

9. Insurance. This estimated amount represents twelve (12) months of pre-paid insurance premiums that does not take into account workers' compensation insurance which may vary greatly by state, payroll and classification. You must obtain and keep general liability insurance with a minimum policy limit of \$1,000,000 per occurrence and \$2,000,000 aggregate or in amounts we may require to reflect inflation, identification of new risks, changes in law or other relevant changes in circumstances. You are also required to obtain property and casualty insurance that covers the assets of the Business; and "All Risk" insurance coverage for property that is not included in other insurance policies and business interruption insurance. The cost of all insurance coverage will vary depending on the carrier's charges, terms of payment and your claims history. See Item 11 for the complete list of required (and optional) coverages.

10. Additional Funds – 3 Months. You will need additional capital to support on-going expenses during the initial three (3) months after you open your Franchised Business. The estimate includes items such as rent (for this initial operations period that is in addition to the Security Deposit), non-variable and certain other payroll and/or other personnel compensation, additional advertising/marketing activities, repairs and maintenance, bank charges, miscellaneous supplies and equipment, state tax, and other miscellaneous items. This range does not include any draw or salary for you. These figures are estimates and we cannot guarantee that you will not have additional expenses in the first three months you are operating your Franchised Business. In calculating this estimate, we relied on (a) the experience of our Centers using the Proprietary Marks and System (since their opening dates disclosed in Item 19 of this Disclosure Document), (b) estimates we received from our Approved Suppliers and other third-party suppliers, (c) the experience of our System franchisees, and (d) the experience of our consulting team that has worked with other franchise concepts that have a similar footprint and/or industry concept.

11. Total Estimated Initial Investment. The figures in this table are estimates. Unless otherwise noted above, all of the expenditures listed in the Item 7 Chart above are non-refundable. In creating this chart, we have relied on the experience of our affiliates and leadership in developing and operating ISI® Elite Training Businesses as well as the experience of our ISI® Elite Training franchisees with developing their Businesses.

It is important to note and explain that you may need to secure an approved Premises for your Franchised Business before you and/or your suppliers are in a position to establish the actual construction, furnishing and other associated with that specific Premises, given such suppliers will need to account for all variables such as size of Premises, leasehold allowances, landlord's work, and/or building code requirements. With that said, we recommend you conduct pre-lease due diligence with a third-party general contractor or other business advisor with experience in construction to determine as much as you can about all the buildout costs associated with turning the contemplated Premises into a System Center.

Your Estimated Initial Investment

B. Multi-Unit Development Agreement

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is to be Made
Development Fee ²	\$120,000 to \$350,000 (2 Units – 10 Units)	Lump Sum	Upon signing of Development Agreement	Franchisor
Initial Investment to Open Initial Franchised Business ³	\$176,000 to \$580,000		See Charts 7(A) above in this Item (Does not include Initial Franchise Fee)	
TOTAL⁴	\$326,000 to \$935,000		This is the total estimated initial investment to enter into a Development Agreement for the right to own between two and ten Franchised Businesses, as well as the costs to open and commence operating your initial Franchised Business for the first three months (as described more fully in Chart A of this Item 7).	

Explanatory Notes to Chart 7(B) Above:

1. *Generally.* All fees and payments are non-refundable, unless otherwise stated or permitted by the payee. This Chart details the estimated initial investment associated with executing a Development Agreement for the right to own and operate three Franchised Businesses, as well as the initial investment to open your first Franchised Business under your Development Schedule.
2. *Development Fee.* The Development Fee is non-refundable. The Development Fee is described in greater detail in Item 5 of this Disclosure Document, and this Development Fee is for the right to open and operate a total of two to ten Franchised Businesses (provided you comply with your development obligations under the Development Agreement). Your Development Fee will be calculated as follows:

Number of Franchised Businesses	Development Fee	Fee Per Franchised Business
1	N/A	N/A
2	\$120,000	\$60,000
3	\$135,000	\$45,000
4	\$180,000	\$45,000
5	\$225,000	\$45,000
6	\$240,000	\$40,000
7	\$280,000	\$40,000
8	\$320,000	\$40,000
9	\$360,000	\$40,000
10+	\$350,000+	\$35,000

3. *Estimated Initial Investment to Open Initial Franchised Business.* This figure represents the total estimated initial investment required to open the initial Franchised Business you agreed to open and operate under the Development Agreement. You will be required to enter into our then-current form of franchise agreement for initial Franchised Business you must open within the Development Area at the same time you execute your Development Agreement. The range includes all the items outlined in Chart 7(A) of this Item, except for the Initial Franchise Fee (because you are not required to pay any Initial Franchise Fee for those Franchised Businesses you open under the Development Agreement).
4. *Total.* This is the Development Fee plus our estimated initial investment to open and commence operating your initial Franchised Business within your Development Area. This range does not include any of the costs you will incur in opening any additional Franchised Business(es) that you are granted the right to open and operate under your Development Agreement.

