's case, for any reasonable purpose that is reasonably related to its business operations; *provided*, that this Section 8.7 shall not be construed to prohibit any disclosure required by law or in any proceeding to enforce the terms and conditions of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, this Agreement does not limit Executive's ability to communicate with any government agency or otherwise participate in any investigation or proceeding that may be conducted by any government agency, including providing documents or other information, without notice to the Company or its affiliates. This Agreement does not limit Executive's right to receive an award for information provided to any government agencies.

9. Certain Acknowledgments; Injunctive Relief with Respect to Covenants

9.1 Certain Acknowledgements. Executive acknowledges and agrees that Executive will have a prominent role in the development of the goodwill of the Company Group, and has and will establish and develop relations and contacts with the principal business relationships of the Company Group in the United States of America and the rest of the world, all of which constitute valuable goodwill of, and could be used by Executive to compete unfairly with, the Company Group and that (a) in the course of Executive's employment with the Company, Executive will obtain confidential and proprietary information and trade secrets concerning the business and operations of the Company Group in the United States of America and the rest of the world that could be used to compete unfairly with the Company Group; (b) the covenants and restrictions contained in Section 8 are intended to protect the legitimate interests of the Company Group in their respective goodwill, trade secrets and other confidential and proprietary information; and (c) Executive desires to be bound by such covenants and restrictions.

9.2 Injunctive Relief. Executive acknowledges and agrees that the covenants, obligations and agreements of Executive contained in Section 8 relate to special, unique and extraordinary matters and that a violation of any of the terms of such covenants, obligations or

agreements will cause the Company Group irreparable injury for which adequate remedies are not available at law. Therefore, Executive agrees that the Company shall be entitled to an injunction, restraining order or such other equitable relief (without the requirement to post bond) to restrain Executive from committing any violation of such covenants, obligations or agreements. These injunctive remedies are cumulative and in addition to any other rights and remedies the Company Group may have.

10. Entire Agreement

This Agreement constitutes the entire agreement between the Company and Executive with respect to the subject matter hereof, and supersedes all undertakings and agreements, whether oral or in writing, previously entered into by the Company and Executive with respect thereto. All prior correspondence and proposals (including, but not limited to, summaries of proposed terms) and all prior offer letters, promises, representations, understandings, arrangements and agreements relating to such subject matter (including, but not limited to, those made to or with Executive by any other person) are merged herein and superseded hereby.

11. General Provisions

11.1 Binding Effect; Assignment. This Agreement shall be binding on and inure to the benefit of the Company and its respective successors and permitted assigns. This Agreement shall also be binding on and inure to the benefit of Executive and Executive's heirs, executors, administrators and legal representatives. This Agreement shall not be assignable by any party hereto without the prior written consent of the other parties hereto, except as provided pursuant to this Section 11.1. The Company may effect such an assignment without prior written approval of Executive upon the transfer of all or substantially all of its business and/or assets (by whatever means).

11.2 Governing Law; Waiver of Jury Trial.

11.2.1 Governing Law; Consent to Jurisdiction. This Agreement shall be governed in all respects, including as to interpretation, substantive effect and enforceability, by the internal laws of the State of California, without regard to conflicts of laws provisions thereof that would require application to the laws of another jurisdiction other than those that mandatorily apply. Each party hereby irrevocably submits to the jurisdiction of the courts of the State of California and the federal courts of the United States of America located in Orange County, California solely in respect of the interpretation and enforcement of the provisions of this Agreement and in respect of the transactions contemplated hereby. Each party hereby waives and agrees not to assert, as a defense in any action, suit or proceeding for the interpretation and enforcement hereof, or in respect of any such transaction, that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts. Each party hereby consents to and grants any such court jurisdiction over the person of such parties and over the subject matter of any such dispute and agree that the mailing of process or other papers in connection with any such action or proceeding in the manner provided in Section 11.6 or in such other manner as may be permitted by law, shall be valid and sufficient service thereof.

11.2.2 Waiver of Jury Trial. Each party acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues, and therefore each party hereby irrevocably and unconditionally waives any right such party may have to a trial by jury in respect of any litigation directly or indirectly arising out of or relating to this Agreement, or the breach, termination or validity of this Agreement, or the transactions contemplated by this Agreement. Each party certifies and acknowledges that (a) no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver; (b) each such party understands and has considered the implications of this waiver; (c) each such party makes this waiver voluntarily; and (d) each such party has been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 11.2.2.

11.3 Taxes. All amounts payable and benefits provided hereunder shall be subject to any and all applicable taxes, as required by applicable Federal, state, local and foreign laws and regulations.

11.4 Amendments; Waiver. No provision of this Agreement may be modified, waived or discharged unless such modification, waiver or discharge is approved by a Person authorized by the Company and is agreed to in writing by Executive. No waiver by any party hereto at any time of any breach by any other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No waiver of any provision of this Agreement shall be implied from any course of dealing between or among the parties hereto or from any failure by any party hereto to assert its rights hereunder on any occasion or series of occasions.

11.5 Legal Advice; Severability; Blue Pencil. Executive acknowledges that Executive has been advised to seek independent legal counsel for advice regarding the effect of the provisions of this Agreement, and has either obtained such advice of independent legal counsel, or has voluntarily and without compulsion elected to enter into and be bound by the terms of this Agreement without such advice of independent legal counsel. In the event that any one or more of the provisions of this Agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not be affected thereby. Executive and the Company agree that the covenants contained in Section 8 hereof are reasonable covenants under the circumstances, and further agree that if, in the opinion of any court of competent jurisdiction such covenants are not reasonable in any respect, such court shall have the right, power and authority to excise or modify such provision or provisions of these covenants as to the court shall appear not reasonable and to enforce the remainder of these covenants as so amended.

11.6 Notices. Any notice or other communication required or permitted to be delivered under this Agreement shall be (a) in writing; (b) delivered personally, by courier service or by certified or registered mail, first class postage prepaid and return receipt requested with a copy by electronic mail; (c) deemed to have been received on the date of delivery or, if so mailed, on the third business day after the mailing thereof; and (d) addressed as follows (or to such other address as the party entitled to notice shall hereafter designate in accordance with the terms hereof):

(i) If to the Company:

Club Pilates Franchise, LLC
3185 Pullman Street
Costa Mesa, CA 92626
Attention: Chairman of the Board

with a copy (which shall not constitute notice) to:

TPG Growth III Fitness, L.P.
301 Commerce Street, Suite 3300
Fort Worth, TX 76102
Attention: Office of General Counsel
c/o Mark Robilotti
Fax: (817) 871-4001
Email: officeofgeneralcounsel@tpg.com
Cc: mrobilotti@tpg.com

with a copy (which shall not constitute notice) to:

Morrison Cohen LLP
909 Third Avenue
New York, NY 10022
Attention: David A. Scherl, Esq. Steven M. Cooperman, Esq., and Eric Moskowitz, Esq.
Tel: (212) 735-8600
Fax: (212) 735-8708

(ii) If to Executive, to the last home address, or personal fax on file with the Company, with a copy (which shall not constitute notice) to:

Buchalter P.C.
1000 Wilshire Blvd., Suite 1500
Los Angeles, CA 90017
Attention: Jeremy Weitz, Esq.
Tel: (213) 891-5285
Fax: (212) 630-5651

11.7 Survival. The Company and Executive hereby agree that the following provisions of this Agreement shall survive the expiration of the Employment Period in accordance with their terms: Section 7.6, 8, 9, 10, and 11.

11.8 Further Assurances. Each party hereto agrees with the other party hereto that it will cooperate with such other party and will execute and deliver, or cause to be executed and delivered, all such other instruments and documents, and will take such other actions, as such other parties may reasonably request from time to time to effectuate the provisions and purpose of this Agreement.

11.9 Section 409A. The parties intend that any amounts payable hereunder comply with or are exempt from Section 409A of the Internal Revenue Code of 1986, as amended ("***Section 409A***") (including under Treasury Regulation §§ 1.409A-1(b)(4) ("short-term deferrals") and (b)(9) ("separation pay plans," including the exceptions under subparagraph (iii) and subparagraph (v)(D)) and other applicable provisions of Treasury Regulation §§ 1.409A-1 through A-6). For purposes of Section 409A, each of the payments that may be made under this Agreement shall be deemed to be a separate payment for purposes of Section 409A. This Agreement shall be administered, interpreted and construed in a manner that does not result in the imposition of additional taxes, penalties or interest under Section 409A. The Company and Executive agree to negotiate in good faith to make amendments to the Agreement, as the parties mutually agree are necessary or desirable to avoid the imposition of taxes, penalties or interest under Section 409A. Neither the Company nor Executive shall have the right to accelerate or defer the delivery of any such payments or benefits except to the extent specifically permitted or required by Section 409A. Notwithstanding the foregoing, the Company does not guarantee any particular tax effect, and Executive shall be solely responsible and liable for the satisfaction of all taxes, penalties and interest that may be imposed on or for the account of Executive in connection with the Agreement (including any taxes, penalties and interest under Section 409A), and neither the Company nor any of its affiliates shall have any obligation to indemnify or otherwise hold Executive (or any beneficiary) harmless from any or all of such taxes, penalties or interest. With respect to the time of payments of any amounts under the Agreement that are "deferred compensation" subject to Section 409A, references in the Agreement to "termination of employment" (and substantially similar phrases) shall mean "separation from service" within the meaning of Section 409A. For the avoidance of doubt, it is intended that any expense reimbursement made to Executive hereunder shall be exempt from Section 409A. Notwithstanding the foregoing, if any expense reimbursement made hereunder shall be determined to be "deferred compensation" within the meaning of Section 409A, then (i) the amount of the indemnification payment or expense reimbursement during one taxable year shall not affect the amount of the expense reimbursement during any other taxable year, (ii) the expense reimbursement shall be made on or before the last day of Executive's taxable year following the year in which the expense was incurred and (iii) the right to expense reimbursement hereunder shall not be subject to liquidation or exchange for another benefit.

11.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. The parties hereto agree to accept a signed facsimile copy or "PDF" of this Agreement as a fully binding original.

11.11 Headings. The section and other headings contained in this Agreement are for the convenience of the parties only and are not intended to be a part hereof or to affect the meaning or interpretation hereof.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Company has duly executed this Agreement by its authorized representative, and Executive has hereunto set Executive's hand, in each case effective as of the date first above written.

COMPANY

Club Pilates Franchise, LLC

By: TPG Growth III Fitness, L.P., its member

By: /s/ Michael LaGatta
Name: Michael LaGatta
Title: Vice President

EXECUTIVE

_____
Anthony Geisler

IN WITNESS WHEREOF, the Company has duly executed this Agreement by its authorized representative, and Executive has hereunto set Executive's hand, in each case effective as of the date first above written.

COMPANY

Club Pilates Franchise, LLC

By: TPG Growth III Fitness, L.P., its member

By: _____
Name:
Title:

EXECUTIVE

/s/ Anthony Geisler
Anthony Geisler

Exhibit 10.12

Employment Agreement

This Employment Agreement (this "***Agreement***") is dated as of June____, 2018, and is made by and between Xponential Fitness, LLC, a Delaware limited liability company (the "***Company***"), and John Meloun ***("Executive").***

W i t n e s s e t h:

Whereas, the Company desires to employ Executive, and Executive desires to be so employed, in each case, on the terms and conditions set forth herein.

Now, Therefore, in consideration of the foregoing premises and the mutual covenants and promises contained herein, and for other good and valuable consideration, the Company and Executive hereby agree as follows:

1. Agreement to Employ; No Conflicts

Upon the terms and subject to the conditions of this Agreement, the Company hereby agrees to employ Executive, and Executive hereby accepts such employment by the Company. Executive represents and warrants that (a) Executive is entering into this Agreement voluntarily, and that Executive's employment hereunder and compliance with the terms and conditions hereof will not conflict with or result in the breach by Executive of any agreement to which Executive is a party or by which Executive may be bound; (b) Executive has not violated, and in connection with Executive's employment with the Company will not violate, any noncompetition, non-solicitation or other similar covenant or agreement by which Executive is or may be bound; and (c) in connection with Executive's employment by the Company, Executive will not use any confidential or proprietary information Executive may have obtained in connection with Executive's employment with any prior employer.

2. Term; Position and Responsibilities

2.1 Term. Unless Executive's employment shall sooner terminate pursuant to Section **7,** the Company shall employ Executive for a Term commencing on the date hereof (the "***Commencement Date***") and ending on the third anniversary thereof (the "***Initial Term***"). Effective upon the expiration of the Initial Term and of each Additional Term (as defined below), unless Executive's employment shall sooner terminate pursuant to Section 7, Executive's employment hereunder shall be deemed to be automatically extended, upon the same terms and conditions, for an additional period of one year (each, an "***Additional Term***"), in each such case, commencing upon the expiration of the Initial Term or the then current Additional Term, as the case may be, unless, at least 60 days prior to the expiration of the Initial Term or such Additional Term, as the case may be, either party hereto shall have notified the other party thereto in writing that such extension shall not take effect. The period during which Executive is employed pursuant to this Agreement shall be referred to as the "***Employment Period***".

2 . 2 Position and Responsibilities. During the Employment Period, Executive shall serve as the Chief Financial Officer of the Company, reporting to Chief Executive Officer of the Company and/or of a parent entity of the Company (the "***CEO***") or his or her designee. Executive may also be designated an officer title of the parent or subsidiary entities of the Company. Executive shall have such duties and responsibilities as are customarily assigned to

individuals serving in such position, and such other duties consistent with Executive's position as the CEO or his or her designee specifies from time to time. Executive shall devote all of Executive's skill, knowledge and business time to the conscientious performance of such duties and responsibilities, except for vacation time (as set forth in Section 6.2), absence for sickness or similar disability of himself or an immediate family member as allowed by law, and time spent performing services for any charitable, religious or community organizations, so long as such services do not materially interfere with the performance of Executive's duties hereunder.

3. Base Salary

As compensation for the services to be performed by Executive during the Employment Period, the Company shall pay Executive a base salary at an annualized rate of $300,000, payable in periodic installments on the Company's regular payroll dates. The Board of Managers of the Company (the "***Board***") will review Executive's base salary annually during the Employment Period (but will not decrease such base salary). The annual base salary payable to Executive under this Section 3, as the same may be increased from time to time, shall hereinafter be referred to as the "***Base Salary***".

4. Annual Bonus

Beginning with the 2018 calendar year, and for each subsequent calendar year of the Company that ends during the Employment Period, Executive shall be entitled to (i) an annual cash bonus opportunity of 50% of Base Salary (pro-rated for any partial calendar year) (the "***Bonus***"), paid following the close of each applicable calendar year in arrears, which shall be payable if the EBITDA performance targets set by the Board for the applicable calendar year are met. Such bonus shall be payable after completion of the audit for such calendar year, but in no event later than March 15th of the subsequent calendar year to which such Bonus relates. Notwithstanding anything to the contrary contained in this Agreement or any applicable bonus plan, program or arrangement, Executive shall be eligible to receive any such Bonus only if Executive is actively employed by the Company on the Bonus payout date.

5. Employee Benefits

During the Employment Period, Executive (and, to the extent eligible, Executive's dependents and beneficiaries) shall be entitled to participate in any defined contribution plan, any insurance program and any medical and other health benefit plan, in each case, sponsored by the Company for its executive-level employees on terms and conditions set forth in such programs and plans (as amended from time to time); *provided*, that if Executive elects to not participate in the Company's medical or dental plans, the Company shall continue to pay for Executive's current medical and dental plan (or any reasonable equivalent plan acceptable to Executive) in lieu of participating in any such plans; *provided*, *however*, that the Company's payment of medical and dental plan premiums will be taxable as wages to Executive if and to the extent such payments would result in the imposition of excise taxes on the Company for the failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and the Health Care and Education Reconciliation Act of 2010, as amended.

6. Expenses; Vacation

6.1 Business Travel, Lodging, etc. Upon presentation by Executive of appropriate expense statements, the Company shall reimburse Executive up to $25,000 per year for reasonable work-related expenses incurred by Executive for air-travel to/from and lodging in Orange County, California. The Company shall reimburse Executive for all other reasonable travel, lodging, meal and other reasonable expenses incurred by Executive in connection with Executive's performance of services hereunder upon submission of evidence, satisfactory to the Company, of the incurrence and purpose of each such expense, and otherwise in accordance with the Company's Board approved expense policy applicable to its employees as in effect from time to time.

6.2 Vacation. During the Employment Period, Executive shall be entitled to paid vacation in accordance with a Board approved vacation policy which is incorporated herein by this reference.

7. Termination of Employment

7.1 Termination Due to Death or Disability. During the Employment Period, Executive's employment shall automatically terminate in the event of Executive's death, and may be terminated by the Company due to Executive's Disability. For purposes of this Agreement, "***Disability***" shall mean a physical or mental disability that prevents, regardless of any reasonable accommodation, the performance by Executive of Executive's duties for a continuous period of 90 days or longer, or for 180 days or more in any 12-month period.

7.2 Termination by the Company. The Company may terminate Executive's employment with the Company with or without Cause. For purposes of this Agreement, "***Cause***" shall mean the following events or conditions, as determined by the Board in its reasonable judgment; (a) any failure by Executive to substantially perform Executive's duties hereunder (other than any such breach or failure due to Executive's physical or mental illness) and the continuance of such failure for more than 30 days following Executive's receipt of written notice from the Company, which notice shall set forth in reasonable detail the facts or circumstances constituting such failure; (b) any failure by Executive to cooperate, if reasonably requested by the Company, with any investigation or inquiry into Executive's or the Company's business practices, whether internal or external, including, but not limited to, Executive's refusal to be deposed or to provide testimony at any trial or inquiry and the continuance of such failure for more than 30 days following Executive's receipt of written notice from the Company, which notice shall set forth in reasonable detail the facts or circumstances constituting such failure; (c) Executive's engaging in fraud, willful misconduct, or dishonesty that has caused or is reasonably expected to result in material injury to the Company or any of its affiliates; (d) any material breach by Executive of any fiduciary duty owed to the Company or any of its affiliates; (e) Executive's conviction of, or entering a plea of guilty or nolo contendere to, a crime that constitutes a felony; or (f) any material breach by Executive of any of Executive's obligations hereunder or under any other written agreement or covenant with the Company or any of its affiliates and the continuance of such failure for more than 30 days following Executive's receipt of written notice from the Company, which notice shall set forth in reasonable detail the facts or circumstances constituting such failure. A termination for Cause shall include a reasonable

determination by the Company following the termination of the Employment Period that circumstances existed during the Employment Period that would have justified a termination by the Company for Cause.

