

	<b>Provision</b>	<b>Section in Franchise Agreement</b>	<b>Summary</b>
r.	Non-competition covenants after the franchise is terminated or expires	Section 9D	For a period of two years after termination of your Franchise Agreement you will not: (i) own, manage, operate, maintain, engage in, mutually sponsor or participate in, consult with or have an interest in any business, seminar, championship or training that provides services to commercial taekwondo or other martial arts schools that are substantially similar to the services we provide to you, or in any way compete with us (this includes any championships, training and seminars wherein you invite Members and/or members or students from other organizations or businesses to participate); or (ii) own, manage, operate, maintain, engage in, mutually sponsor or participate in, consult with, or have any interest in a franchised location or business that sells or offers programs or services that are the same as or similar to the Tiger-Rock Program or any other program we authorize: (i) from your Authorized Location or from anywhere inside your Designated Territory; (ii) within 35 miles of the outer boundary of your Designated Territory; or (iii) within 35 miles of the outer boundary of any existing or former Franchised Location's Designated Territory.
s.	Modification of the Agreement	Section 14B	No modifications generally, but we have the right to change Manual, list of authorized Trademarks.
t.	Integration/merger clause	Section 14B	Only the terms of the Franchise Agreement and Disclosure Document are binding (subject to state law). Any statements or promises not in the Franchise Agreement and Disclosure Document should not be relied upon and may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Section 11A-11B	Except as expressly noted all claims and disputes will first be mediated and then arbitrated in the city and state where our headquarters are located at the time the mediation and/or arbitration commences (currently, Olathe, Kansas) (subject to state law).
v.	Choice of forum	Section 14I	Litigation must be in the applicable state or federal district court located closest to the city and state where our headquarters are located at the time the litigation commences (currently, Olathe, Kansas), or as otherwise agreed to by the parties (subject to state law).
w.	Choice of law	Section 14H	Except for claims under federal trademark law, and the parties' rights under the Federal Arbitration Act, the law of the state where our headquarters is located (currently, Kansas) will govern any dispute (subject to state law).

## **ITEM 18**

### **PUBLIC FIGURES**

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

## **ITEM 19**

### **FINANCIAL PERFORMANCE REPRESENTATIONS**

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a

reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

### **Gross Sales Information for 12 Months Ending December 31, 2024**

As of December 31, 2024, there were 95 franchised Academies in operation. 94 Academies were in operation for the full 12 months ending December 31, 2024 and data from 74 franchised Academies is included in the tables below. The remaining 20 Academies were excluded because they were not using the Tiger Rock App for the full 12 months ending December 31, 2024 and therefore, we did not have full access to Gross Sales data, including membership or event data. One franchised Academy was excluded because it opened during the 12 month ending December 31, 2024 and therefore was not in operation for the full 12 months. Three franchised Academies closed during this 12-month period. The data is based on information provided to us by the Academies through the Tiger Rock App.

<b>Gross Sales of Top Tier (1/3) of Academies For Year Ending December 31, 2024 25 Academies</b>				
	Total Gross Sales	Tuition Gross Sales	Events Gross Sales	Gear Gross Sales
Average	\$540,186	\$384,021	\$101,810	\$40,315
Median	\$520,200	\$363,577	\$96,455	\$25,035
Range	\$367,343 - \$976,588	\$232,282 - \$753,619	\$30,305 - \$157,059	\$6,195 - \$95,942
Number of Academies that Met or Exceeded Average	12	9	11	9
Percentage of Academies that Met or Exceeded Average	48%	36%	44%	36%

<b>Gross Sales of Middle Tier (1/3) of Academies For Year Ending December 31, 2024 25 Academies</b>				
	Total Gross Sales	Tuition Gross Sales	Events Gross Sales	Gear Gross Sales
Average	\$293,281	\$208,294	\$52,150	\$21,478
Median	\$ 292,579	\$207,907	\$51,892	\$20,981
Range	\$231,140-\$360,344	\$143,383-\$299,345	\$30,760-\$71,234	\$4,561-\$37,643
Number of Academies that Met or Exceeded Average	11	12	12	13

Percentage of Academies that Met or Exceeded Average	42%	46%	46%	50%
<b>Gross Sales of Bottom Tier (1/3) of Academies</b> <b>For Year Ending December 31, 2024</b> <b>24 Academies</b>				
	Total Gross Sales	Tuition Gross Sales	Events Gross Sales	Gear Gross Sales
Average	\$149,332	\$106,441.96	\$27,591	\$12,870.38
Median	\$146,373	\$105,500	\$26,869	\$12,356.50
Range	\$88,680 - \$224,650	\$52,192 - \$160,404	\$8,832 - \$49,163	\$4,665 - \$28,692
Number of Academies that Met or Exceeded Average	11	12	12	11
Percentage of Academies that Met or Exceeded Average	44%	48%	48%	44%

1. “Gross Sales” means the aggregate amount of sales, whether for cash, on credit or otherwise, made or provided at or in connection with the Academy. The term “Gross Sales” does not include: (1) any federal, state, municipal or other sales, value added or retailer’s excise taxes you pay or accrue; or (2) adjustments for net returns on salable goods and discounts allowed to customers on sales. Gross Sales will not be adjusted for uncollected accounts.
2. “Total Gross Sales” includes the Tuition Gross Sales, Events Gross Sales and Gear Gross Sales received during the 12-month period ending December 31, 2024.
3. “Tuition Gross Sales” means the Gross Sales derived from the sales of memberships received during the 12-month period ending December 31, 2024.
4. “Events Gross Sales” means the Gross Sales derived from Academy Events and Academy Sanctioned Events received during the 12-month period ending December 31, 2024.
5. “Gear Gross Sales” means the Gross Sales derived from the sales of products sold in connection with the Academy, such as uniforms and merchandise received during the 12-month period ending December 31, 2024.

**Some Academies have attained the results described above. Your individual results may differ. There is no assurance you will do as well.**

We will, on reasonable demand, provide to you written substantiation for all information illustrated in this Item 19.

Other than as described above, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such

representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Bert D. Kollars, 8781 Penrose Lane, Lenexa, Kansas 66219, (913) 725-0777, the Federal Trade Commission, and the appropriate state regulatory agencies.

## **ITEM 20**

### **OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1**

**Systemwide Outlet Summary  
for Years 2022 to 2024**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	99	97	-2
	2023	97	97	0
	2024	97	95	-2
Company-Owned	2022	1	2	1
	2023	2	2	0
	2024	2	2	0
Total Outlets	2022	100	99	-1
	2023	99	99	0
	2024	99	97	-2

**Table No. 2**

**Transfers of Outlets from Franchisees to New Owners  
(Other than Franchisor) for Years 2022 to 2024**

State	Year	Number of Transfers
Alabama	2022	2
	2023	0
	2024	3
Colorado	2022	1
	2023	0
	2024	0