ITEM 8 **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

You must operate all aspects of your Franchised Business in strict conformance with the methods, standards and specifications of our System. Our methods, standards, and specifications will be communicated to you in writing through our confidential Manuals and other proprietary guidelines and writings that we prepare for your use in connection with the Franchised Business and System. We may periodically change our System standards and specifications from time to time, as we deem appropriate or necessary in our sole discretion, which we will notify you of in writing, and you will be solely responsible for costs associated with complying with any modifications to the System.

Approved Services and Approved Products

You may only market, offer, sell and provide the Approved Services and Approved Products to customers of your Franchised Business.

We will provide you with a list of our then-current Approved Services and Approved Products, along with their standards and specifications, as part of the Manuals or otherwise in writing prior to the opening of your Franchised Business. We may update or modify this list in writing at any time.

If you wish to offer any product or service that are not part of our then-current Approved Services or Approved Products, or use any item in connection with your Franchised Business that does not meet our System standards and specifications, then you must obtain our prior written approval as described more fully in this Item, and (b) a legal opinion letter or other evidence sufficient to demonstrate that any new or modified service or product proposed can be utilized and/or provided at your Franchised Business in compliance with all applicable laws and regulations.

The equipment, products, supplies and services include: equipment, furniture and fixtures, floor coverings, technology items, products, supplies, apparel, uniforms, signage, proprietary software,

third party software, promotional merchandise, printed advertising materials, merchant service providers, software support service providers, mobile app platform providers, digital marketing providers, shows and event marketing opportunities and vendor, co-branding, affinity programs. You cannot purchase unapproved equipment, products, supplies and services from any vendors and/or suppliers that are not on our pre-approved list without our written permission.

Approved Suppliers

We have the right to require you to purchase any items or services necessary to operate your Franchised Business from a supplier that we approve or designate (each, an “Approved Supplier”), which may include us or our affiliate(s) (whether current or formed in the future). We will provide you with a list of our Approved Suppliers in writing as part of the Manuals or otherwise in writing, and we may update or modify this list as we deem appropriate.

As of the Issuance Date, we have one (1) or more Approved Suppliers for the following items that must be purchased in connection with your Franchised Business: (i) certain furniture, fixtures and equipment necessary to buildout and equip the Premises of your Franchised Business prior to opening; (ii) initial and ongoing inventory purchases, whether (a) Approved Products for retail sale at a System Facility, including merchandise and nutritional supplements, or (b) for use in connection with the provision of the Approved Services; (iii) the hardware components associated with the point-of-sale and computer system that we designate for use in connection with your Franchised Business operations (the “Computer System”); (iv) certain software you are required to use in connection with your Computer System (each, a “Required Software”); (v) certain initial and ongoing marketing and/or advertising materials and/or services, including any digital marketing services; (vi) any technology that we determine to provide and cover as part of our then-current Technology Fee; (vii) lobby signage and facility vinyl; (viii) gym equipment; (ix) Real Estate & Construction Management services; and (x) employee and management uniforms.

We are the only Approved Supplier for the technology services we determine to provide as part of our then-current Technology Fee and certain ongoing training. Our affiliate, Relentless PM, is the only Approved Supplier for the Real Estate & Construction Management services. Our affiliate, Relentless Retail, is the only Approved Supplier for the uniforms and retail merchandise you are required to purchase in connection with the initial development and ongoing operation of your Franchised Business. Our affiliate, Human Nutrition, is the only Approved Supplier for nutritional supplements you are required to purchase initially and on an ongoing basis in connection with your Franchised Business. Except as stated herein, neither we nor our affiliates are designated suppliers or otherwise the exclusive Approved Supplier for any item you are required to purchase/acquire in connection with your Franchised Business. We do reserve the right to appoint ourselves, any of our affiliate(s) or any third party as an Approved Supplier for any such item/service you are required to purchase or utilize in connection with your Franchised Business (each, a “Required Item”). This includes any proprietary products we develop or have developed for use in your Franchised Business, including private-label products such as supplements that bear our Proprietary Marks.