7.3 Termination by Executive. Executive may terminate Executive's employment with the Company with or without Good Reason. For purposes of this Agreement, "***Good Reason***" shall mean a termination by Executive of Executive's employment hereunder if (a) any of the following events occur without Executive's express prior written consent; (b) within 60 days after Executive learns of the occurrence of such event, Executive gives written notice to the Company describing such event and demanding cure; and (c) such event is not fully cured within 30 days after such notice is given: (i) a material diminution in Executive's Base Salary, (ii) the assignment to Executive of duties that are significantly different from, and that result in a substantial diminution of, the duties or authority that Executive is to assume on the Commencement Date, or (iii) a material breach of this Agreement by the Company.

7.4 Notice of Termination. Any termination of Executive's employment by the Company pursuant to Section 7.1 (other than in the event of Executive's death) or Section 7.2 or by Executive pursuant to Section 7.3 shall be communicated by a personally delivered written Notice of Termination addressed to the other party to this Agreement. A "***Notice of Termination***" shall mean a notice stating that Executive's employment with the Company has been or will be terminated and the specific provisions of this Section 7 under which such termination is being effected.

7.5 Date of Termination. As used in this Agreement, the term "***Date of Termination***" shall mean (a) if Executive's employment is terminated by Executive's death, the date of Executive's death; (b) if Executive's employment is terminated by the Company pursuant to Section 7.1 due to Executive's Disability, 30 days after the date on which the Notice of Termination is given; *provided*, that, if Executive shall have returned to the performance of Executive's duties on a full-time basis during such 30-day period, such Notice of Termination shall be of no force or effect; (c) if Executive's employment is terminated by the Company for Cause or by Executive for Good Reason, the date any applicable cure period expires (and, if there is no applicable cure period, the date specified in the Notice of Termination); *provided*, that if a party is entitled to cure the nature of such termination and so cures prior to the expiration of the applicable cure period, the Notice of Termination provided to such curing party shall be of no force or effect; or (d) if Executive's employment is terminated for any other reason, the date specified in the Notice of Termination (which shall be 30 days after the date of such notice) and, if no such notice is given, 30 days after the date of termination of employment.

7.6 Payments Upon Certain Terminations.

7.6.1 Termination Without Cause or for Good Reason. If (a) the Company shall terminate Executive's employment without Cause or (b) Executive shall terminate Executive's employment for Good Reason, in each case, during the Employment Period, the Company shall pay to Executive:

(i) any accrued and unpaid Base Salary and accrued and unused vacation earned through the Date of Termination, which shall be paid on the tenth day after the

Date of Termination (or if such day is not a business day, the next business day after such day); plus

(ii) as severance payments and provided that Executive executes and delivers (and does not revoke) a general release of all claims in form and substance satisfactory to the Company within 60 days following the Date of Termination, six (6) months' Base Salary, which shall be paid in periodic installments on the Company's regular payroll dates, beginning with the next payroll date immediately following the expiration of the 60th day following the Date of Termination (which first payment shall include any payments of Base Salary that should have been made during such 60-day period but for the 60-day release consideration period).

7.6.2 Termination for Any Other Reason. If Executive's employment is terminated for any reason other than those specified in Section 7.6.1 during the Employment Period, the Company shall pay Executive on the tenth day after the Date of Termination or the expiration of the Employment Period, as the case may be (or, if such day is not a business day, the next business day after such day), accrued and unpaid Base Salary and accrued and unused vacation earned through the Date of Termination.

7.6.3 Effect of Termination on Other Plans and Programs. In the event that Executive's employment with the Company is terminated for any reason, Executive shall be entitled to receive all amounts payable and benefits accrued under any otherwise applicable plan, policy, program or practice of the Company in which Executive was a participant immediately prior to the Date of Termination in accordance with the terms thereof; *provided*, that, if Executive's employment is terminated without Cause or for Good Reason, Executive shall not be entitled to receive any payments or benefits under any such plan, policy, program or practice providing any severance or cash bonus compensation, and the provisions of this Section 7.6 shall supersede such provisions of any such plan, policy, program or practice.

7.7 Resignation Upon Termination. Effective as of any Date of Termination or otherwise as of the date of Executive's termination of employment with the Company, Executive shall resign, in writing, from all positions then held by Executive with the Company and its affiliates unless otherwise requested by the Company and agreed to by Executive.

7.8 Cessation of Professional Activity. Upon delivery of a Notice of Termination by either party or a notice pursuant to Section 2.1, the Company may relieve Executive of Executive's responsibilities described in Section 2.2 and require Executive to immediately cease all professional activity on behalf of the Company, without such action constituting a termination of Executive's employment by the Company without Cause or giving grounds for Executive to terminate for Good Reason.

8. Restrictive Covenants

8.1 Unauthorized Disclosure. During the Employment Period and following any termination thereof, without the prior written consent of the Company, except to the extent required by an order of a court having competent jurisdiction or under subpoena from an appropriate government agency, in which event Executive shall use Executive's best efforts to consult with the Company prior to responding to any such order or subpoena, and except as required in performance of Executive's duties hereunder, Executive shall not use or disclose any

confidential or proprietary trade secrets, customer lists, drawings, designs, marketing plans, management organization information (including, but not limited to, data and other information relating to members of the boards of directors of the Company or any subsidiary or affiliate thereof (the Company and their subsidiaries and affiliates, the "***Company Group***"), the Company Group, or to the management of the Company Group), operating policies or manuals, business plans, financial records, or other financial, commercial, business or technical information (a) relating to the Company Group or (b) that the Company Group may receive belonging to customers or others who do business with the Company Group (collectively, "***Confidential Information***") to any third Person (as defined below) unless such Confidential Information has been previously disclosed to the public generally, is in the public domain, or has been rightfully received by Executive from a third party who is authorized to make such disclosure, in each case, other than by reason of Executive's breach of this Section 8.1. For purposes of this Agreement, "***Person***" shall mean any natural person, partnership, limited liability company, association, corporation, company, trust, business trust, governmental authority or other entity.

8.2 Non-Solicitation of Employees. During the period beginning on the Commencement Date and ending twelve months after the termination of Executive's employment with the Company (the "***Restriction Period***"), Executive shall not, directly or indirectly, for Executive's own account or for the account of any other Person, in any jurisdiction in which the Company Group has commenced during the Employment Period, (i) solicit for employment any natural person throughout the world who is or was employed by or otherwise engaged to perform services for the Company Group (x) at any time during the Employment Period (in the case of such prohibited activity occurring during such time) or (y) during the twelve month period preceding such prohibited activity (in the case of such prohibited activity occurring during the Restriction Period but after the date of Executive's termination of employment with the Company), other than any such solicitation on behalf of the Company Group during the Employment Period; or (ii) induce any employee of the Company Group to engage in any activity which Executive is prohibited from engaging in under any of this Section 8 or to terminate such employee's employment with the Company.

8.3 Non-Solicitation of Business Relationships. During the Employment Period, Executive shall not, directly or indirectly, for Executive's own account or for the account of any other Person, in any jurisdiction in which the Company Group has commenced or has actively made plans to commence operations, solicit, interfere with, or otherwise attempt to establish any business relationship of a nature that is competitive with the business or relationship of the Company Group with any Person throughout the world which is or was a customer, client or franchisee of the Company Group, other than any such activity on behalf of or at the request of the Company Group.

8.4 Works for Hire.

8.4.1 Generally. Executive agrees that the Company shall own all right, title and interest (including, but not limited to, patent rights, copyrights, trade secret rights and other rights throughout the world) in any inventions, works of authorship, ideas or information made or conceived or reduced to practice, in whole or in part, by Executive (either alone or with others) during the Employment Period (collectively "***Developments***"); *provided*, *however*, that the Company shall not own Developments for which no equipment, supplies, facility, trade

secret information or Confidential Information of the Company was used and which were developed entirely on Executive's time, and (A) which do not relate (I) to the business of the Company Group or (II) to the actual or demonstrably anticipated research or development of the Company Group, and (B) which do not result from any work performed by Executive for the Company.

8.4.2 Disclosure; Assignment. Subject to Section 8.4.1, Executive will promptly and fully disclose to the Company, or any persons designated by it, any and all Developments made or conceived or reduced to practice or learned by Executive, either alone or jointly with others during the Employment Period. Executive hereby assigns all right, title and interest in and to any and all of these Developments to the Company. Executive shall further assist the Company, at the Company's expense, to further evidence, record and perfect such assignments, and to perfect, obtain, maintain, enforce, and defend any rights specified to be so owned or assigned. Executive hereby irrevocably designates and appoints the Company and its agents as attorneys-in-fact to act for and on Executive's behalf to execute and file any document and to do all other lawfully permitted acts to further the purposes of the foregoing with the same legal force and effect as if executed by Executive.

8.4.3 Copyright Act; Moral Rights. In addition, and not in contravention of Section 8.4.1 or Section 8.4.2, Executive acknowledges that all original works of authorship which are made by him (solely or jointly with others) within the scope of employment and which are protectable by copyright are "works made for hire," as that term is defined in the United States Copyright Act (17 USC §101). To the extent allowed by law, this Section 8.4.3 includes all rights of paternity, integrity, disclosure and withdrawal and any other rights that may be known as or referred to "moral rights" (collectively, "***Moral Rights***"). To the extent Executive retains any such Moral Rights under applicable law, Executive hereby waives such Moral Rights and consents to any action consistent with the terms of this Agreement with respect to such Moral Rights, in each case, to the full extent of such applicable law. Executive will confirm any such waivers and consents from time to time as requested by the Company.

8.4.4 Authorized Disclosure. Section 1883(b) of Title 18 of the United States Code states "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (i) is made (a) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney and (b) solely for the purposes of reporting or investigating a suspended violation of law or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Accordingly, the Company and Executive have the right to disclose in confidence trade secrets to Federal, State, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The Company and Executive also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with Section 1883(b) of Title 18 of the United States Code or create liability for disclosures of trade secrets that are expressly allowed by Section 1883(b) of Title 18 of the United States Code.

8.4.5 Section 2870 of the California Labor Code. Notwithstanding anything to the contrary contained in this Agreement, Executive may use Executive's own ideas, knowledge,

and experience to develop Developments that qualify under the provisions of Section 2870 of the California Labor Code, which provisions are set forth below, and all rights to such Developments that qualify under Section 2870 and are so developed shall belong solely to Executive; *provided*, that such Developments are developed without the use of Company resources and outside of the scope of the services provided under this Agreement. Section 2870 of the California Labor Code reads in its entirety, as follows: "(a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for inventions that either: (1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or (2) Result from any work performed by the employee for the employer; (b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable".

8.5 Nondisparagement. Executive agrees that Executive shall neither, directly or indirectly, engage in any conduct or make any statement (including through social media) disparaging or criticizing in any way the Company Group, or any of their personnel, nor engage in any other conduct or make any other statement that could be reasonably expected to impair the goodwill or the reputation of the Company Group, in each case, except to the extent required by law, and then only after consultation with the Company to the extent possible. The Company Group agrees that it shall neither, directly or indirectly, engage in any conduct or make any statement (including through social media) disparaging or criticizing Executive in any way, nor engage in any other conduct or make any other statement that could be reasonably expected to impair the goodwill or the reputation of Executive, in each case, except to the extent required by law, and then only after consultation with Executive to the extent possible.

8.6 Return of Documents. In the event of the termination of Executive's employment, Executive shall deliver to the Company (a) all property of the Company Group then in Executive's possession; and (b) all documents and data of any nature and in whatever medium of the Company Group, and Executive shall not take with Executive any such property, documents or data or any reproduction thereof, or any documents containing or pertaining to any Confidential Information.

8.7 Confidentiality of Agreement: Governmental Agency Exception. The parties to this Agreement agree not to disclose its terms to any Person, other than their attorneys, accountants, financial advisors or, in Executive's case, members of Executive's immediate family or, in the Company's case, for any reasonable purpose that is reasonably related to its business operations; *provided*, that this Section 8.7 shall not be construed to prohibit any disclosure required by law or in any proceeding to enforce the terms and conditions of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, this Agreement does not limit Executive's ability to communicate with any government agency or otherwise participate in any investigation or proceeding that may be conducted by any government agency, including providing documents or other information, without notice to the

Company or its affiliates. This Agreement does not limit Executive's right to receive an award for information provided to any government agencies.

9. Certain Acknowledgments; Injunctive Relief with Respect to Covenants

9.1 Certain Acknowledgements. Executive acknowledges and agrees that Executive will have a prominent role in the development of the goodwill of the Company Group, and has and will establish and develop relations and contacts with the principal business relationships of the Company Group in the United States of America and the rest of the world, all of which constitute valuable goodwill of, and could be used by Executive to compete unfairly with, the Company Group and that (a) in the course of Executive's employment with the Company, Executive will obtain confidential and proprietary information and trade secrets concerning the business and operations of the Company Group in the United States of America and the rest of the world that could be used to compete unfairly with the Company Group; (b) the covenants and restrictions contained in Section 8 are intended to protect the legitimate interests of the Company Group in their respective goodwill, trade secrets and other confidential and proprietary information; and (c) Executive desires to be bound by such covenants and restrictions.

9.2 Injunctive Relief. Executive acknowledges and agrees that the covenants, obligations and agreements of Executive contained in Section 8 relate to special, unique and extraordinary matters and that a violation of any of the terms of such covenants, obligations or agreements will cause the Company Group irreparable injury for which adequate remedies are not available at law. Therefore, Executive agrees that the Company shall be entitled to an injunction, restraining order or such other equitable relief (without the requirement to post bond) to restrain Executive from committing any violation of such covenants, obligations or agreements. These injunctive remedies are cumulative and in addition to any other rights and remedies the Company Group may have.

10. Entire Agreement

This Agreement constitutes the entire agreement between the Company and Executive with respect to the subject matter hereof, and supersedes all undertakings and agreements, whether oral or in writing, previously entered into by the Company and Executive with respect thereto. All prior correspondence and proposals (including, but not limited to, summaries of proposed terms) and all prior offer letters, promises, representations, understandings, arrangements and agreements relating to such subject matter (including, but not limited to, those made to or with Executive by any other person) are merged herein and superseded hereby.

11. General Provisions

11.1 Binding Effect; Assignment. This Agreement shall be binding on and inure to the benefit of the Company and its respective successors and permitted assigns. This Agreement shall also be binding on and inure to the benefit of Executive and Executive's heirs, executors, administrators and legal representatives. This Agreement shall not be assignable by any party hereto without the prior written consent of the other parties hereto, except as provided pursuant to this Section 11.1. The Company may effect such an assignment without prior written

approval of Executive upon the transfer of all or substantially all of its business and/or assets (by whatever means).

11.2 Indemnity. Section 7.2 of the Limited Liability Company Operating Agreement of Xponential Fitness, LLC, dated September 26, 2017, as amended from time to time, is incorporated by reference herein and made a part hereof, and as so incorporated, shall remain in full force and effect in accordance with its terms.

11.3 Governing Law; Waiver of Jury Trial.

11.3.1 Governing Law; Consent to Jurisdiction. This Agreement shall be governed in all respects, including as to interpretation, substantive effect and enforceability, by the internal laws of the State of California, without regard to conflicts of laws provisions thereof that would require application to the laws of another jurisdiction other than those that mandatorily apply. Each party hereby irrevocably submits to the jurisdiction of the courts of the State of California and the federal courts of the United States of America located in Orange County, California solely in respect of the interpretation and enforcement of the provisions of this Agreement and in respect of the transactions contemplated hereby, Each party hereby waives and agrees not to assert, as a defense in any action, suit or proceeding for the interpretation and enforcement hereof, or in respect of any such transaction, that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts. Each party hereby consents to and grants any such court jurisdiction over the person of such parties and over the subject matter of any such dispute and agree that the mailing of process or other papers in connection with any such action or proceeding in the manner provided in Section 11.6 or in such other manner as may be permitted by law, shall be valid and sufficient service thereof.

11.3.2 Waiver of Jury Trial. Each party acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues, and therefore each party hereby irrevocably and unconditionally waives any right such party may have to a trial by jury in respect of any litigation directly or indirectly arising out of or relating to this Agreement, or the breach, termination or validity of this Agreement, or the transactions contemplated by this Agreement. Each party certifies and acknowledges that (a) no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver; (b) each such party understands and has considered the implications of this waiver; (c) each such party makes this waiver voluntarily; and (d) each such party has been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 11.3.2

11.4 Taxes. All amounts payable and benefits provided hereunder shall be subject to any and all applicable taxes, as required by applicable Federal, state, local and foreign laws and regulations.

11.5 Amendments; Waiver. No provision of this Agreement may be modified, waived or discharged unless such modification, waiver or discharge is approved by a Person authorized by the Company and is agreed to in writing by Executive. No waiver by any party hereto at any time of any breach by any other party hereto of, or compliance with, any condition or provision

of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No waiver of any provision of this Agreement shall be implied from any course of dealing between or among the parties hereto or from any failure by any party hereto to assert its rights hereunder on any occasion or series of occasions.

11.6 Legal Advice; Severability; Blue Pencil. Executive acknowledges that Executive has been advised to seek independent legal counsel for advice regarding the effect of the provisions of this Agreement, and has either obtained such advice of independent legal counsel, or has voluntarily and without compulsion elected to enter into and be bound by the terms of this Agreement without such advice of independent legal counsel. In the event that any one or more of the provisions of this Agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not be affected thereby. Executive and the Company agree that the covenants contained in Section 8 hereof are reasonable covenants under the circumstances, and further agree that if, in the opinion of any court of competent jurisdiction such covenants are not reasonable in any respect, such court shall have the right, power and authority to excise or modify such provision or provisions of these covenants as to the court shall appear not reasonable and to enforce the remainder of these covenants as so amended.

11.7 Notices. Any notice or other communication required or permitted to be delivered under this Agreement shall be (a) in writing; (b) delivered personally, by courier service or by certified or registered mail, first class postage prepaid and return receipt requested with a copy by electronic mail; (c) deemed to have been received on the date of delivery or, if so mailed, on the third business day after the mailing thereof; and (d) addressed as follows (or to such other address as the party entitled to notice shall hereafter designate in accordance with the terms hereof):

(i) If to the Company:

Xponential Fitness, LLC
3185 Pullman Street
Costa Mesa, CA 92626
Attention: Chairman of the Board

with a copy (which shall not constitute notice) to:

TPG Growth III Fitness, L.P.
301 Commerce Street, Suite 3300
Fort Worth, TX 76102
Attention: Office of General Counsel
c/o Brandon Vongsawad
Fax: (817) 871-4001
Email: officeofgeneralcounsel@tpg. com
cc: BVongsawad@tpg.com

with a copy (which shall not constitute notice) to:

Buchalter
1000 Wilshire Boulevard, Suite 1500
Los Angeles, CA 90017
Attention: Jeremy Weitz, Esq.
Tel: (213) 891-5285
Fax: (213) 630-5651

(ii) if to Executive, to the last home address, or personal fax on file with the Company.

11.8 Survival. The Company and Executive hereby agree that certain provisions of this Agreement shall survive the expiration of the Employment Period in accordance with their terms, including, but not limited to, Sections 7.6, 8, 9, 10, and 11.

11.9 Further Assurances. Each party hereto agrees with the other party hereto that it will cooperate with such other party and will execute and deliver, or cause to be executed and delivered, all such other instruments and documents, and will take such other actions, as such other parties may reasonably request from time to time to effectuate the provisions and purpose of this Agreement.

11.10 Section 409A. The parties intend that any amounts payable hereunder comply with or are exempt from Section 409A of the Internal Revenue Code of 1986, as amended ("***Section 409A***") (including under Treasury Regulation §§ 1.409A-1(b)(4) ("short-term deferrals") and (b)(9) ("separation pay plans," including the exceptions under subparagraph (iii) and subparagraph (v)(D)) and other applicable provisions of Treasury Regulation §§ 1.409A-1 through A-6). For purposes of Section 409A, each of the payments that may be made under this Agreement shall be deemed to be a separate payment for purposes of Section 409A. This Agreement shall be administered, interpreted and construed in a manner that does not result in the imposition of additional taxes, penalties or interest under Section 409A. The Company and Executive agree to negotiate in good faith to make amendments to the Agreement, as the parties mutually agree are necessary or desirable to avoid the imposition of taxes, penalties or interest under Section 409A. Neither the Company nor Executive shall have the right to accelerate or defer the delivery of any such payments or benefits except to the extent specifically permitted or required by Section 409A. Notwithstanding the foregoing, the Company does not guarantee any particular tax effect, and Executive shall be solely responsible and liable for the satisfaction of all taxes, penalties and interest that may be imposed on or for the account of Executive in connection with the Agreement (including any taxes, penalties and interest under Section 409A), and neither the Company nor any of its affiliates shall have any obligation to indemnify or otherwise hold Executive (or any beneficiary) harmless from any or all of such taxes, penalties or interest. With respect to the time of payments of any amounts under the Agreement that are "deferred compensation" subject to Section 409A, references in the Agreement to "termination of employment" (and substantially similar phrases) shall mean "separation from service" within the meaning of Section 409A. For the avoidance of doubt, it is intended that any expense

reimbursement made to Executive hereunder shall be exempt from Section 409A. Notwithstanding the foregoing, if any expense reimbursement made hereunder shall be determined to be "deferred compensation" within the meaning of Section 409A, then (i) the amount of the indemnification payment or expense reimbursement during one taxable year shall not affect the amount of the expense reimbursement during any other taxable year, (ii) the expense reimbursement shall be made on or before the last day of Executive's taxable year following the year in which the expense was incurred and (iii) the right to expense reimbursement hereunder shall not be subject to liquidation or exchange for another benefit.

11.11 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. The parties hereto agree to accept a signed facsimile copy or "PDF" of this Agreement as a fully binding original.

11.12 Headings. The section and other headings contained in this Agreement are for the convenience of the parties only and are not intended to be a part hereof or to affect the meaning or interpretation hereof.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Company has duly executed this Agreement by its authorized representative, and Executive has hereunto set Executive's hand, in each case effective as of the date first above written.

COMPANY

XPONENTIAL FITNESS, LLC

By: _____
Name:
Title:

EXECUTIVE

/s/ John Meloun
John Meloun

Exhibit 10.13

EXECUTION COPY

ASSIGNMENT AGREEMENT

This Assignment Agreement is dated as of September 26, 2017, (this "Agreement"), and is entered into by and among Club Pilates Franchise, LLC, a Delaware limited liability company (the "Assignor"), Xponential Fitness LLC, a Delaware limited liability company (the "Assignee"), and Megan Moen (the "Executive").

W I T N E S S E T H:

WHEREAS, Assignor and Executive are parties to that certain Employment Agreement, dated as of August 22, 2017, by and between Assignor and Executive (the "Employment Agreement"); and

WHEREAS, Assignor desires to assign, transfer and convey all of its rights and obligations under the Employment Agreement to Assignee pursuant to the terms and conditions of this Agreement and Assignee desires to accept and assume all rights and obligations under the Employment Agreement pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for the mutual agreements herein contained, the parties hereto agree as follows:

1. **Assignment and Assumption of Employment Agreement**. Effective as of the date hereof, (i) Assignor hereby assigns to Assignee the Employment Agreement and all of Assignor's rights and obligations thereunder, and Assignee hereby assumes the Employment Agreement and agrees to perform and discharge all of Assignor's rights and obligations thereunder and (ii) all references to Club Pilates Franchise, LLC in the Employment Agreement shall be deemed to be references to Xponential Fitness LLC.

2. **Acknowledgments and Agreements by Executive**. In reliance upon Assignor's and Assignee's agreements set forth herein, Executive acknowledges and agrees that all of Executive's obligations under the Employment Agreement shall inure to the benefit of Assignee.

3. **Effectiveness of Employment Agreement**. Except as set forth herein, the Employment Agreement remains in full force and effect for the benefit of Assignee and Executive, as applicable, in accordance with their terms. No provision of this Agreement may be waived, amended, supplemented or otherwise modified without the prior written consent of Assignor, Assignee and Executive.

4. **Governing Law**. This Agreement shall be governed by and construed and enforced under the laws of the State of Delaware, without giving effect to the conflicts of law principles that would require the application of any other law.

5. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original but all of which shall constitute one and the same agreement.

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

CLUB PILATES FRANCHISE, LLC

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

XPONENTIAL FITNESS LLC

By: /s/ Anthony Geisler
Name: Anthony Geisler
Title: Chief Executive Officer

EXECUTIVE

Megan Moen

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

CLUB PILATES FRANCHISE, LLC

By: _____
Name: Anthony Geisler
Title: Chief Executive Officer

XPONENTIAL FITNESS LLC

By: _____
Name: Anthony Geisler
Title: Chief Executive Officer

EXECUTIVE

/s/ Megan Moen
Megan Moen

Employment Agreement

This Employment Agreement (this "***Agreement***") is dated as of August 22, 2017, and is made by and between Club Pilates Franchise, LLC, a Delaware limited liability company (the "***Company***"), and Megan Moen ("***Executive***").

W i t n e s s e t h:

Whereas, the Company desires to continue to employ Executive, and Executive desires to be so continuously employed, in each case, on the terms and conditions set forth herein.

Now, Therefore, in consideration of the foregoing premises and the mutual covenants and promises contained herein, and for other good and valuable consideration, the Company and Executive hereby agree as follows:

1. Agreement to Employ; No Conflicts

Upon the terms and subject to the conditions of this Agreement, the Company hereby agrees to continue to employ Executive, and Executive hereby accepts such continued employment by the Company. Executive represents and warrants that (a) Executive is entering into this Agreement voluntarily, and that Executive's employment hereunder and compliance with the terms and conditions hereof will not conflict with or result in the breach by Executive of any agreement to which Executive is a party or by which Executive may be bound; (b) Executive has not violated, and in connection with Executive's employment with the Company will not violate, any non-competition, non-solicitation or other similar covenant or agreement by which Executive is or may be bound; and (c) in connection with Executive's employment by the Company, Executive will not use any confidential or proprietary information Executive may have obtained in connection with Executive's employment with any prior employer.

2. Term; Position and Responsibilities

2 . 1 Term. Unless Executive's employment shall sooner terminate pursuant to Section 6, the Company shall employ Executive for a term commencing on the date hereof (the "***Commencement Date***") and ending on the third anniversary thereof (the "***Initial Term***"). Effective upon the expiration of the Initial Term and of each Additional Term (as defined below), unless Executive's employment shall sooner terminate pursuant to Section 6, Executive's employment hereunder shall be deemed to be automatically extended, upon the same terms and conditions, for an additional period of one year (each, an "***Additional Term***"), in each such case, commencing upon the expiration of the Initial Term or the then current Additional Term, as the case may be, unless, at least 60 days prior to the expiration of the Initial Term or such Additional Term, as the case may be, either party hereto shall have notified the other party thereto in writing that such extension shall not take effect. The period during which Executive is employed pursuant to this Agreement shall be referred to as the "***Employment Period***".

2 . 2 Position and Responsibilities. During the Employment Period, Executive shall serve as the Executive Vice President of Finance ("***EVP of Finance***") of the Company, reporting to Chief Executive Officer of the Company and/or of a parent entity of the Company (the "**CEO**"). Executive shall have such duties and responsibilities as are customarily assigned to individuals serving in such position, and such other duties consistent with Executive's position as

the CEO specifies from time to time. Executive shall devote all of Executive's skill, knowledge and business time to the conscientious performance of such duties and responsibilities, except for vacation time (as set forth in Section 5.2), absence for sickness or similar disability, and time spent performing services for any charitable, religious or community organizations, so long as such services do not materially interfere with the performance of Executive's duties hereunder.

3. Base Salary

As compensation for the services to be performed by Executive during the Employment Period, the Company shall pay Executive a base salary at an annualized rate of $180,000, payable in periodic installments on the Company's regular payroll dates. The Board of Managers of the Company (the "***Board***") will review Executive's base salary annually during the Employment Period (but will not decrease such base salary). The annual base salary payable to Executive under this Section 3, as the same may be increased from time to time, shall hereinafter be referred to as the "***Base Salary***".

4. Employee Benefits

During the Employment Period, Executive (and, to the extent eligible, Executive's dependents and beneficiaries) shall be entitled to participate in any defined contribution plan, any insurance program and any medical and other health benefit plan, in each case, sponsored by the Company for its executive-level employees on terms and conditions set forth in such programs and plans (as amended from time to time); *provided*, that if Executive elects to not participate in the Company's medical or dental plans, the Company shall continue to pay for Executive's current medical and dental plan (or any reasonable equivalent plan acceptable to Executive) in lieu of participating in any such plans; *provided*, *however*, that the Company's payment of medical and dental plan premiums will be taxable as wages to Executive if and to the extent such payments would result in the imposition of excise taxes on the Company for the failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and the Health Care and Education Reconciliation Act of 2010, as amended.

5. Expenses; Vacation

5.1 Business Travel, Lodging, etc. The Company shall reimburse Executive for reasonable travel, lodging, meal and other reasonable expenses incurred by Executive in connection with Executive's performance of services hereunder upon submission of evidence, satisfactory to the Company, of the incurrence and purpose of each such expense, and otherwise in accordance with the Company's Board approved expense policy applicable to its employees as in effect from time to time.

5.2 Vacation. During the Employment Period, Executive shall be entitled to paid vacation in accordance with a Board approved vacation policy.

6. Termination of Employment

6.1 Termination Due to Death or Disability. During the Employment Period, Executive's employment shall automatically terminate in the event of Executive's death, and may be terminated by the Company due to Executive's Disability. For purposes of this Agreement, "***Disability***" shall mean a physical or mental disability that prevents, regardless of any reasonable accommodation, the performance by Executive of Executive's duties for a continuous period of 90 days or longer, or for 180 days or more in any 12-month period.

6.2 Termination by the Company. The Company may terminate Executive's employment with the Company with or without Cause. For purposes of this Agreement, "***Cause***" shall mean the following events or conditions, as determined by the Board in its reasonable judgment: (a) any failure by Executive to substantially perform Executive's duties hereunder (other than any such breach or failure due to Executive's physical or mental illness) and the continuance of such failure for more than 30 days following Executive's receipt of written notice from the Company, which notice shall set forth in reasonable detail the facts or circumstances constituting such failure; (b) any failure by Executive to cooperate, if reasonably requested by the Company, with any investigation or inquiry into Executive's or the Company's business practices, whether internal or external, including, but not limited to, Executive's refusal to be deposed or to provide testimony at any trial or inquiry and the continuance of such failure for more than 30 days following Executive's receipt of written notice from the Company, which notice shall set forth in reasonable detail the facts or circumstances constituting such failure; (c) Executive's engaging in fraud, willful misconduct, or dishonesty that has caused or is reasonably expected to result in material injury to the Company or any of its affiliates; (d) any material breach by Executive of any fiduciary duty owed to the Company or any of its affiliates; (e) Executive's conviction of, or entering a plea of guilty or nolo contendere to, a crime that constitutes a felony; or (f) any material breach by Executive of any of Executive's obligations hereunder or under any other written agreement or covenant with the Company or any of its affiliates and the continuance of such failure for more than 30 days following Executive's receipt of written notice from the Company, which notice shall set forth in reasonable detail the facts or circumstances constituting such failure. A termination for Cause shall include a reasonable determination by the Company following the termination of the Employment Period that circumstances existed during the Employment Period that would have justified a termination by the Company for Cause.

6.3 Termination by Executive. Executive may terminate Executive's employment with the Company with or without Good Reason. For purposes of this Agreement, "***Good Reason***" shall mean a termination by Executive of Executive's employment hereunder if (a) any of the following events occur without Executive's express prior written consent; (b) within 60 days after Executive learns of the occurrence of such event, Executive gives written notice to the Company describing such event and demanding cure; and (c) such event is not fully cured within 30 days after such notice is given: (i) a material diminution in Executive's Base Salary, (ii) the assignment to Executive of duties that are significantly different from, and that result in a substantial diminution of, the duties or authority that Executive is to assume on the Commencement Date, or (iii) a material breach of this Agreement by the Company.

6.4 Notice of Termination. Any termination of Executive's employment by the Company pursuant to Section 6.1 (other than in the event of Executive's death) or Section 6.2 or by Executive pursuant to Section 6.3 shall be communicated by a written Notice of Termination addressed to the other party to this Agreement. A "***Notice of Termination***" shall mean a notice stating that Executive's employment with the Company has been or will be terminated and the specific provisions of this Section 6 under which such termination is being affected.

6.5 Date of Termination. As used in this Agreement, the term "***Date of Termination***" shall mean (a) if Executive's employment is terminated by Executive's death, the date of Executive's death; (b) if Executive's employment is terminated by the Company pursuant to Section 6.1 due to Executive's Disability, 30 days after the date on which the Notice of Termination is given; *provided*, that, if Executive shall have returned to the performance of Executive's duties on a full-time basis during such 30-day period, such Notice of Termination shall be of no force or effect; (c) if Executive's employment is terminated by the Company for Cause or by Executive for Good Reason, the date any applicable cure period expires (and, if there is no applicable cure period, the date specified in the Notice of Termination); *provided*, that if a party is entitled to cure the nature of such termination and so cures prior to the expiration of the applicable cure period, the Notice of Termination provided to such curing party shall be of no force or effect; or (d) if Executive's employment is terminated for any other reason, the date specified in the Notice of Termination (which shall be 30 days after the date of such notice) and, if no such notice is given, 30 days after the date of termination of employment.

6.6 Payments Upon Certain Terminations.

6.6.1 Termination Without Cause or for Good Reason. If (a) the Company shall terminate Executive's employment without Cause or (b) Executive shall terminate Executive's employment for Good Reason, in each case, during the Employment Period, the Company shall pay to Executive:

(i) any accrued and unpaid Base Salary and accrued and unused vacation earned through the Date of Termination, which shall be paid on the tenth day after the Date of Termination (or if such day is not a business day, the next business day after such day); plus

(ii) as severance payments and provided that Executive executes and delivers (and does not revoke) a general release of all claims in form and substance satisfactory to the Company within 60 days following the Date of Termination, three months' Base Salary, which shall be paid in periodic installments on the Company's regular payroll dates, beginning with the next payroll date immediately following the expiration of the 60th day following the Date of Termination (which first payment shall include any payments of Base Salary that should have been made during such 60-day period but for the 60-day release consideration period).

6.6.2 Termination for Any Other Reason. If Executive's employment is terminated for any reason other than those specified in Section 6.6.1 during the Employment

Period, the Company shall pay Executive on the tenth day after the Date of Termination or the expiration of the Employment Period, as the case may be (or, if such day is not a business day, the next business day after such day), accrued and unpaid Base Salary and accrued and unused vacation earned through the Date of Termination.

6.6.3 Effect of Termination on Other Plans and Programs. In the event that Executive's employment with the Company is terminated for any reason, Executive shall be entitled to receive all amounts payable and benefits accrued under any otherwise applicable plan, policy, program or practice of the Company in which Executive was a participant immediately prior to the Date of Termination in accordance with the terms thereof; *provided*, that, if Executive's employment is terminated without Cause or for Good Reason, Executive shall not be entitled to receive any payments or benefits under any such plan, policy, program or practice providing any severance or cash bonus compensation, and the provisions of this Section 6.6 shall supersede such provisions of any such plan, policy, program or practice.

6.7 Resignation Upon Termination. Effective as of any Date of Termination or otherwise as of the date of Executive's termination of employment with the Company, Executive shall resign, in writing, from all positions then held by Executive with the Company and its affiliates unless otherwise requested by the Company and agreed to by Executive.