Adam Rice indirectly owns an interest in us and all of our affiliates, including those stated above,. Amanda Hall owns an interest in all of our affiliates, including those stated above. Due to their ownership in us and our affiliates, which are the only Approved Suppliers for certain required purchases of yours, Adam Rice and Amanda Hall will derive revenue from purchases that our

franchisees are required to make from our affiliates. Except as stated above, none of our officers own an interest in any Approved Supplier (other than us) from which you must directly purchase or lease any Required Item in connection with your Franchised Business.

We have negotiated, and may continue to negotiate, purchase arrangements with vendors and/or suppliers on the approved equipment, product and supplies list for the benefit of you in the areas of costs and customer support.

If you wish to purchase a product or service that we require you to purchase from an Approved Supplier from an alternate source, then you must obtain our prior written approval as outlined more fully in this Item 8 below. We may provide our standards and specifications for a given required item directly to the Approved Supplier we have designated or otherwise approved as the source for that item/service. We may determine to provide these standards and specifications to an alternative supplier you propose if: (i) we approve the supplier in writing as outlined more fully in this Item; and (ii) the alternative supplier agrees to sign our prescribed form of non-disclosure agreement with respect to any confidential information we disclose.

Required Purchases and Right to Derive Revenue

The products or services we require you to purchase or lease from an Approved Supplier, or purchase or lease in accordance with our standards and specifications, are referred to collectively as your “Required Purchases.”

It is estimated that your Required Purchases from us, our affiliates or any other Approved Supplier we designate, or that must otherwise meet our System standards and specifications will represent approximately: (i) 75%-85% of your total initial investment; and (ii) 5%-15% of the total ongoing costs and expenses associated with the operations of your Franchised Business after your initial launch.

We may derive profit through markups of the prices charged to you for equipment, products, supplies or services we supply. We may derive revenue through license fees, promotional fees, advertising allowances, rebates, commissions or other monies paid by approved suppliers.

During our last fiscal year ending December 31, 2024, we received \$136,754.24 in rebates, which was 4.6% of our total revenue of \$2,973,184.24 based on our most recent audited financial statements.

During our last fiscal year ending December 31, 2024, we received \$580,095 from tech fees that our franchisees are required to pay us, which was 19.5% of our total revenue of \$2,973,184.24 based on our most recent audited financial statements.

During our last fiscal year ending December 31, 2024, the following affiliates of ours received revenue from sales to our franchisees of required products and services: Human Nutrition (\$218,266.61); Relentless PM (\$155,000.00); and Relentless Retail (\$557,726.88).

Non-Approved Product/Service and Alternate Supplier Approval

A list of approved vendors and suppliers from whom all equipment, products, supplies and services may be purchased will be provided to you and may be amended by us periodically. We may, but are not obligated to, grant your request to: (i) offer any products or services in connection with your Franchised Business that are not Approved Products and Services; or (ii) purchase any item or service we require you to purchase from an Approved Supplier from an alternative supplier.

We may require vendors and/or suppliers to provide certain information, sign a nondisclosure agreement, and agree to guarantee our level of quality and produce sufficient samples to allow us to test the sample at your expense. We may require you to submit to us sufficient specifications, photographs, drawings or other information and samples to determine whether the items meet our specifications and require third party testing, in which case you will pay the actual cost of the tests in addition to the product, vendor and equipment fee. We may issue specifications in manuals or directives, in writing or orally, and we may modify them at any time. Our response to an adequate request to approve a piece of equipment, products, vendor and/or supplier will be made within 30 days after we receive it. Approval may be revoked in our sole discretion where an approved piece of equipment, product, vendor and/or supplier does not adhere to our specifications described above. We will notify you either by email or any other written form of communication of our approval of, disapproval of or revocation of any prior approval of any equipment, product, vendor or supplier.