6.8 Cessation of Professional Activity. Upon delivery of a Notice of Termination by either party or a notice pursuant to Section 2.1, the Company may relieve Executive of Executive's responsibilities described in Section 2.2 and require Executive to immediately cease all professional activity on behalf of the Company, without such action constituting a termination of Executive's employment by the Company without Cause or giving grounds for Executive to terminate for Good Reason.

7. Restrictive Covenants

7.1 Unauthorized Disclosure. During the Employment Period and following any termination thereof, without the prior written consent of the Company, except to the extent required by an order of a court having competent jurisdiction or under subpoena from an appropriate government agency, in which event Executive shall use Executive's best efforts to consult with the Company prior to responding to any such order or subpoena, and except as required in performance of Executive's duties hereunder, Executive shall not use or disclose any confidential or proprietary trade secrets, customer lists, drawings, designs, marketing plans, management organization information (including, but not limited to, data and other information relating to members of the boards of directors of the Company or any subsidiary or affiliate thereof (the Company and their subsidiaries and affiliates, the "***Company Group***"), the Company Group, or to the management of the Company Group), operating policies or manuals, business plans, financial records, or other financial, commercial, business or technical information (a) relating to the Company Group or (b) that the Company Group may receive belonging to customers or others who do business with the Company Group (collectively, "***Confidential Information***") to any third Person (as defined below) unless such Confidential Information has been previously disclosed to the public generally, is in the public domain, or has been rightfully received by Executive from a third party who is authorized to make such disclosure, in each case,

other than by reason of Executive's breach of this Section 7.1. For purposes of this Agreement, "***Person***" shall mean any natural person, partnership, limited liability company, association, corporation, company, trust, business trust, governmental authority or other entity.

7.2 Non-Solicitation of Employees. During the period beginning on the Commencement Date and ending twelve months after the termination of Executive's employment with the Company (the "***Restriction Period***"), Executive shall not, directly or indirectly, for Executive's own account or for the account of any other Person, in any jurisdiction in which the Company Group has commenced during the Employment Period, (i) solicit for employment any natural person throughout the world who is or was employed by or otherwise engaged to perform services for the Company Group (x) at any time during the Employment Period (in the case of such prohibited activity occurring during such time) or (y) during the twelve month period preceding such prohibited activity (in the case of such prohibited activity occurring during the Restriction Period but after the date of Executive's termination of employment with the Company), other than any such solicitation on behalf of the Company Group during the Employment Period; or (ii) induce any employee of the Company Group to engage in any activity which Executive is prohibited from engaging in under any of this Section 7 or to terminate such employee's employment with the Company.

7.3 Non-Solicitation of Business Relationships. During the Employment Period, Executive shall not, directly or indirectly, for Executive's own account or for the account of any other Person, in any jurisdiction in which the Company Group has commenced or has actively made plans to commence operations, solicit, interfere with, or otherwise attempt to establish any business relationship of a nature that is competitive with the business or relationship of the Company Group with any Person throughout the world which is or was a customer, client or franchisee of the Company Group, other than any such activity on behalf of or at the request of the Company Group.

7.4 Works for Hire.

7.4.1 Generally. Executive agrees that the Company shall own all right, title and interest (including, but not limited to, patent rights, copyrights, trade secret rights and other rights throughout the world) in any inventions, works of authorship, ideas or information made or conceived or reduced to practice, in whole or in part, by Executive (either alone or with others) during the Employment Period (collectively "***Developments***"); *provided*, *however*, that the Company shall not own Developments for which no equipment, supplies, facility, trade secret information or Confidential Information of the Company was used and which were developed entirely on Executive's time, and (A) which do not relate (I) to the business of the Company Group or (II) to the actual or demonstrably anticipated research or development of the Company Group, and (B) which do not result from any work performed by Executive for the Company.

7.4.2 Disclosure; Assignment. Subject to Section 7.4.1, Executive will promptly and fully disclose to the Company, or any persons designated by it, any and all Developments made or conceived or reduced to practice or learned by Executive, either alone or

jointly with others during the Employment Period. Executive hereby assigns all right, title and interest in and to any and all of these Developments to the Company. Executive shall further assist the Company, at the Company's expense, to further evidence, record and perfect such assignments, and to perfect, obtain, maintain, enforce, and defend any rights specified to be so owned or assigned. Executive hereby irrevocably designates and appoints the Company and its agents as attorneys-in-fact to act for and on Executive's behalf to execute and file any document and to do all other lawfully permitted acts to further the purposes of the foregoing with the same legal force and effect as if executed by Executive.

7.4.3 Copyright Act; Moral Rights. In addition, and not in contravention of Section 7.4.1 or Section 7.4.2, Executive acknowledges that all original works of authorship which are made by him (solely or jointly with others) within the scope of employment and which are protectable by copyright are "works made for hire," as that term is defined in the United States Copyright Act (17 USC §101). To the extent allowed by law, this Section 7.4.3 includes all rights of paternity, integrity, disclosure and withdrawal and any other rights that may be known as or referred to "moral rights" (collectively, "***Moral Rights***"). To the extent Executive retains any such Moral Rights under applicable law, Executive hereby waives such Moral Rights and consents to any action consistent with the terms of this Agreement with respect to such Moral Rights, in each case, to the full extent of such applicable law. Executive will confirm any such waivers and consents from time to time as requested by the Company.

7.4.4 Authorized Disclosure. Section 1883(b) of Title 18 of the United States Code states "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (i) is made (a) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney and (b) solely for the purposes of reporting or investigating a suspended violation of law or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Accordingly, the Company and Executive have the right to disclose in confidence trade secrets to Federal, State, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The Company and Executive also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with Section 1883(b) of Title 18 of the United States Code or create liability for disclosures of trade secrets that are expressly allowed by Section 1883(b) of Title 18 of the United States Code.

7.4.5 Section 2870 of the California Labor Code. Notwithstanding anything to the contrary contained in this Agreement, Executive may use Executive's own ideas, knowledge, and experience to develop Developments that qualify under the provisions of Section 2870 of the California Labor Code, which provisions are set forth below, and all rights to such Developments that qualify under Section 2870 and are so developed shall belong solely to Executive; *provided*, that such Developments are developed without the use of Company resources and outside of the scope of the services provided under this Agreement. Section 2870 of the California Labor Code reads in its entirety, as follows: "(a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or

her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for inventions that either: (1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or (2) Result from any work performed by the employee for the employer; (b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable".

7.5 Nondisparagement. Executive agrees that Executive shall neither, directly or indirectly, engage in any conduct or make any statement (including through social media) disparaging or criticizing in any way the Company Group, or any of their personnel, nor engage in any other conduct or make any other statement that could be reasonably expected to impair the goodwill or the reputation of the Company Group, in each case, except to the extent required by law, and then only after consultation with the Company to the extent possible.

7.6 Return of Documents. In the event of the termination of Executive's employment, Executive shall deliver to the Company (a) all property of the Company Group then in Executive's possession; and (b) all documents and data of any nature and in whatever medium of the Company Group, and Executive shall not take with Executive any such property, documents or data or any reproduction thereof, or any documents containing or pertaining to any Confidential Information.

7.7 Confidentiality of Agreement; Governmental Agency Exception. The parties to this Agreement agree not to disclose its terms to any Person, other than their attorneys, accountants, financial advisors or, in Executive's case, members of Executive's immediate family or, in the Company's case, for any reasonable purpose that is reasonably related to its business operations; *provided*, that this Section 7.7 shall not be construed to prohibit any disclosure required by law or in any proceeding to enforce the terms and conditions of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, this Agreement does not limit Executive's ability to communicate with any government agency or otherwise participate in any investigation or proceeding that may be conducted by any government agency, including providing documents or other information, without notice to the Company or its affiliates. This Agreement does not limit Executive's right to receive an award for information provided to any government agencies.

8. Certain Acknowledgments; Injunctive Relief with Respect to Covenants

8.1 Certain Acknowledgements. Executive acknowledges and agrees that Executive will have a prominent role in the development of the goodwill of the Company Group, and has and will establish and develop relations and contacts with the principal business relationships of the Company Group in the United States of America and the rest of the world, all of which constitute valuable goodwill of, and could be used by Executive to compete unfairly with, the Company Group and that (a) in the course of Executive's employment with the Company,

Executive will obtain confidential and proprietary information and trade secrets concerning the business and operations of the Company Group in the United States of America and the rest of the world that could be used to compete unfairly with the Company Group; (b) the covenants and restrictions contained in Section 7 are intended to protect the legitimate interests of the Company Group in their respective goodwill, trade secrets and other confidential and proprietary information; and (c) Executive desires to be bound by such covenants and restrictions.

8 . 2 Injunctive Relief. Executive acknowledges and agrees that the covenants, obligations and agreements of Executive contained in Section 7 relate to special, unique and extraordinary matters and that a violation of any of the terms of such covenants, obligations or agreements will cause the Company Group irreparable injury for which adequate remedies are not available at law. Therefore, Executive agrees that the Company shall be entitled to an injunction, restraining order or such other equitable relief (without the requirement to post bond) to restrain Executive from committing any violation of such covenants, obligations or agreements. These injunctive remedies are cumulative and in addition to any other rights and remedies the Company Group may have.

9. Entire Agreement

This Agreement constitutes the entire agreement between the Company and Executive with respect to the subject matter hereof, and supersedes all undertakings and agreements, whether oral or in writing, previously entered into by the Company and Executive with respect thereto. All prior correspondence and proposals (including, but not limited to, summaries of proposed terms) and all prior offer letters, promises, representations, understandings, arrangements and agreements relating to such subject matter (including, but not limited to, those made to or with Executive by any other person) are merged herein and superseded hereby.

10. General Provisions

10.1 Binding Effect; Assignment. This Agreement shall be binding on and inure to the benefit of the Company and its respective successors and permitted assigns. This Agreement shall also be binding on and inure to the benefit of Executive and Executive's heirs, executors, administrators and legal representatives. This Agreement shall not be assignable by any party hereto without the prior written consent of the other parties hereto, except as provided pursuant to this Section 10.1. The Company may effect such an assignment without prior written approval of Executive upon the transfer of all or substantially all of its business and/or assets (by whatever means). In addition, in connection with any reorganization of the Company and its affiliates that results in the establishment of one or more holding companies above the Company, the Company will assign this Agreement to any such holding companies without needing Executive's consent.

10.2 Governing Law; Waiver of Jury Trial.

10.2.1 Governing Law; Consent to Jurisdiction. This Agreement shall be governed in all respects, including as to interpretation, substantive effect and enforceability, by

the internal laws of the State of California, without regard to conflicts of laws provisions thereof that would require application to the laws of another jurisdiction other than those that mandatorily apply. Each party hereby irrevocably submits to the jurisdiction of the courts of the State of California and the federal courts of the United States of America located in Orange County, California solely in respect of the interpretation and enforcement of the provisions of this Agreement and in respect of the transactions contemplated hereby. Each party hereby waives and agrees not to assert, as a defense in any action, suit or proceeding for the interpretation and enforcement hereof, or in respect of any such transaction, that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts. Each party hereby consents to and grants any such court jurisdiction over the person of such parties and over the subject matter of any such dispute and agree that the mailing of process or other papers in connection with any such action or proceeding in the manner provided in Section 10.6 or in such other manner as may be permitted by law, shall be valid and sufficient service thereof.

10.2.2 Waiver of Jury Trial. Each party acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues, and therefore each party hereby irrevocably and unconditionally waives any right such party may have to a trial by jury in respect of any litigation directly or indirectly arising out of or relating to this Agreement, or the breach, termination or validity of this Agreement, or the transactions contemplated by this Agreement. Each party certifies and acknowledges that (a) no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver; (b) each such party understands and has considered the implications of this waiver; (c) each such party makes this waiver voluntarily; and (d) each such party has been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 10.2.2.

10.3 Taxes. All amounts payable and benefits provided hereunder shall be subject to any and all applicable taxes, as required by applicable Federal, state, local and foreign laws and regulations.

10.4 Amendments; Waiver. No provision of this Agreement may be modified, waived or discharged unless such modification, waiver or discharge is approved by a Person authorized by the Company and is agreed to in writing by Executive. No waiver by any party hereto at any time of any breach by any other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No waiver of any provision of this Agreement shall be implied from any course of dealing between or among the parties hereto or from any failure by any party hereto to assert its rights hereunder on any occasion or series of occasions.

10.5 Legal Advice; Severability; Blue Pencil. Executive acknowledges that Executive has been advised to seek independent legal counsel for advice regarding the effect of the provisions of this Agreement, and has either obtained such advice of independent legal counsel, or has voluntarily and without compulsion elected to enter into and be bound by the terms of this

Agreement without such advice of independent legal counsel. In the event that any one or more of the provisions of this Agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not be affected thereby. Executive and the Company agree that the covenants contained in Section 7 hereof are reasonable covenants under the circumstances, and further agree that if, in the opinion of any court of competent jurisdiction such covenants are not reasonable in any respect, such court shall have the right, power and authority to excise or modify such provision or provisions of these covenants as to the court shall appear not reasonable and to enforce the remainder of these covenants as so amended.

10.6 Notices. Any notice or other communication required or permitted to be delivered under this Agreement shall be (a) in writing; (b) delivered personally, by courier service or by certified or registered mail, first class postage prepaid and return receipt requested with a copy by electronic mail; (c) deemed to have been received on the date of delivery or, if so mailed, on the third business day after the mailing thereof; and (d) addressed as follows (or to such other address as the party entitled to notice shall hereafter designate in accordance with the terms hereof):

(i) If to the Company:

Club Pilates Franchise, LLC
3185 Pullman Street
Costa Mesa, CA 92626
Attention: Chairman of the Board

with a copy (which shall not constitute notice) to:

TPG Growth III Fitness, L.P.
301 Commerce Street, Suite 3300
Fort Worth, TX 76102
Attention: Office of General Counsel
c/o Mark Robilotti
Fax: (817) 871-4001
Email: officeofgeneralcounsel@tpg.com
Cc: mrobilotti@tpg.com

with a copy (which shall not constitute notice) to:

Morrison Cohen LLP
909 Third Avenue
New York, NY 10022
Attention: David A. Scherl, Esq. Steven M. Cooperman, Esq., and Eric Moskowitz, Esq.
Tel: (212) 735-8600
Fax: (212) 735-8708

(ii) If to Executive, to the last home address, or personal fax on file with the Company.

10.7 Survival. The Company and Executive hereby agree that certain provisions of this Agreement shall survive the expiration of the Employment Period in accordance with their terms, including, but not limited to, Sections 6.6, 7, 8, 9 and 10.

10.8 Further Assurances. Each party hereto agrees with the other party hereto that it will cooperate with such other party and will execute and deliver, or cause to be executed and delivered, all such other instruments and documents, and will take such other actions, as such other parties may reasonably request from time to time to effectuate the provisions and purpose of this Agreement.

10.9 Section 409A. The parties intend that any amounts payable hereunder comply with or are exempt from Section 409A of the Internal Revenue Code of 1986, as amended ("***Section 409A***") (including under Treasury Regulation §§ 1.409A-1(b)(4) ("short-term deferrals") and (b)(9) ("separation pay plans," including the exceptions under subparagraph (iii) and subparagraph (v)(D)) and other applicable provisions of Treasury Regulation §§ 1.409A-1 through A-6). For purposes of Section 409A, each of the payments that may be made under this Agreement shall be deemed to be a separate payment for purposes of Section 409A. This Agreement shall be administered, interpreted and construed in a manner that does not result in the imposition of additional taxes, penalties or interest under Section 409A. The Company and Executive agree to negotiate in good faith to make amendments to the Agreement, as the parties mutually agree are necessary or desirable to avoid the imposition of taxes, penalties or interest under Section 409A. Neither the Company nor Executive shall have the right to accelerate or defer the delivery of any such payments or benefits except to the extent specifically permitted or required by Section 409A. Notwithstanding the foregoing, the Company does not guarantee any particular tax effect, and Executive shall be solely responsible and liable for the satisfaction of all taxes, penalties and interest that may be imposed on or for the account of Executive in connection with the Agreement (including any taxes, penalties and interest under Section 409A), and neither the Company nor any of its affiliates shall have any obligation to indemnify or otherwise hold Executive (or any beneficiary) harmless from any or all of such taxes, penalties or interest. With respect to the time of payments of any amounts under the Agreement that are "deferred compensation" subject to Section 409A, references in the Agreement to "termination of employment" (and substantially similar phrases) shall mean "separation from service" within the meaning of Section 409A. For the avoidance of doubt, it is intended that any expense reimbursement made to Executive hereunder shall be exempt from Section 409A. Notwithstanding the foregoing, if any expense reimbursement made hereunder shall be determined to be "deferred compensation" within the meaning of Section 409A, then (i) the amount of the indemnification payment or expense reimbursement during one taxable year shall not affect the amount of the expense reimbursement during any other taxable year, (ii) the expense reimbursement shall be made on or before the last day of Executive's taxable year

following the year in which the expense was incurred and (iii) the right to expense reimbursement hereunder shall not be subject to liquidation or exchange for another benefit.

10.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. The parties hereto agree to accept a signed facsimile copy or "PDF" of this Agreement as a fully binding original.

10.11 Headings. The section and other headings contained in this Agreement are for the convenience of the parties only and are not intended to be a part hereof or to affect the meaning or interpretation hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has duly executed this Agreement by its authorized representative, and Executive has hereunto set Executive's hand, in each case effective as of the date first above written.

COMPANY

Club Pilates Franchise, LLC

By: _____
Name:
Title:

EXECUTIVE

/s/ Megan Moen
Megan Moen

Exhibit 10.14

FIRST AMENDED AND RESTATED PROFITS INTEREST PLAN OF H&W FRANCHISE HOLDINGS LLC

H&W Franchise Holdings LLC, a Delaware limited liability company (the "Company"), has adopted this First Amended and Restated Profits Interest Plan of H&W Franchise Holdings LLC (the "Plan"), as of June 27, 2018 (the "Effective Date") which amends and restates that certain Profits Interest Plan of H&W Franchise Holdings LLC dated September 26, 2017 (the "Prior Plan") in its entirety. The purpose of the Plan is to provide such eligible employees and service providers with an opportunity to participate in the Company's future by offering them an opportunity to acquire an interest in the Company so as to enhance the Company's ability to attract and retain individuals of exceptional talent to contribute to the sustained progress, growth and profitability of the Company.

Pursuant to the Plan, Participants (as defined below) will be granted an award of Incentive Units (as defined below) (each, an "Award" and, collectively the "Awards") and will thereby become Members (as defined below) of the Company. The Incentive Units so acquired shall be governed by, and will be subject to the transfer and other restrictions and terms contained in (a) the Plan, (b) an Award Agreement (as defined below), and (c) the LLC Agreement (as defined below).

Any reference to the "Plan" in any Award Agreement shall refer to the Plan and not the Prior Plan. To the extent there are any inconstancies or conflicts between the Plan and the Prior Plan, the Plan will govern and control.

ARTICLE 1.

DEFINITIONS

Whenever a following term is used in the Plan, it shall have the meaning specified below unless the context clearly indicates to the contrary. Any other capitalized term used in the Plan but not otherwise defined herein shall have its respective meaning set forth in the LLC Agreement. The masculine pronoun shall include the feminine and neuter and the singular shall include the plural, where the context so indicates.

1.1 "Adjustment Event" shall mean any dividend or other distribution (whether in the form of cash, additional interests, other securities, or other property, and excluding any tax distributions made under the LLC Agreement), any Capital Contributions, any recapitalization, reclassification, reorganization, change to corporate form, merger, consolidation, split-up, spinoff, combination, repurchase, liquidation, dissolution, or sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company or exchange of shares or other securities of the Company, issuance of warrants or other rights to purchase shares or other securities of the Company, or other similar transaction or event.

1.2 "Administrator" shall have the meaning set forth in Section 5.1.

1.3 "Award" shall have the meaning set forth in the preamble hereto.

1.4 "Award Agreement" shall mean a written Profits Interest Plan Award Agreement executed by the Company and the Participant, evidencing the terms of an Award made under the Plan, including exhibits thereto.

1.5 "Code" shall mean the Internal Revenue Code of 1986, as amended, or any successor statute or statutes thereto. Reference to any particular Code section shall include any successor section, and any regulations promulgated thereunder.

1.6 "Company" shall have the meaning set forth in the preamble hereto.

1.7 "Effective Date" shall have the meaning set forth in the preamble hereto.

1.8 "Employee" shall mean any director, manager, officer or other Person providing key services directly or indirectly to, or for the benefit of, the Company or its Affiliates. A Participant shall not cease to be an Employee in the case of (a) any leave of absence approved by the Company or (b) transfers between locations of the Company or between the Company, any Parent, any Subsidiary, or any successor. In addition, the term "Employee" may, strictly for the purposes of this Plan, at the discretion of the Administrator, include any individual or entity whose services with the Company are performed pursuant to a contract that purports to treat such individual or entity as an independent contractor; *provided*, that the use of such term is in no way intended to create or alter any employment relationship with such independent contractor.

1.9 "Incentive Units" means a Unit awarded by the Administrator hereunder, constituting a "Class B Unit" under the LLC Agreement, which is subject to forfeiture as described in the LLC Agreement, the Plan and the Participant's Award Agreement. Each Incentive Unit is intended to be a "profits interest" within the meaning of IRS Revenue Procedures 93-27 and 2001-43.

1.10 "LLC Agreement" shall mean the Third Amended Limited Liability Company Operating Agreement of H&W Franchise Holdings LLC, dated as of the Effective Date, among the Company and the Members named therein, as amended from time to time.

1.11 "Member" shall have the meaning ascribed to such term in the LLC Agreement.

1.12 "Parent" shall mean any business, whether or not incorporated, which owns more than fifty percent (50%) of the combined voting power of the voting securities or voting interests of the Company.

1.13 "Participant" shall mean any Employee who is selected by the Administrator to receive an Award pursuant to the provisions of Section 3.1 and who executes an Award Agreement pursuant to the provisions of Section 3.2.

1.14 "Person" means any individual, sole proprietorship, general partnership, limited partnership, corporation, business trust, trust, joint venture, limited liability company, association, joint stock company, bank, unincorporated organization or any other form of entity.

1.15 "Plan" shall have the meaning set forth in the preamble hereto.

1.16 "Priority Return" means as to each Member holding Class A Units, an amount accruing, on a per Unit basis, on such member's unreturned Capital Contributions (from and after the date of each such Capital Contribution on the amount of the unreturned portion thereof) and Unpaid Priority Return in respect of such Class A Units at the rate of eight percent (8%) per annum. Priority Return shall be compounded semi-annually, accruing daily and calculated on the basis of the actual number of days elapsed over a 360-day year (and pro-rated for partial periods).

1.17 "Subsidiary" shall have the meaning ascribed to such term in the LLC Agreement.

1.18 "Termination of Service" shall mean the termination for any reason, including death, disability, resignation, retirement or termination for or without cause, at any time, of that Participant's services as an Employee, as reasonably determined by the Administrator, with the Company and with each Parent or Subsidiary of the Company for which the Participant served as an Employee. The Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to a particular Participant's Termination of Service.

1.19 "Unit" shall mean a "Unit" as defined in the LLC Agreement, or such other class or kind of units, shares or other securities resulting from the application of Section 6.3.

1.20 "Unpaid Priority Return" means, with respect to each Class A Unit, the cumulative Priority Return with respect to such Unit less all distributions made under Article V of the LLC Agreement (other than in respect of unreturned Capital Contributions).

ARTICLE 2.

INCENTIVE UNITS SUBJECT TO PLAN

2.1 Awards Subject to Plan. The Plan shall be effective on the Effective Date. The number of Incentive Units initially available for grant under the Plan is 195,988.2 Class B Units.

2.2 Add-Back. If any Award is forfeited by a Participant or repurchased by the Company pursuant to Section 4.1, the Incentive Units covered by such Award may thereafter be awarded or regranted under the Plan, subject to the limitations of Section 2.1 on the total amount of Incentive Units that may be outstanding as Awards under the Plan.

ARTICLE 3.

AWARDS

3.1 Awards.

3.1.1 The Administrator may from time to time, in its sole and absolute discretion: (a) determine those Employees to receive Awards and (b) determine the purchase price (if any), form of payment for Awards and other terms and conditions applicable to such Awards, including provisions for vesting and forfeiture, consistent with the Plan and with the LLC Agreement and any applicable employment agreement with such Employee.

3.1.2 Upon the selection of an Employee to receive an Award, the Administrator shall grant such Awards and may impose such conditions on the issuance of such Awards as the Administrator deems appropriate; *provided*, *however*, that no such condition may be inconsistent with the terms of the LLC Agreement, the terms of which by this reference are incorporated herein.

3.2 Award Agreement. An Award is a grant of a specified number of Incentive Units to a Participant as of a certain date, which Incentive Units are subject to forfeiture upon the happening of specified events. Awards shall be issued only pursuant to an Award Agreement, which shall be executed by the selected Employee and an officer of the Company or one of its Affiliates designated by the Administrator on behalf of the Company and which shall contain such terms and conditions as the Administrator shall determine, consistent with the Plan and with the terms of the LLC Agreement. Upon receipt of an Award, a Participant shall execute a joinder to the LLC Agreement (to the extent the LLC Agreement has not been previously executed by the Participant) in such form as may be presented to the Participant by the Administrator to effectuate such joinder. All Awards issued under the Plan shall be subject to the terms of the LLC Agreement and shall, in the terms of each individual Award Agreement, be subject to such additional restrictions as the Administrator shall provide, which restrictions may include, without limitation, restrictions concerning voting rights and transferability, restrictions on access to, and rights to receive, information and restrictions based on duration of service with the Company, performance by Employees of the Company or Company performance; *provided*, *however*, that, by action taken in its absolute discretion after the Award is issued, the Administrator may, on such terms and conditions as it may determine to be appropriate, remove any or all of the restrictions imposed by the terms of the Award Agreement.

3.3 Rights as Members. Upon the grant of an Award pursuant to the Plan, the Participant shall have, unless otherwise provided by the Administrator, all the rights and obligations of a Class B Member with respect to said Award as provided in the LLC Agreement, subject to the restrictions in his or her Award Agreement. As set forth in the LLC Agreement, the Participants shall not, by virtue of their holding Awards, have the right to vote or otherwise influence or control the management or operation of the Company.

ARTICLE 4.

RESTRICTIONS ON AWARDS

4.1 Cancellation and Repurchase of Awards. Incentive Units granted under any Award Agreement shall be subject to the cancellation and repurchase provisions set forth therein;

provided, that the Administrator may provide separate cancellation or repurchase terms in an individual Award Agreement as the Administrator may then determine.

4.2 Additional Restrictions on Units. In addition to any restrictions contained in the Plan, an Award Agreement and/or the LLC Agreement, the Incentive Units shall be subject to restrictions on transfer pursuant to applicable securities laws and other such laws, including applicable regulations or agreements as contemplated by Section 3.2 as the Administrator shall deem appropriate.

ARTICLE 5.

ADMINISTRATION

5.1 Administration. The Plan shall be administrated by the Board of Managers or any committee of the Board of Managers to which such authority is delegated by the Board of Managers (the "Administrator").

5.2 Duties and Powers of Administrator. It shall be the duty of the Administrator to conduct the general administration of the Plan in accordance with its provisions. The Administrator shall have the power to interpret the Plan and the Award Agreements pursuant to which Awards are issued, and to adopt such rules for the administration, interpretation, and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. Any Award under the Plan need not be the same with respect to each Participant.

5.3 Administrator Action. The Administrator shall act in accordance with the terms and conditions set forth in the LLC Agreement.

5.4 Professional Assistance: Good Faith Actions; Compensation. All expenses and liabilities which the Administrator incurs in connection with the administration of the Plan shall be borne by the Company. The Administrator may employ attorneys, accountants, appraisers, brokers, or other Persons in connection with the administration of the Plan. The Administrator, the Company and the Company's officers shall be entitled to rely upon the advice, opinions or valuations of any such Persons. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final, binding and conclusive upon all Participants, the Company and all other interested Persons. No members of the Administrator shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, including grant of Awards, and all members of the Administrator shall be fully protected by the Company in respect of any such action, determination or interpretation. The members of the Administrator shall serve without compensation for their services to the Plan.

ARTICLE 6.

GENERAL PROVISIONS

6.1 Restrictions on Transfer of Awards. Each Award granted to a Participant under the Plan is subject to the terms of the Award Agreement pursuant to which such Award was issued and the LLC Agreement. Any permitted transferee of an Award shall take such Award subject to the terms of the Plan, the Award Agreement pursuant to which such Award was issued, and the LLC Agreement and any applicable employment agreement with the Participant. Any such permitted transferee must, upon the request of the Company, agree to be bound by the Plan, the Award Agreement pursuant to which such Award was issued, and the LLC Agreement, and shall execute the same on request, and must agree to such other waivers, limitations, and restrictions as the Company may reasonably require. Any transfer of an Award which is not made in compliance with the Plan, the LLC Agreement and the Award Agreement pursuant to which such Award was issued shall be null and void and of no effect.

6.2 Amendment, Suspension or Termination of the Plan. The Plan may be wholly or partially amended or otherwise modified, suspended or terminated at any time and from time to time by the Administrator without the consent of the Participants or the Members; *provided*, *however*, that no such amendment, suspension or termination shall be made which would have a material adverse effect on the rights of Participants who have vested Incentive Units. No Award may be granted during any period of suspension or after termination of the Plan.

6.3 Changes in Capitalization. In the event that the Administrator determines, in its sole discretion, that any Adjustment Event affects the Incentive Units, then the Administrator shall, in such manner as it may deem equitable, adjust the number and kind of equity securities authorized for grant under the Plan and make such other equitable adjustments to any Award as it may deem appropriate with respect to any event described in this Section 6.3. Notwithstanding anything to the contrary contained in the LLC Agreement, the Plan or any applicable Award Agreement, no allocations or distributions under the LLC Agreement or otherwise will be made to any Participant unless and until (a) the Participation Threshold applicable to such Participant's Class B Units (determined on a Unit by Unit basis) has been reduced to zero in accordance with the LLC Agreement (which, notwithstanding anything to the contrary contained in the LLC Agreement, the Participation Threshold will not be reduced by any tax distributions made under the LLC Agreement) and (b) the Class A Members, pro rata in proportion to their Unpaid Priority Return with respect to their Class A Units, have received aggregate distributions under Article V of the LLC Agreement in an amount equal to the Unpaid Priority Return of each such member with respect to its Class A Units has been reduced to zero. Any such forgone distributions will be made to the other Members in accordance with Article V of the LLC Agreement (taking into account the immediately preceding sentence). Determinations and adjustments made by the Administrator pursuant to this Section 6.3 shall be final, binding and conclusive.

6.4 Payment of Taxes. The Company and its Subsidiaries shall be entitled to require payment in cash or deduction from other compensation payable to each Participant of any sums required by federal, state or local tax law to be withheld with respect to the issuance, vesting, transfer, sale or payment on account of any Award and may otherwise require each Participant to pay to Company or any of its Subsidiaries (or to any relevant taxing authority) any employment or other taxes or charges that are intended to be borne by such Participant, under applicable law or otherwise.

6.5 Effect of Plan Upon Compensation Plans. The adoption of the Plan shall not affect any other compensation or incentive plans in effect for the Company or any Parent or Subsidiary of the Company. Nothing in the Plan shall be construed to limit the right of the Company (a) to establish any other forms of incentives or compensation for Employees or (b) to grant or assume equity interest rights otherwise than under the Plan in connection with any proper business purpose including, without limitation, the grant or assumption of equity interests, in connection with the acquisition by purchase, lease, merger, consolidation or otherwise, of the business, stock or assets of any corporation, partnership, limited liability company, firm or association.

6 . 6 Compliance with Laws. The Plan, the granting and vesting of Awards under the Plan, the issuance and delivery of Incentive Units pursuant to the Awards, and the payment of money under the Plan or under the Awards granted hereunder are subject to compliance with all applicable federal and state laws, rules and regulations (including, but not limited to, state and federal securities law and federal margin requirements) and to such approvals by any listing, regulatory or governmental authority as may, in the opinion of counsel for the Company, be necessary or advisable in connection therewith. Any securities delivered under the Plan shall be subject to such restrictions, and the Person acquiring such securities shall, if requested by the Company, provide such assurances and representations to the Company, as the Company may deem necessary or desirable to assure compliance with all applicable legal requirements. To the extent permitted by applicable law, the Plan and any Awards hereunder shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

6.7 No Guarantee of Service or Participation. Nothing in the Plan shall interfere with or limit in any way the right of the Company or any Affiliate thereof to terminate any Participant's services at any time and for any reason, nor confer upon any Participant any right to continue in the service of the Company or any Affiliate thereof. In addition, if any Participant's services to the Company or any of its Affiliates shall be terminated for any reason, such Participant shall not be eligible for any compensation or remuneration with respect to such termination (except as otherwise expressly provided in this Plan, any applicable Award Agreement or the LLC Agreement) to compensate such Participant for the loss of any rights under the Plan notwithstanding any provision to the contrary contained in the Participant's contract of employment. No director, officer or key employee of, or consultant to, the Company or any Subsidiary shall have a right to be selected as a Participant or, having been so selected, to receive any Incentive Units. The Administrator may establish different terms and conditions for different Participants receiving Incentive Units and for the same Participant for each Incentive

Unit such Participant may receive, whether or not granted at different times. The grant of any Incentive Unit to any director, officer or key employee of, or consultant to, the Company or any Subsidiary shall neither entitle such Person to, nor disqualify that Person from, the grant of any other Incentive Units. The Administrator's selection of a director, officer or key employee of, or consultant to, the Company or any Subsidiary as a Participant shall neither entitle such Person to, nor disqualify such Person from, participation in any other incentive plan of the Company or any of its Affiliates.

6.8 No Limitation on Compensation. Nothing in the Plan shall be construed to limit the right of the Company or any of its Affiliates to establish other plans or to pay compensation to its employees in cash or property.

6.9 No Impact on Benefits. Incentive Units shall not be treated as compensation for purposes of calculating a Participant's rights under any employee benefit plan.

6.10 Freedom of Action. Subject to Section 6.2, nothing in the Plan shall be construed as limiting or preventing the Company or any of its Affiliates from taking any action with respect to the operation or conduct of its business that it deems appropriate or in its best interest.

6.11 Headings. Headings are provided herein for convenience only and are not to serve as a basis for interpretation or construction of the Plan.

6.12 Governing Law. The Plan and any agreements hereunder shall be administered, interpreted and enforced under the internal laws of the State of Delaware without regard to conflicts of laws thereof.

Exhibit 10.15

Club Pilates Franchise, LLC
First Amended and Restated
Phantom Equity Plan

Article I
Purposes

The purposes of the Plan are to foster and promote the long-term financial success of the Company and the Subsidiaries and materially increase member value by (a) motivating superior performance by Participants by means of performance-related incentives and (b) enabling the Company and the Subsidiaries to attract and retain the services of an outstanding management team upon whose judgment, interest and special effort the successful conduct of its operations is largely dependent. This Plan amends and restates that certain Phantom Equity Plan of Club Pilates Franchise, LLC adopted on or about September 26, 2017 (the "Prior Plan") in its entirety. To the extent there are any inconsistences or conflicts between the Plan and the Prior Plan, the Plan will govern and control.

Article II
Definitions, Etc.

Section 2.01 *Certain Definitions*. Whenever used herein, the following terms shall have the respective meanings set forth below.

"***Adjustment Event***" means any dividend or other distribution (whether in the form of cash, additional interests, other securities, or other property, and excluding any tax distributions made under the LLC Agreement), any capital contributions, any recapitalization, reclassification, reorganization, change to corporate form, merger, consolidation, split-up, spinoff, combination, repurchase, liquidation, dissolution, sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company or exchange of shares or other securities of the Company, issuance of warrants or other rights to purchase shares or other securities of the Company, or other similar transaction or event.

"***Affiliate***" means, when used with reference to a specified Person, (a) any Person that directly or indirectly, through one or more intermediaries, controls (alone or through an affiliated group), is controlled by, or is under common control with, such specified Person, including any investment vehicle under common management of such Person, (b) any Person that is an officer, director, manager, member, partner, or trustee of, or serves in a similar capacity with respect to, such specified Person (or an Affiliate of such Person) or of which such specified Person is an officer, director, member, manager, partner or trustee, or with respect to which such Person serves in a similar capacity or (c) any Person who is a spouse or descendant (whether natural or adopted) of such specified Person.