Purchasing Cooperatives and Right to Receive Compensation

We may, when appropriate, negotiate purchase arrangements, including price terms, with designated and Approved Suppliers on behalf of the System. We may establish strategic alliances or preferred vendor programs with suppliers that are willing to supply some products, equipment, or services to some or all of the Franchised Businesses in our System. If we do establish those types of alliances or programs, we may: (i) limit the number of approved suppliers with whom you may deal; (ii) designate sources that you must use for some or all products, equipment and services; and (iii) refuse to approve proposals from franchisees to add new suppliers if we believe that approval would not be in the best interests of the System. We do not currently have any purchasing cooperative(s) with certain suppliers, but we reserve the right to create such purchasing cooperatives in the future.

We and/or our affiliate(s) may receive payments or other compensation from Approved Suppliers or any other suppliers on account of these suppliers' dealings with us, you, or other Franchised Businesses in the System, such as rebates, commissions or other forms of compensation. We may use any amounts that we receive from suppliers for any purpose that we deem appropriate. We and/or our affiliate(s) may negotiate supply contracts with our suppliers under which we are able to purchase products, equipment, supplies, services and other items at a price that will benefit us and our franchisees. If and when we receive such rebates, we will disclose that rebate consideration in this Item as part of the "Derived Revenue" disclosure set forth above in this Item 8.

Franchisee Compliance

When determining whether to grant new or additional franchises, we consider many factors, including your compliance with the requirements described in this Item 8. You do not receive any further benefit as a result of your compliance with these requirements.

Advertising and Proprietary Marketing

All advertising and promotional materials and other items we designate must bear the Proprietary Marks in the form, color, location and manner we prescribe. In addition, all your advertising and promotion in any medium must be conducted in a dignified manner and must conform to the standards and requirements we prescribe in the Manuals or otherwise. You must obtain our approval before you use any advertising and promotional materials or plans in connection with your Franchised Business if we have not prepared or approved them during the 12 months prior to the date of your proposed use.

As of the Issuance Date, you must expend your Local Advertising Requirement on marketing creative and placement services. You may also be required to expend your Grand Opening Proprietary Marketing (or some portion of that amount) on marketing, promotional and/or advertising services that you engage our Approved Supplier to provide.

Premises and Lease

You must obtain our approval of the Premises for your Franchised Business before you acquire the site. You must also provide us with a copy of the lease for the Premises before you execute the contract or lease, and we may condition our approval of any site you propose on the form of lease containing our prescribed collateral assignment of lease terms and certain other addendum terms that are set forth in the form of "Lease Addendum" attached to our current form of Franchise Agreement. You must also ensure that you comply with all of our System standards and specifications related to the build-out, remodeling and/or construction of your Franchised Business at the Premises.

If we grant you the right to open and operate multiple Franchised Businesses under a Development Agreement, you will typically sign our then-current franchise agreement for each Franchised Business opened under your Development Schedule prior to or at the time you secure an Premises for that Franchised Business.

Insurance

Before you open your Franchised Business for operation, you must obtain the insurance coverage for the Business as specified below. The insurance coverage must be maintained during the term of the Franchise Agreement and provide evidence of insurance to us that insurance has been obtained from a responsible carrier or carriers acceptable to us.

1. General Liability Insurance, including broad form contractual liability, broad form property damage, personal injury, advertising injury, completed operations and fire damage coverage, in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate;
2. Property and casualty insurance that covers you for damages or losses to the Business with a minimum policy limit of \$1,000,000 per occurrence or an amount we reasonable specify;