"***Award Letter***" means the letter evidencing a grant of Phantom Units to a Participant, substantially in the form attached hereto as Annex A, or such other form as the Committee shall approve.

"***Base Amount***" means an amount per Phantom Unit determined by the Committee on each grant date of Phantom Units, which shall not be less than the Fair Market Value per Unit on such date.

"***Cause***" means, with respect to any Participant, if the Participant has an employment agreement with the Company or an Affiliate thereof, the meaning assigned to such term in such employment agreement; provided, that if the Participant does not have an employment agreement or such term is not defined in such employment agreement, the term "***Cause***" means the following events or conditions, as determined by the Member in its reasonable judgment: (a) any failure by the Participant to substantially perform the Participant's duties to the Company or any of its Affiliates (other than any such breach or failure due to the Participant's physical or mental illness) and the continuance of such failure for more than 30 days following the Participant's receipt of written notice from the Company, which notice shall set forth in reasonable detail the facts or circumstances constituting such failure; (b) any failure by the Participant to cooperate, if reasonably requested by the Company, with any investigation or inquiry into the Participant's or the Company's business practices, whether internal or external, including, but not limited to, the Participant's refusal to be deposed or to provide testimony at any trial or inquiry and the continuance of such failure for more than 30 days following the Participant's receipt of written notice from the Company, which notice shall set forth in reasonable detail the facts or circumstances constituting such failure; (c) the Participant's engaging in fraud, willful misconduct, or dishonesty that has caused or is reasonably expected to result in material injury to the Company; (d) any material breach by the Participant of any fiduciary duty owed to the Company; (e) the Participant's conviction of, or entering a plea of guilty or nolo contendere to, a crime that constitutes a felony (other than a DUI or similar felony); or (f) any material breach by the Participant of any of the Participant's obligations hereunder or under any other written agreement or covenant with the Company or any of its Affiliates and the continuance of such failure for more than 30 days following the Participant's receipt of written notice from the Company, which notice shall set forth in reasonable detail the facts or circumstances constituting such failure. A termination for Cause shall include a reasonable determination by the Company within 60 days following the termination of the Participant's services to the Company that circumstances existed during the Participant's employment that would have justified a termination by the Company for fraud.

"***Change of Control***" means:

(a) a sale or transfer of all or substantially all of the assets of any entity within the Company Group in any transaction or series of related transactions to an Independent Third Party;

(b) any merger, consolidation or reorganization to which any entity within the Company Group and an Independent Third Party are parties, except for a merger, consolidation or reorganization in which, after giving effect to such merger, consolidation or reorganization, the holders of such entity within the Company Group's outstanding Equity Securities (on a fully-diluted basis) immediately prior to the merger, consolidation or reorganization will own directly or indirectly, immediately following the merger, consolidation

or reorganization, Equity Securities holding a majority of the voting power of such entity within the Company Group; or

(c) any sale, transfer or issuance or series of sales, transfers and/or issuances of the Equity Securities of any entity within the Company Group, which results in any Independent Third Party owning more than fifty percent (50%) of the Equity Securities of such entity within the Company Group.

"***Code***" means the Internal Revenue Code of 1986, as amended from time to time.

"***Committee***" means the Compensation Committee of the Company (or such other committee of the Company as the Member shall designate) or, if there shall not be any such committee then serving, the Member.

"***Company***" means Club Pilates Franchise, LLC, a Delaware limited liability company, and any successor thereto.

"***Company Group***" means (x) the Company, (y) its Subsidiaries and (z) the chain of Subsidiary entities owned, directly and indirectly, by H&W INVESTCO LP that ends with the direct parent of the Company.

"***Convertible Securities***" means securities convertible into or exchangeable for Units.

"***Equity Securities***" means equity securities of the Company Group, whether now or hereafter issued, and any Convertible Securities.

"***Fair Market Value***" means, as of any date, with respect to the Units, the per Unit fair market value on such date as determined by the Committee. The determination of Fair Market Value shall not give effect to any control premiums or discounts, restrictions on the Units or that such Units would represent a minority interest in the Company. Notwithstanding anything to the contrary contained in this Plan or any applicable Award Letter, as of any date, Fair Market Value shall not be less than the fair market value of one Unit, as determined under section 409A of the Code.

"***Fully-Diluted Basis***" means, as of any determination date, the sum of (i) the number of Units of the Company that would be outstanding as of such date if, immediately prior to such date, all warrants, Convertible Securities or other similar rights then outstanding that are exercisable or convertible at such time were exercised for or converted into Units of the Company, but only to the extent that such warrants and securities are "in the money" and (ii) the aggregate number of outstanding Phantom Units.

"***Good Reason***" means, with respect to any Participant, if the Participant has an employment agreement with the Company or an Affiliate thereof, the meaning assigned to such term in such employment agreement; *provided*, that if the Participant does not have an employment agreement or such term is not defined in such employment agreement, the term "Good Reason" means the termination by a Participant of the Participant's engagement

with the Company if (a) any of the following events occur without the Participant's express prior written consent; (b) within 60 days after the Participant learns of the occurrence of such event, the Participant gives written notice to the Company describing such event and demanding cure; (c) such event is not fully cured within 30 days after such notice is given; and (d) the Participant actually terminates his or her engagement with the Company within 30 days of the Company's failure to so cure: (i) a material diminution in the Participant's base salary or (ii) the assignment to the Participant of duties that are significantly different from, and that result in a substantial diminution of, the Participant's duties or authority.

"***Independent Third Party***" means any Person who immediately prior to the contemplated transaction does not, directly or indirectly, own in excess of five percent (5%) of the issued and outstanding Units and is not an Affiliate of any such owner.

"***LLC Agreement***" means the Fifth Amended and Restated Limited Liability Company Operating Agreement of the Company, dated as of September 26, 2017, as amended from time to time.

"***Member***" means Xponential Fitness LLC, a Delaware limited liability company.

"***Participant***" means any manager, officer or key employee of, or consultant to, the Company or any Subsidiary who is designated by the Committee to receive a grant of Phantom Units under the Plan and who executes an Award Letter pursuant to the provisions of Section 5.02.

"***Phantom Unit***" means, with respect to Units of the Company, the right to receive a payment from the Company under Section 5.03.

"***Per Unit Change of Control Price***" means, as determined by the Committee in its sole discretion as of the date of a Change of Control, the net aggregate proceeds payable or to be payable in respect of one Unit in connection with the transaction (or series of transactions) resulting in such Change of Control (as determined by the Committee if any part of such proceeds are payable other than in cash), including, without limitation, any and all escrowed amounts and earnouts, determined on a Fully-Diluted Basis and before giving effect to the payment of any amounts in respect of Phantom Units.

"***Person***" means any individual, sole proprietorship, general partnership, limited partnership, corporation, business trust, trust, joint venture, limited liability company, association, joint stock company, bank, unincorporated organization or any other form of entity.

"***Plan***" means this First Amended and Restated Club Pilates Franchise, LLC Phantom Equity Plan, as amended from time to time.

"***Subsidiary***" means, with respect to any Person, any corporation, limited liability company, partnership, association or other business entity of which (a) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at

the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (b) if a limited liability company, partnership, association or other business entity, a majority of the partnership or other similar ownership interests thereof entitled to control the board of managers, general partner or similar governing body of such entity is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control any manager, managing director or general partner of such limited liability company, partnership, association or other business entity.

"***Tax Gross Up Payment***" means an amount equal to (i) the amount by which (a) such Participant's actual tax liability in respect of the portion of his or her payments made by the Company in respect of any Phantom Units in accordance with Section 5.03 exceeds (b) the tax liability the Participant would have had to pay on the portion of his or her payments made by the Company in respect of any Phantom Units in accordance with Section 5.03 had such portion been taxed at long-term capital gains rates, plus (ii) the Participant's actual tax liability in respect of all payments made to the Participant under this definition, including payments under this clause (ii) (assuming for purposes of all calculations in this definition that the Participant is taxed at the highest marginal federal, state and local income tax rates and otherwise in accordance with applicable law).

"***Unit***" means a Class A Unit (as defined in the LLC Agreement), having such rights and obligations as are described in the LLC Agreement, or such other class or kind of units, shares or other securities resulting from the application of Section 4.03, or such other class or kind of units, shares or other securities resulting from the application of Section 4.03.

Section 2.02 *Gender and Number*. Except when otherwise indicated by the context, words in the masculine gender used in the Plan shall include the feminine gender, the singular shall include the plural and the plural shall include the singular.

Article III
Administration

The Committee shall be responsible for the administration of the Plan. The Committee shall have discretionary authority, subject to the provisions of the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan, to provide for conditions deemed necessary or advisable to protect the interests of the Company and its Affiliates, to interpret the Plan and to make all other determinations necessary or advisable for the administration and interpretation of the Plan and to carry out its provisions and purposes. Any determination, interpretation or other action made or taken (including, but not limited to, any failure to make any determination or interpretation, or failure to make or take any other action) by the Committee pursuant to the provisions of the Plan shall be final, binding and conclusive for all purposes and upon all persons, and shall be given deference in any proceeding with respect thereto. The Committee

may consult with legal counsel, who may be counsel to the Company, and shall not incur any liability for any action taken in reliance upon the advice of counsel. It is intended that the Phantom Units comply with the application of section 409A of the Code and shall be construed as such.

Article IV
Phantom Units Subject to Plan

Section 4.01 *Number*. Subject to Section 4.03, the number of Phantom Units granted under the Plan may not exceed 52,632 Phantom Units.

Section 4.02 *Cancelled, Terminated or Forfeited Phantom Units*. Any Phantom Units that for any reason expire or are cancelled, terminated, forfeited, substituted for, repurchased by the Company or otherwise settled without consideration shall again be available for award under the Plan.

Section 4.03 *Adjustments in Capitalization*. The number of Phantom Units available for grant under Section 4.01 shall be proportionately adjusted to reflect, as deemed equitable and appropriate by the Committee, each Adjustment Event. To the extent deemed equitable and appropriate by the Committee, and subject to any required action by Unit holders, in any reorganization, merger, consolidation, split-up, spin-off, combination, exchange of Units or other similar event, Phantom Units shall pertain to the securities or other property to which a holder of one Unit would have been entitled to receive in connection with such event.

Article V
Phantom Units

Section 5.01 *Power to Grant.* The Committee shall have the discretionary authority, subject to the terms of the Plan, to determine (i) the managers, officers or key employees of, or consultants to, the Company or any Subsidiary who shall become Participants and to whom Phantom Units shall be granted; (ii) the date or dates on which Phantom Units shall be granted; (iii) the number of Phantom Units granted to each Participant; (iv) the Base Amount of the Phantom Unit; (v) the conditions upon which the Phantom Units or any portion thereof shall become and remain vested, if any, including, without limitation, upon the performance of a minimum period of service or the satisfaction of performance goals; (vi) the treatment of the Phantom Units upon any termination of the Participant's services to the Company and the Subsidiaries, and upon any Change of Control; and (vii) the other terms and conditions of such Phantom Units.

Section 5.02 *Award Letter*. Each grant of Phantom Units shall be evidenced by an Award Letter, which shall specify the items described in clauses (ii) through (vii) of Section 5.01, and such other provisions not inconsistent with the Plan as the Committee shall determine.

Section 5.03 *Payment*. Subject to the continuous active engagement of a Participant by the Company or a Subsidiary through a Change of Control (except as provided in Section 5.06), upon such Change of Control, the Company shall pay to such Participant (i) an amount in respect

of each Phantom Unit then held by such Participant equal to the excess, if any, of the Per Unit Change of Control Price over the Base Amount of each such Phantom Unit, plus (ii) within 30 days following the Change of Control, the Tax Gross Up Payment (collectively, clause (i) plus clause (ii), the "***Aggregate Amount***"). Any payments made by the Company in respect of any Phantom Units in accordance with this Section 5.03 shall be paid to Participants in the same proportion of cash or securities or other property received by the Company or its Unit holders, as applicable, in connection with such Change of Control; *provided,* that, in the event any portion of the Per Unit Change of Control Price is paid to the Company or its Unit holders at a date later than the date that is 30 days following the Change of Control (e.g., any escrowed amounts or earnouts), a corresponding pro rata portion of the Aggregate Amount shall be paid to the applicable Participant within 30 days of receipt of such portion of the Per Unit Change of Control Price by the Company or its Unit holders, as applicable (provided that unless otherwise permitted by section 409A of the Code, no portion of the Aggregate Amount shall be payable after the fifth anniversary of the Change of Control). In the event any portion of the Per Unit Change of Control Price is subject to a purchase price adjustment, indemnification obligation or other contingency, the Aggregate Amount shall be treated in a substantially similar manner as payments to Unit holders in respect of Units. Prior to the occurrence of a Change of Control, no payments or distributions shall be made in respect of any Phantom Units except as may be provided by Section 5.06. For the avoidance of doubt, if profits interests no longer receive favorable tax treatment under the Code, then no Tax Gross Up Payment will be paid to any Participant.

Section 5.04 *Cancelation of Phantom Units.* Immediately following the final payment to a Participant under Section 5.03, the Phantom Unit pursuant to which such payment was made shall automatically be canceled without any further payment therefor.

Section 5.05 *Termination of Engagement.* Notwithstanding anything to the contrary in this Plan or any Award Letter, if a Participant's engagement is terminated by the Company for Cause, or by the Participant for any reason, or if a Participant breaches any restrictive covenant between the Company or its Affiliates and such Participant, all Phantom Units held by such Participant shall be immediately forfeited without payment therefor.

Section 5.06 Repurchase Right.

(a) *Generally.* In the event of the termination of a Participant's engagement with the Company for any reason, any vested Phantom Units held by the Participant will be subject to purchase by the Company pursuant to this Section 5.06 (the "***Purchase Right***").

(b) *Notice.* The Company may elect to purchase all or any portion of the vested Phantom Units by delivering written notice (the "Purchase Notice") to the Participant within 180 days after the termination of the Participant's active engagement with the Company. The Purchase Notice will set forth the number of vested Phantom Units to be acquired from the Participant, the aggregate consideration to be paid for such vested Phantom Units and the time and place for the closing of the transaction. The purchase price for the vested Phantom Units

shall be equal to their Fair Market Value as of the Participant's termination as determined in the reasonable judgment of the Member; *provided*, that upon the termination of the Participant's active engagement with the Company or any if its Affiliates for Cause or Good Reason, the purchase price for such vested Phantom Units shall be equal to the lower of cost and Fair Market Value (the "***Purchase Price***"). The number of vested Phantom Units to be purchased by the Company shall first be satisfied to the extent possible from the vested Phantom Units held by the Participant at the time of delivery of the Purchase Notice.

(c) *Closing*. The closing of the purchase of vested Phantom Units pursuant to the Purchase Right shall take place on the date designated by the Company in the Purchase Notice, which date shall not be more than 30 days nor less than five days after the delivery of the Purchase Notice. The Company shall pay for the vested Phantom Units to be purchased by it pursuant to the Purchase Right by (x) cash payable by delivery of a check; (y) by a wire transfer of funds or (z) by a promissory note that is payable in three equal annual installments (which accelerates upon a Change of Control) and accrues interest at the then applicable short-term applicable federal rate (compounded annually), in each case, in the amount of the aggregate Purchase Price of the vested Phantom Units being purchased by the Company. The purchasers of vested Phantom Units hereunder will be entitled to receive customary representations and warranties from the sellers regarding such sale.

(d) *Attorney-In-Fact*. Upon the delivery of the cash payment described herein by the Company (or its designee), the Participant shall take all actions necessary, and execute all related documents specified by the Company as being reasonably necessary to consummate the sale of the vested Phantom Units to the Company (or its designee), and the Participant shall appoint the Company's Secretary as the Participant's true and lawful attorney-in-fact to exercise and deliver all such instruments, documents and writings, and to take all such actions as shall be required to consummate the sale of the vested Phantom Units to the Company (or its designee) as contemplated in this Section 5.06. Such power is a special Power of Attorney coupled with an interest, is irrevocable, and shall run with the vested Phantom Units to any subsequent owners thereof.

(e) *Other Matters*. All repurchases of vested Phantom Units pursuant to this Section 5.06 shall be subject to all applicable restrictions under law and the Company's and its Subsidiaries' financing agreements. If any such restrictions prohibit the closing described in Section 5.06(c) above, the Company shall promptly give written notice to the Participant of such restriction. The Company's rights under this Section 5.06 shall be preserved and time periods governing such rights or obligations shall be tolled for the duration of such restriction, and the Company may make such purchases as soon as (and to the extent that) it is permitted to do so by law and such financing agreements; *provided*, that when payment eventually takes place as contemplated by this Section 5.06(e), the Purchase Price shall be the Fair Market Value of the vested Phantom Units as of the date the Company consummates such purchases.

Section 5.07 *Limitation on Benefits*. Notwithstanding anything to the contrary contained in the Plan, to the extent that any of the payments and benefits provided under the Plan or any other agreement, or arrangement between the Company and its Subsidiaries and a

Participant (collectively, the "***Payments***") would constitute a "parachute payment" within the meaning of section 280G of the Code, the amount of such Payments shall be reduced to the amount that would result in no portion of the Payments being subject to the excise tax imposed pursuant to section 4999 of the Code. If any Payments that would be reduced or eliminated, as the case may be, pursuant to the immediately preceding sentence, but would not be reduced if the stockholder approval requirements of section 280G(b)(5) of the Code are satisfied, the Company shall use its reasonable best efforts to cause such payments to be submitted for such approval prior to the transaction giving rise to such payments.

Article VI
Effective Date, Amendment and Termination

The Plan shall be effective upon adoption by the Board of Managers of the Company, or such later date as the Member shall specify, and shall automatically expire on the tenth anniversary thereof (except as to outstanding Phantom Units), unless sooner terminated pursuant to this Article VI. The Member may at any time terminate or suspend the Plan, and from time to time may amend or modify the Plan and, except as expressly set forth in an Award Letter, any Phantom Units and Award Letter. Unit holder approval of any such termination, suspension, amendment or modification shall be obtained to the extent mandated by applicable law, or if otherwise deemed appropriate by the Member.

Article VII
General Provisions

Section 7.01 *Beneficiary Designation*. Each Participant may from time to time name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under the Plan is to be paid or by whom any right under the Plan is to be exercised in case of his death. Each designation will revoke all prior designations by the same Participant, shall be in a form prescribed by the Committee and will be effective only when filed by the Participant in writing with the Committee during the Participant's lifetime. In the absence of any such designation, benefits outstanding that remain unpaid at the Participant's death shall be paid to the Participant's surviving spouse, if any, or otherwise to his estate.

Section 7.02 *Nontransferability of Phantom Units*. No Phantom Unit may be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution.

Section 7.03 *Tax Withholding*. All payments and benefits provided under the Plan and any Award Letter shall be subject to any and all applicable taxes, as required by applicable Federal, state, local and foreign law and regulations.

Section 7.04 *Requirements of Law*. Phantom Units shall be subject to all applicable laws, rules and regulations, and to such approvals as may be appropriate or required, as determined by the Committee. Notwithstanding any other provision of the Plan, no Phantom Units shall be granted, and no payments in respect of any Phantom Unit shall be made, if such grant or payment would result in a violation of applicable law. Neither the Company nor

any of its Affiliates nor any of their respective managers, directors or officers shall have any obligation or liability to a Participant with respect to any Phantom Units for any failure to comply with the requirements of any applicable law, rules or regulations, including, but not limited to, any failure to comply with the requirements of section 409A of the Code.

Section 7.05 *No Guarantee of Service or Participation.* Nothing in the Plan shall interfere with or limit in any way the right of the Company or any Affiliate thereof to terminate any Participant's services at any time and for any reason, nor confer upon any Participant any right to continue in the service of the Company or any Affiliate thereof. In addition, if any Participant's services to the Company or any of its Affiliates shall be terminated for any reason, such Participant shall not be eligible for any compensation or remuneration with respect to such termination (except as otherwise expressly provided in this Plan or any applicable Award Letter) to compensate such Participant for the loss of any rights under the Plan. No member, officer or key employee of, or consultant to, the Company or any Subsidiary shall have a right to be selected as a Participant or, having been so selected, to receive any Phantom Units. The Committee may establish different terms and conditions for different Participants receiving Phantom Units and for the same Participant for each grant of Phantom Units such Participant may receive, whether or not granted at different times. The grant of any Phantom Units to any member, officer or key employee of, or consultant to, the Company or any Subsidiary shall neither entitle such Person to, nor disqualify that Person from, the grant of any other Phantom Units. The Committee's selection of a member, officer or key employee of, or consultant to, the Company or any Subsidiary as a Participant shall neither entitle such Person to, nor disqualify such Person from, participation in any other incentive plan of the Company or any of its Affiliates.

Section 7.06 *No Limitation on Compensation*. Nothing in the Plan shall be construed to limit the right of the Company or any of its Affiliates to establish other plans or to pay compensation to its employees in cash or property.

Section 7.07 *No Right to Particular Assets*. Nothing contained in the Plan and no action taken pursuant to the Plan shall create or be construed to create a trust of any kind or any fiduciary relationship between the Company and any Affiliate thereof, on the one hand, and any Participant or executor, administrator or other personal representative or designated beneficiary of such Participant, on the other hand, or any other Persons. Any reserves that may be established by the Company or any Affiliate thereof in connection with the Plan shall continue to be held as part of the general funds of the Company or such Affiliate, and no individual or entity other than the Company or such Affiliate shall have any interest in such funds until paid to a Participant. To the extent that any Participant or his executor, administrator or other personal representative, as the case may be, acquires a right to receive any payment from the Company or any Affiliate thereof pursuant to the Plan, such right shall be no greater than the right of an unsecured general creditor of the Company or such Affiliate.

Section 7.08 *No Impact on Benefits.* Phantom Units shall not be treated as compensation for purposes of calculating a Participant's rights under any employee benefit plan.

Section 7.09 *No Rights as a Unit Holder*. No Participant shall have any rights as a Unit holder of the Company (including, but not limited to, voting rights or the right to receive distributions) with respect to any Phantom Units.

Section 7.10 *Freedom of Action*. Subject to Article VI, nothing in the Plan or any Award Letter shall be construed as limiting or preventing the Company or any of its Affiliates from taking any action with respect to the operation or conduct of its business that it deems appropriate or in its best interest, and no Participant, beneficiary or other person shall have any claim against the Company as a result of any such action.

Section 7.11 *Governing Law*. The Plan and the Phantom Units shall be governed in all respects, including as to validity, interpretation and effect, by the internal laws of the State of Delaware, without giving effect to the choice of law principles thereof.

Section 7.12 *Severability*. In the event that any one or more of the provisions of the Plan or any Award Letter shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or therein shall not be affected thereby.

Section 7.13 *Exculpation*. Neither the Member nor any member of the Committee nor any other officer or employee of the Company or any Subsidiary acting on behalf of the Company or any Subsidiary with respect to the Plan shall be directly or indirectly responsible or otherwise liable by reason of any action or default as a Member, member of the Committee, or other officer or employee of the Company or any Subsidiary acting on behalf of the Company or any Subsidiary with respect to this Plan, or by reason of the exercise of or failure to exercise any power or discretion as such person, except for any action, default, exercise or failure to exercise resulting from such person's gross negligence, breach of fiduciary duty or willful misconduct. Neither the Member nor any member of the Committee shall be liable in any way for the acts or defaults of the Member or any other member of the Committee, as the case may be, or any of their respective advisors, agents or representatives.

Section 7.14 *Indemnification*. The Member and each individual who is or shall have been a member of the Committee shall be indemnified and held harmless by the Company to the fullest extent permitted by the LLC Agreement against and from any loss, cost liability or expense (including any related attorney's fees and advances thereof) that may be imposed upon or reasonably incurred by it or him in connection with, based upon or arising or resulting from any claim, action, suit or proceeding to which it or he may be made a party or in which it or he may be involved by reason of any action taken or failure to act under or in connection with the Plan or any Award Letter and against and from any and all amounts paid by him in settlement thereof, with the Company's approval, or paid by it or him in satisfaction of any judgment in any such action, suit or proceeding against it or him; *provided*, that the Member or such individual shall give the Company an opportunity, at its own expense, to handle and defend the same before it or he undertakes to handle and defend it on it's or his own behalf. The foregoing right of indemnification shall not be exclusive and shall be independent of any other rights of indemnification to which the Member or such individuals may be entitled under the Company's

certificate of formation, by contract, as a matter of law or otherwise.

Section 7.15 *Notices*. Each Participant shall be responsible for furnishing the Company with the current and proper address for the mailing of notices and delivery of agreements, if applicable. Any notices required or permitted to be given shall be deemed given if directed to the addressee at such address and mailed by regular United States mail, first-class and prepaid or by overnight courier. If any item mailed to such address is returned as undeliverable to the addressee, mailing will be suspended until the intended recipient furnishes the proper address (but such suspension shall not toll any specified time periods).

Section 7.16 *Incapacity*. Any benefit payable to or for the benefit of a minor, an incompetent person or other person incapable of receiving such benefit shall be deemed paid when paid to such person's guardian or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge the Member, the Committee, the Company and its Affiliates, and the other parties with respect thereto.

Section 7.17 *Rights Cumulative; Waiver*. The rights and remedies of Participants and the Company under this Plan shall be cumulative and not exclusive of any rights or remedies which either would otherwise have hereunder or at law or in equity or by statute, and no failure or delay by either party in exercising any right or remedy shall impair any such right or remedy or operate as a waiver of such right or remedy, nor shall any single or partial exercise of any power or right preclude such party's other or further exercise or the exercise of any other power or right. The waiver by any Participant or by the Member, the Committee or the Company of any provision of the Plan shall not operate or be construed as a waiver of any preceding or succeeding breach, and no failure by any such party to exercise any right or privilege hereunder shall be deemed a waiver of such party's rights or privileges hereunder or shall be deemed a waiver of such party's rights to exercise the same any subsequent time or times hereunder

Section 7.18 *Headings and Captions*. The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan and shall not be employed in the construction of the Plan.

Exhibit 10.16

Cyclebar Holdco, LLC

First Amended and Restated
Phantom Equity Plan

Article I
Purposes

The purposes of the Plan are to foster and promote the long-term financial success of the Company and the Subsidiaries and materially increase member value by (a) motivating superior performance by Participants by means of performance-related incentives and (b) enabling the Company and the Subsidiaries to attract and retain the services of an outstanding management team upon whose judgment, interest and special effort the successful conduct of its operations is largely dependent. This Plan amends and restates that certain Phantom Equity Plan of Cyclebar Holdco, LLC adopted on or about February 27, 2018 (the "Prior Plan") in its entirety. To the extent there are any inconsistences or conflicts between the Plan and the Prior Plan, the Plan will govern and control.

Article II
Definitions, Etc.

Section 2.01 *Certain Definitions*. Whenever used herein, the following terms shall have the respective meanings set forth below.

"***Adjustment Event***" means any dividend or other distribution (whether in the form of cash, additional interests, other securities, or other property, and excluding any tax distributions made under the LLC Agreement), any capital contributions, any recapitalization, reclassification, reorganization, change to corporate form, merger, consolidation, split-up, spinoff, combination, repurchase, liquidation, dissolution, sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company or exchange of shares or other securities of the Company, issuance of warrants or other rights to purchase shares or other securities of the Company, or other similar transaction or event.

"***Affiliate***" means, when used with reference to a specified Person, (a) any Person that directly or indirectly, through one or more intermediaries, controls (alone or through an affiliated group), is controlled by, or is under common control with, such specified Person, including any investment vehicle under common management of such Person, (b) any Person that is an officer, director, manager, member, partner, or trustee of, or serves in a similar capacity with respect to, such specified Person (or an Affiliate of such Person) or of which such specified Person is an officer, director, member, manager, partner or trustee, or with respect to which such Person serves in a similar capacity or (c) any Person who is a spouse or descendant (whether natural or adopted) of such specified Person.

"***Award Letter***" means the letter evidencing a grant of Phantom Units to a Participant, substantially in the form attached hereto as Annex A, or such other form as the Committee shall approve.

"***Base Amount***" means an amount per Phantom Unit determined by the Committee on each grant date of Phantom Units, which shall not be less than the Fair Market Value per Unit on such date.

"***Cause***" means, with respect to any Participant, if the Participant has an employment agreement with the Company or an Affiliate thereof, the meaning assigned to such term in such employment agreement; provided, that if the Participant does not have an employment agreement or such term is not defined in such employment agreement, the term "***Cause***" means the following events or conditions, as determined by the Member in its reasonable judgment: (a) any failure by the Participant to substantially perform the Participant's duties to the Company or any of its Affiliates (other than any such breach or failure due to the Participant's physical or mental illness) and the continuance of such failure for more than 30 days following the Participant's receipt of written notice from the Company, which notice shall set forth in reasonable detail the facts or circumstances constituting such failure; (b) any failure by the Participant to cooperate, if reasonably requested by the Company, with any investigation or inquiry into the Participant's or the Company's business practices, whether internal or external, including, but not limited to, the Participant's refusal to be deposed or to provide testimony at any trial or inquiry and the continuance of such failure for more than 30 days following the Participant's receipt of written notice from the Company, which notice shall set forth in reasonable detail the facts or circumstances constituting such failure; (c) the Participant's engaging in fraud, willful misconduct, or dishonesty that has caused or is reasonably expected to result in material injury to the Company; (d) any material breach by the Participant of any fiduciary duty owed to the Company; (e) the Participant's conviction of, or entering a plea of guilty or nolo contendere to, a crime that constitutes a felony (other than a DUI or similar felony); or (f) any material breach by the Participant of any of the Participant's obligations hereunder or under any other written agreement or covenant with the Company or any of its Affiliates and the continuance of such failure for more than 30 days following the Participant's receipt of written notice from the Company, which notice shall set forth in reasonable detail the facts or circumstances constituting such failure. A termination for Cause shall include a reasonable determination by the Company within 60 days following the termination of the Participant's services to the Company that circumstances existed during the Participant's employment that would have justified a termination by the Company for fraud.

"***Change of Control***" means:

(a) a sale or transfer of all or substantially all of the assets of any entity within the Company Group in any transaction or series of related transactions to an Independent Third Party;

(b) any merger, consolidation or reorganization to which any entity within the Company Group and an Independent Third Party are parties, except for a merger, consolidation or reorganization in which, after giving effect to such merger, consolidation or reorganization, the holders of such entity within the Company Group's outstanding Equity Securities (on a fully-diluted basis) immediately prior to the merger, consolidation or reorganization will own directly or indirectly, immediately following the merger, consolidation or reorganization, Equity Securities holding a majority of the voting power of such entity within

the Company Group; or

(c) any sale, transfer or issuance or series of sales, transfers and/or issuances of the Equity Securities of any entity within the Company Group, which results in any Independent Third Party owning more than fifty percent (50%) of the Equity Securities of such entity within the Company Group.

"***Code***" means the Internal Revenue Code of 1986, as amended from time to time.

"***Committee***" means the Compensation Committee of the Company (or such other committee of the Company as the Member shall designate) or, if there shall not be any such committee then serving, the Member.

"***Company***" means Cyclebar Holdco, LLC, a Delaware limited liability company, and any successor thereto.

"***Company Group***" means (x) the Company, (y) its Subsidiaries and (z) the chain of Subsidiary entities owned, directly and indirectly, by H&W INVESTCO LP that ends with the direct parent of the Company.

"***Convertible Securities***" means securities convertible into or exchangeable for Units.

"***Equity Securities***" means equity securities of the Company Group, whether now or hereafter issued, and any Convertible Securities.

"***Fair Market Value***" means, as of any date, with respect to the Units, the per Unit fair market value on such date as determined by the Committee. The determination of Fair Market Value shall not give effect to any control premiums or discounts, restrictions on the Units or that such Units would represent a minority interest in the Company. Notwithstanding anything to the contrary contained in this Plan or any applicable Award Letter, as of any date, Fair Market Value shall not be less than the fair market value of one Unit, as determined under section 409A of the Code.

"***Fully-Diluted Basis***" means, as of any determination date, the sum of (i) the number of Units of the Company that would be outstanding as of such date if, immediately prior to such date, all warrants, Convertible Securities or other similar rights then outstanding that are exercisable or convertible at such time were exercised for or converted into Units of the Company, but only to the extent that such warrants and securities are "in the money" and (ii) the aggregate number of outstanding Phantom Units.

"***Good Reason***" means, with respect to any Participant, if the Participant has an employment agreement with the Company or an Affiliate thereof, the meaning assigned to such term in such employment agreement; *provided*, that if the Participant does not have an employment agreement or such term is not defined in such employment agreement, the term "Good Reason" means the termination by a Participant of the Participant's engagement with the Company if (a) any of the following events occur without the Participant's express prior written consent; (b) within 60 days after the Participant learns of the occurrence of such event, the Participant gives written notice to the Company describing such event and demanding cure; (c)

such event is not fully cured within 30 days after such notice is given; and (d) the Participant actually terminates his or her engagement with the Company within 30 days of the Company's failure to so cure: (i) a material diminution in the Participant's base salary or (ii) the assignment to the Participant of duties that are significantly different from, and that result in a substantial diminution of, the Participant's duties or authority.

"***Independent Third Party***" means any Person who immediately prior to the contemplated transaction does not, directly or indirectly, own in excess of five percent (5%) of the issued and outstanding Units and is not an Affiliate of any such owner.

"***LLC Agreement***" means the Third Amended and Restated Limited Liability Operating Agreement of the Company, dated as of February 27, 2018, as amended from time to time.

"***Member***" means Xponential Fitness LLC, a Delaware limited liability company.

"***Participant***" means any manager, officer or key employee of, or consultant to, the Company or any Subsidiary who is designated by the Committee to receive a grant of Phantom Units under the Plan and who executes an Award Letter pursuant to the provisions of Section 5.02.

"***Phantom Unit***" means, with respect to Units of the Company, the right to receive a payment from the Company under Section 5.03.

"***Per Unit Change of Control Price***" means, as determined by the Committee in its sole discretion as of the date of a Change of Control, the net aggregate proceeds payable or to be payable in respect of one Unit in connection with the transaction (or series of transactions) resulting in such Change of Control (as determined by the Committee if any part of such proceeds are payable other than in cash), including, without limitation, any and all escrowed amounts and earnouts, determined on a Fully-Diluted Basis and before giving effect to the payment of any amounts in respect of Phantom Units.

"***Person***" means any individual, sole proprietorship, general partnership, limited partnership, corporation, business trust, trust, joint venture, limited liability company, association, joint stock company, bank, unincorporated organization or any other form of entity.

"***Plan***" means this First Amended and Restated Cyclebar Holdco, LLC Phantom Equity Plan, as amended from time to time.

"***Subsidiary***" means, with respect to any Person, any corporation, limited liability company, partnership, association or other business entity of which (a) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (b) if a limited liability company, partnership, association or other business entity, a majority of the partnership or other similar ownership interests there of entitled to control the board of managers, general partner or similar governing body of such entity is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof,

a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control any manager, managing director or general partner of such limited liability company, partnership, association or other business entity.

"***Unit***" means a Unit (as defined in the LLC Agreement), having such rights and obligations as are described in the LLC Agreement, or such other class or kind of units, shares or other securities resulting from the application of Section 4.03, or such other class or kind of units, shares or other securities resulting from the application of Section 4.03.

Section 2.02 *Gender and Number*. Except when otherwise indicated by the context, words in the masculine gender used in the Plan shall include the feminine gender, the singular shall include the plural and the plural shall include the singular.