3. “All Risks Property” coverage, including property damage limit, for the full cost of replacement of the Business premises and all other property in which we may have an interest with no coinsurance clause;
4. Business Interruption insurance in such amount as will reimburse you for direct or indirect loss of earnings attributed to all perils commonly insured against by prudent business owners or attributable to prevention of access to the Business, with coverage for up to twelve (12) months of projected earnings and such longer period as we may specify periodically. Business interruption insurance is optional; however we may require you to obtain this coverage in the future with liability limits in amounts we may reasonably specify which will relate to the right to be reimbursed for direct or indirect loss of earnings attributed to all perils commonly insured against by prudent business owners;
5. Automobile liability coverage (optional), including coverage of owned, non-owned and hired vehicles, with coverage in amounts not less than \$1,000,000 combined single limit or what is in accordance with your state guidelines;
6. Professional liability insurance (not optional if you are participating in the Iron Kids program) that covers you for damages that you create that do not result in property or bodily injury with a minimum policy limit of \$1,000,000 and \$3,000,000 aggregate or an amount we reasonably specify;
7. Product liability insurance (optional) that covers you for damages that result in injury from products that you distribute with a minimum with a minimum policy limit of \$1,000,000 per occurrence and \$3,000,000 aggregate or an amount we reasonably specify;
8. Umbrella Policy having a limit of \$2,000,000 on an occurrence basis in excess of covering the underlying insurance described above which is at least as broad as each underlying policy, provided that you may purchase more underlying coverage and less umbrella coverage under such policies as long as you maintain the total amount of the limits specified for each coverage area;
9. Workers’ compensation insurance in amounts provided by applicable law or, if permissible under applicable law, any legally appropriate alternative providing substantially similar compensation to injured workers, subject to the conditions set forth in the Franchise Agreement.
10. Employment practices liability insurance (optional) that covers you and your Business against claims made by employees, former employees or potential employees for discrimination, wrongful termination, sexual harassment and other employment related obligations;
11. Crime insurance (optional) for employee dishonesty in the amount of \$10,000 combined single limit;
12. Child abuse and molestation insurance;

13. Tenant's liability insurance;
14. Any other Insurance required by the state or locality in which the Facility is located and operated in such amounts as required by statute; and
15. Other insurance coverage, as we, your state or the landlord may reasonably require.

With regard to any construction, renovation remodeling of the Business, you may be required to maintain builder's risks insurance and performance and completion bonds in forms and amounts, and written by a carrier or carriers, satisfactory to us. All of the policies must name us and our affiliates, as additional insureds and must include a waiver of subrogation in favor of all those parties. All insurance coverage shall be taken out in your name and shall name us an additional insured with waiver of subrogation in our favor and be placed with insurers designated by us or acceptable by us. You must furnish us with certified copies of each of the insurance policies described above on the earlier of your opening of the Business for operation (defined as immediately once you start collecting membership fees or your Facility is open for operation, whichever comes first) or 210 days following the date that the Franchise Agreement is executed. You must purchase "A" rating insurance policies. Each such policy shall provide that it cannot be canceled without 30 days' prior written notice to us and that we shall receive at least 30 days prior written notice of its expiration. You shall promptly refer all claims or potential claims against you or us to each of us and our insurer.

Computer Hardware and Software

You must purchase any and all computer hardware, software and peripherals in accordance with our System standards and specifications. As of the Issuance Date, we require you to purchase certain Computer/POS System components, as well as the Required Software that provides POS and CRM services in connection with the Franchised Business, from our Approved Supplier. We may require that you to purchase any other component of Required Software from one (1) of our Approved Suppliers in the future upon written notice. Your Premises must have Internet Wi-Fi access that both the personnel and customers visiting the Facility of your Franchised Business will be able to access (on different networks), but you may require this from any third-party provider so long as the service meets our System standards.

ITEM 9 FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other Items of this Disclosure Document.

Obligation	Section in Franchise Agreement	Section in Development Agreement	Disclosure Document Item
(a) Site selection and acquisition/lease	Sections 2, 5, and 6	Section 8	Item 11

(b) Pre-opening purchases/leases	Sections 5 and 6	Section 8	Items 7, 8, 11
(c) Site development and other pre-opening requirements	Sections 2, 5, and 6	Section 3	Items 6, 7, 11
(d) Initial and ongoing training	Sections 5 and 6	Not Applicable	Item 11
(e) Opening	Sections 5 and 6	Section 3, Exhibit B	Item 11
(f) Fees	Sections 3, 4, 9, and 13(E)	Section 9	Items 5, 6, 7, 11
(g) Compliance with standards and policies (Operations Manual)	Sections 5 and 6	Section 3	Items 6, 11
(h) Trademarks and proprietary information	Section 7	Section 13	Items 13, 14
(i) Restrictions on products/services offered	Sections 5 and 6	Not Applicable	Items 8, 11, 16
(j) Warranty and customer service requirements	Section 6	Not Applicable	Not Applicable
(k) Territory development and sales quotes	Sections 2 and 6	Section 1, 3, and Exhibit B	Item 12
(l) On-going product/services purchases	Sections 5 and 6	Not Applicable	Items 8, 16
(m) Maintenance, appearance and remodeling requirements	Section 6	Not Applicable	Items 8, 11