Article III
Administration

The Committee shall be responsible for the administration of the Plan. The Committee shall have discretionary authority, subject to the provisions of the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan, to provide for conditions deemed necessary or advisable to protect the interests of the Company and its Affiliates, to interpret the Plan and to make all other determinations necessary or advisable for the administration and interpretation of the Plan and to carry out its provisions and purposes. Any determination, interpretation or other action made or taken (including, but not limited to, any failure to make any determination or interpretation, or failure to make or take any other action) by the Committee pursuant to the provisions of the Plan shall be final, binding and conclusive for all purposes and upon all persons, and shall be given deference in any proceeding with respect thereto. The Committee may consult with legal counsel, who may be counsel to the Company, and shall not incur any liability for any action taken in reliance upon the advice of counsel. It is intended that the Phantom Units comply with the application of section 409A of the Code and shall be construed as such.

Article IV
Phantom Units Subject to Plan

Section 4.01 *Number*. Subject to Section 4.03, the number of Phantom Units granted under the Plan may not exceed 1,000 Phantom Units.

Section 4.02 *Cancelled, Terminated or Forfeited Phantom Units*. Any Phantom Units that for any reason expire or are cancelled, terminated, forfeited, substituted for, repurchased by the Company or otherwise settled without consideration shall again be available for award under the Plan.

Section 4.03 *Adjustments in Capitalization*. The number of Phantom Units available for grant under Section 4.01 shall be proportionately adjusted to reflect, as deemed equitable and appropriate by the Committee, each Adjustment Event. To the extent deemed equitable and appropriate by the Committee, and subject to any required action by Unit holders, in any

reorganization, merger, consolidation, split-up, spin-off, combination, exchange of Units or other similar event, Phantom Units shall pertain to the securities or other property to which a holder of one Unit would have been entitled to receive in connection with such event.

Article V
Phantom Units

Section 5.01 *Power to Grant.* The Committee shall have the discretionary authority, subject to the terms of the Plan, to determine (i) the managers, officers or key employees of, or consultants to, the Company or any Subsidiary who shall become Participants and to whom Phantom Units shall be granted; (ii) the date or dates on which Phantom Units shall be granted; (iii) the number of Phantom Units granted to each Participant; (iv) the Base Amount of the Phantom Unit; (v) the conditions upon which the Phantom Units or any portion thereof shall become and remain vested, if any, including, without limitation, upon the performance of a minimum period of service or the satisfaction of performance goals; (vi) the treatment of the Phantom Units upon any termination of the Participant's services to the Company and the Subsidiaries, and upon any Change of Control; and (vii) the other terms and conditions of such Phantom Units.

Section 5.02 *Award Letter*. Each grant of Phantom Units shall be evidenced by an Award Letter, which shall specify the items described in clauses (ii) through (vii) of Section 5.01, and such other provisions not inconsistent with the Plan as the Committee shall determine.

Section 5.03 *Payment*. Subject to the continuous active engagement of a Participant by the Company or a Subsidiary through a Change of Control (except as provided in Section 5.06), upon such Change of Control, the Company shall pay to such Participant an amount in respect of each Phantom Unit then held by such Participant equal to the excess, if any, of the Per Unit Change of Control Price over the Base Amount of each such Phantom Unit. Any payments made by the Company in respect of any Phantom Units in accordance with this Section 5.03 shall be paid to Participants in the same proportion of cash or securities or other property received by the Company or its Unit holders, as applicable, in connection with such Change of Control; *provided*, that, in the event any portion of the Per Unit Change of Control Price is paid to the Company or its Unit holders at a date later than the date that is 30 days following the Change of Control (e.g., any escrowed amounts or earnouts), a corresponding pro rata portion of the payments made by the Company in respect of any Phantom Units shall be paid to the applicable Participant within 30 days of receipt of such portion of the Per Unit Change of Control Price by the Company or its Unit holders, as applicable (provided that unless otherwise permitted by section 409A of the Code, no portion of the payments made by the Company in respect of any Phantom Units shall be payable after the fifth anniversary of the Change of Control). In the event any portion of the Per Unit Change of Control Price is subject to a purchase price adjustment, indemnification obligation or other contingency, the payments made by the Company in respect of any Phantom Units shall be treated in a substantially similar manner as payments to Unit holders in respect of Units. Prior to the occurrence of a Change of Control, no payments or distributions shall be made in respect of any Phantom Units except as may be provided by Section 5.06.

Section 5.04 *Cancelation of Phantom Units*. Immediately following the final payment

to a Participant under Section 5.03, the Phantom Unit pursuant to which such payment was made shall automatically be canceled without any further payment therefor.

Section 5.05 *Termination of Engagement*. Notwithstanding anything to the contrary in this Plan or any Award Letter, if a Participant's engagement is terminated by the Company for Cause, or by the Participant for any reason, or if a Participant breaches any restrictive covenant between the Company or its Affiliates and such Participant, all Phantom Units held by such Participant shall be immediately forfeited without payment therefor.

Section 5.06 Repurchase Right.

(a) *Generally*. In the event of the termination of a Participant's engagement with the Company for any reason, any vested Phantom Units held by the Participant will be subject to purchase by the Company pursuant to this Section 5.06 (the "***Purchase Right***").

(b) *Notice*. The Company may elect to purchase all or any portion of the vested Phantom Units by delivering written notice (the "Purchase Notice") to the Participant within 180 days after the termination of the Participant's active engagement with the Company. The Purchase Notice will set forth the number of vested Phantom Units to be acquired from the Participant, the aggregate consideration to be paid for such vested Phantom Units and the time and place for the closing of the transaction. The purchase price for the vested Phantom Units shall be equal to their Fair Market Value as of the Participant's termination as determined in the reasonable judgment of the Member; *provided*, that upon the termination of the Participant's active engagement with the Company or any if its Affiliates for Cause or Good Reason, the purchase price for such vested Phantom Units shall be equal to the lower of cost and Fair Market Value (the "***Purchase Price***"). The number of vested Phantom Units to be purchased by the Company shall first be satisfied to the extent possible from the vested Phantom Units held by the Participant at the time of delivery of the Purchase Notice.

(c) *Closing*. The closing of the purchase of vested Phantom Units pursuant to the Purchase Right shall take place on the date designated by the Company in the Purchase Notice, which date shall not be more than 30 days nor less than five days after the delivery of the Purchase Notice. The Company shall pay for the vested Phantom Units to be purchased by it pursuant to the Purchase Right by (x) cash payable by delivery of a check; (y) by a wire transfer of funds or (z) by a promissory note that is payable in three equal annual installments (which accelerates upon a Change of Control) and accrues interest at the then applicable short-term applicable federal rate (compounded annually), in each case, in the amount of the aggregate Purchase Price of the vested Phantom Units being purchased by the Company. The purchasers of vested Phantom Units hereunder will be entitled to receive customary representations and warranties from the sellers regarding such sale.

(d) *Attorney-In-Fact*. Upon the delivery of the cash payment described herein by the Company (or its designee), the Participant shall take all actions necessary, and execute all related documents specified by the Company as being reasonably necessary to consummate the sale of the vested Phantom Units to the Company (or its designee), and the Participant shall appoint the Company's Secretary as the Participant's true and lawful attorney-

in-fact to exercise and deliver all such instruments, documents and writings, and to take all such actions as shall be required to consummate the sale of the vested Phantom Units to the Company (or its designee) as contemplated in this Section 5.06. Such power is a special Power of Attorney coupled with an interest, is irrevocable, and shall run with the vested Phantom Units to any subsequent owners thereof.

(e) *Other Matters*. All repurchases of vested Phantom Units pursuant to this Section 5.06 shall be subject to all applicable restrictions under law and the Company's and its Subsidiaries' financing agreements. If any such restrictions prohibit the closing described in Section 5.06(c) above, the Company shall promptly give written notice to the Participant of such restriction. The Company's rights under this Section 5.06 shall be preserved and time periods governing such rights or obligations shall be tolled for the duration of such restriction, and the Company may make such purchases as soon as (and to the extent that) it is permitted to do so by law and such financing agreements; *provided*, that when payment eventually takes place as contemplated by this Section 5.06(e), the Purchase Price shall be the Fair Market Value of the vested Phantom Units as of the date the Company consummates such purchases.

Section 5.07 *Limitation on Benefits*. Notwithstanding anything to the contrary contained in the Plan, to the extent that any of the payments and benefits provided under the Plan or any other agreement, or arrangement between the Company and its Subsidiaries and a Participant (collectively, the "***Payments***") would constitute a "parachute payment" within the meaning of section 280G of the Code, the amount of such Payments shall be reduced to the amount that would result in no portion of the Payments being subject to the excise tax imposed pursuant to section 4999 of the Code. If any Payments that would be reduced or eliminated, as the case may be, pursuant to the immediately preceding sentence, but would not be reduced if the stockholder approval requirements of section 280G(b)(5) of the Code are satisfied, the Company shall use its reasonable best efforts to cause such payments to be submitted for such approval prior to the transaction giving rise to such payments.

Article VI
Effective Date, Amendment and Termination

The Plan shall be effective upon adoption by the Board of Managers of the Company, or such later date as the Member shall specify, and shall automatically expire on the tenth anniversary thereof (except as to outstanding Phantom Units), unless sooner terminated pursuant to this Article VI. The Member may at any time terminate or suspend the Plan, and from time to time may amend or modify the Plan and, except as expressly set forth in an Award Letter, any Phantom Units and Award Letter. Unit holder approval of any such termination, suspension, amendment or modification shall be obtained to the extent mandated by applicable law, or if otherwise deemed appropriate by the Member.

Article VII
General Provisions

Section 7.01 *Beneficiary Designation*. Each Participant may from time to time name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under the Plan is to be paid or by whom any right under the Plan is to be exercised in case of his death. Each designation will revoke all prior designations by the same Participant,

shall be in a form prescribed by the Committee and will be effective only when filed by the Participant in writing with the Committee during the Participant's lifetime. In the absence of any such designation, benefits outstanding that remain unpaid at the Participant's death shall be paid to the Participant's surviving spouse, if any, or otherwise to his estate.

Section 7.02 *Nontransferability of Phantom Units*. No Phantom Unit may be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution.

Section 7.03 *Tax Withholding*. All payments and benefits provided under the Plan and any Award Letter shall be subject to any and all applicable taxes, as required by applicable Federal, state, local and foreign law and regulations.

Section 7.04 *Requirements of Law*. Phantom Units shall be subject to all applicable laws, rules and regulations, and to such approvals as may be appropriate or required, as determined by the Committee. Notwithstanding any other provision of the Plan, no Phantom Units shall be granted, and no payments in respect of any Phantom Unit shall be made, if such grant or payment would result in a violation of applicable law. Neither the Company nor any of its Affiliates nor any of their respective managers, directors or officers shall have any obligation or liability to a Participant with respect to any Phantom Units for any failure to comply with the requirements of any applicable law, rules or regulations, including, but not limited to, any failure to comply with the requirements of section 409A of the Code.

Section 7.05 *No Guarantee of Service or Participation.* Nothing in the Plan shall interfere with or limit in any way the right of the Company or any Affiliate thereof to terminate any Participant's services at any time and for any reason, nor confer upon any Participant any right to continue in the service of the Company or any Affiliate thereof. In addition, if any Participant's services to the Company or any of its Affiliates shall be terminated for any reason, such Participant shall not be eligible for any compensation or remuneration with respect to such termination (except as otherwise expressly provided in this Plan or any applicable Award Letter) to compensate such Participant for the loss of any rights under the Plan. No member, officer or key employee of, or consultant to, the Company or any Subsidiary shall have a right to be selected as a Participant or, having been so selected, to receive any Phantom Units. The Committee may establish different terms and conditions for different Participants receiving Phantom Units and for the same Participant for each grant of Phantom Units such Participant may receive, whether or not granted at different times. The grant of any Phantom Units to any member, officer or key employee of, or consultant to, the Company or any Subsidiary shall neither entitle such Person to, nor disqualify that Person from, the grant of any other Phantom Units. The Committee's selection of a member, officer or key employee of, or consultant to, the Company or any Subsidiary as a Participant shall neither entitle such Person to, nor disqualify such Person from, participation in any other incentive plan of the Company or any of its Affiliates.

Section 7.06 *No Limitation on Compensation*. Nothing in the Plan shall be construed to limit the right of the Company or any of its Affiliates to establish other plans or to pay compensation to its employees in cash or property.

Section 7.07 *No Right to Particular Assets*. Nothing contained in the Plan and no action taken pursuant to the Plan shall create or be construed to create a trust of any kind or any fiduciary relationship between the Company and any Affiliate thereof, on the one hand, and any Participant or executor, administrator or other personal representative or designated beneficiary of such Participant, on the other hand, or any other Persons. Any reserves that may be established by the Company or any Affiliate thereof in connection with the Plan shall continue to be held as part of the general funds of the Company or such Affiliate, and no individual or entity other than the Company or such Affiliate shall have any interest in such funds until paid to a Participant. To the extent that any Participant or his executor, administrator or other personal representative, as the case may be, acquires a right to receive any payment from the Company or any Affiliate thereof pursuant to the Plan, such right shall be no greater than the right of an unsecured general creditor of the Company or such Affiliate.

Section 7.08 *No Impact on Benefits*. Phantom Units shall not be treated as compensation for purposes of calculating a Participant's rights under any employee benefit plan.

Section 7.09 *No Rights as a Unit Holder*. No Participant shall have any rights as a Unit holder of the Company (including, but not limited to, voting rights or the right to receive distributions) with respect to any Phantom Units.

Section 7.10 *Freedom of Action*. Subject to Article VI, nothing in the Plan or any Award Letter shall be construed as limiting or preventing the Company or any of its Affiliates from taking any action with respect to the operation or conduct of its business that it deems appropriate or in its best interest, and no Participant, beneficiary or other person shall have any claim against the Company as a result of any such action.

Section 7.11 *Governing Law*. The Plan and the Phantom Units shall be governed in all respects, including as to validity, interpretation and effect, by the internal laws of the State of Delaware, without giving effect to the choice of law principles thereof.

Section 7.12 *Severability*. In the event that any one or more of the provisions of the Plan or any Award Letter shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or therein shall not be affected thereby.

Section 7.13 *Exculpation*. Neither the Member nor any member of the Committee nor any other officer or employee of the Company or any Subsidiary acting on behalf of the Company or any Subsidiary with respect to the Plan shall be directly or indirectly responsible or otherwise liable by reason of any action or default as a Member, member of the Committee, or other officer or employee of the Company or any Subsidiary acting on behalf of the Company or any Subsidiary with respect to this Plan, or by reason of the exercise of or failure to exercise any power or discretion as such person, except for any action, default, exercise or failure to exercise resulting from such person's gross negligence, breach of fiduciary duty or willful misconduct. Neither the Member nor any member of the Committee shall be liable in any way for the acts or defaults of the Member or any other member of the Committee, as the case may be, or any of their respective advisors, agents or representatives.

Section 7.14 *Indemnification*. The Member and each individual who is or shall have been a member of the Committee shall be indemnified and held harmless by the Company to the fullest extent permitted by the LLC Agreement against and from any loss, cost liability or expense (including any related attorney's fees and advances thereof) that may be imposed upon or reasonably incurred by it or him in connection with, based upon or arising or resulting from any claim, action, suit or proceeding to which it or he may be made a party or in which it or he may be involved by reason of any action taken or failure to act under or in connection with the Plan or any Award Letter and against and from any and all amounts paid by him in settlement thereof, with the Company's approval, or paid by it or him in satisfaction of any judgment in any such action, suit or proceeding against it or him; ***provided***, that the Member or such individual shall give the Company an opportunity, at its own expense, to handle and defend the same before it or he undertakes to handle and defend it on it's or his own behalf. The foregoing right of indemnification shall not be exclusive and shall be independent of any other rights of indemnification to which the Member or such individuals may be entitled under the Company's certificate of formation, by contract, as a matter of law or otherwise.

Section 7.15 *Notices*. Each Participant shall be responsible for furnishing the Company with the current and proper address for the mailing of notices and delivery of agreements, if applicable. Any notices required or permitted to be given shall be deemed given if directed to the addressee at such address and mailed by regular United States mail, first-class and prepaid or by overnight courier. If any item mailed to such address is returned as undeliverable to the addressee, mailing will be suspended until the intended recipient furnishes the proper address (but such suspension shall not toll any specified time periods).

Section 7.16 *Incapacity*. Any benefit payable to or for the benefit of a minor, an incompetent person or other person incapable of receiving such benefit shall be deemed paid when paid to such person's guardian or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge the Member, the Committee, the Company and its Affiliates, and the other parties with respect thereto.

Section 7.17 *Rights Cumulative; Waiver*. The rights and remedies of Participants and the Company under this Plan shall be cumulative and not exclusive of any rights or remedies which either would otherwise have hereunder or at law or in equity or by statute, and no failure or delay by either party in exercising any right or remedy shall impair any such right or remedy or operate as a waiver of such right or remedy, nor shall any single or partial exercise of any power or right preclude such party's other or further exercise or the exercise of any other power or right. The waiver by any Participant or by the Member, the Committee or the Company of any provision of the Plan shall not operate or be construed as a waiver of any preceding or succeeding breach, and no failure by any such party to exercise any right or privilege hereunder shall be deemed a waiver of such party's rights or privileges hereunder or shall be deemed a waiver of such party's rights to exercise the same any subsequent time or times hereunder

Section 7.18 *Headings and Captions*. The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan and shall not be employed in the construction of the Plan.

Exhibit 21.1

Subsidiaries of the Registrant

Name of Subsidiary	Jurisdiction of Incorporation
Xponential Fitness LLC	Delaware
Club Pilates Franchise, LLC	Delaware
Stretch Lab Franchise, LLC	Delaware
CycleBar Holdco, LLC	Delaware
CycleBar Worldwide Inc.	Ohio
CycleBar Canada Franchising, ULC	Canada
CycleBar Franchising, LLC	Ohio
Yoga Six Franchise LLC	Delaware
Yoga Six Studio, LLC	Delaware
AKT Franchise, LLC	Delaware
AKT Studio, LLC	Delaware
Row House Franchise, LLC	Delaware
Row House Tustin, LLC	Delaware
Stride Franchise, LLC	Delaware
Xponential Fitness Brands International, LLC	Delaware
PB Franchising LLC	Delaware
PB 1001, LLC	Delaware
PB 1005, LLC	Delaware
PB 1016, LLC	Delaware
PB 1029, LLC	Delaware
PB 1035, LLC	Delaware