

FRANCHISE DISCLOSURE DOCUMENT



ROMP N' ROLL FRANCHISE
DEVELOPMENT, LLC
a Virginia limited liability company
9677 W. Broad Street
Glen Allen, Virginia 23060
(804) 364-6363
info@rompnroll.com
www.rompnroll.com

As a Romp n' Roll® franchisee, you will operate a business that provides recreational and enrichment classes for children from 3 months to 6 years old, offering a variety of gym, art and music classes, as well as birthday parties.

The total investment necessary to begin operation of a single Romp n' Roll franchised business ranges from \$321,800 - \$475,450. This includes \$79,800 - \$82,500 that must be paid to the franchisor or affiliate. The total initial investment to purchase 2-3 territories pursuant to a Multi-Territory Addendum is \$361,800 - \$555,450. This includes \$119,800 - \$162,500 that must be paid to the franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact Michael Barnett at Romp n' Roll Franchise Development, LLC, 9677 W. Broad Street, Glen Allen, Virginia 23060, (804) 364-6363, info@rompnroll.com.

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

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

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

Issuance Date: March 19, 2024

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Virginia. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Virginia than in your own state.
2. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
3. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

MICHIGAN ADDENDUM TO THE DISCLOSURE DOCUMENT

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

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logo type, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to: (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards; (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor; (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations; (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.
- (h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a

franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to Department of the Attorney General's Office, Consumer Protection Division, Franchise Section, G. Mennen Williams Building, 525 W. Ottawa Street, Lansing, Michigan 48913; telephone number (517) 373-7117.

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

DISCLOSURE DOCUMENT

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DISCLOSURE DOCUMENT

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Item 1
THE FRANCHISOR, AND ANY PARENT, PREDECESSORS AND AFFILIATES

To simplify the language in this disclosure document, the franchisor is referred to as “Romp n’ Roll,” “we,” “us,” or “our.” The terms “you” and “your” refer to the person or entity that buys this franchise, including any guarantors.

Franchisor

The franchisor is Romp n’ Roll Franchise Development, LLC, a Virginia limited liability company that was formed on August 8, 2006. We do business as Romp n’ Roll Franchise Development, LLC or ROMP N’ ROLL. We do not do business or intend to do business under any other name. Our principal business address is 9677 W. Broad Street, Glen Allen, Virginia 23060. Our agents for service of process are disclosed in Exhibit B.

Our Business

We offer franchises for ROMP N’ ROLL® businesses that provide recreational and enrichment classes for children from 3 months to 6 years old, offering a variety of gym, art and music classes, as well as birthday parties.

Our Experience

We first offered ROMP N’ ROLL franchises in October 2006. We have not operated a business of the type being franchised, but our affiliates have operated businesses of the type being franchised (see Our Parent, Predecessors and Affiliates, below). We have not engaged in any other line of business and have not offered franchises in any other line of business.

Our Parent, Predecessors and Affiliates

We do not have any parents or predecessors.

We have an affiliate, Romp n’ Roll, LLC, a Virginia limited liability company (“RNR”), with a principal business address at 9677 W. Broad Street, Glen Allen, Virginia 23060. Until 2014, RNR operated a business of the type that you will operate, located in Glen Allen, Virginia, since April 2004.

In October 2014, our affiliate, Romp n’ Roll West End, LLC (“RRWE”), took over operation of that business and RRWE’s principal business address is also 9677 W. Broad Street, Glen Allen, Virginia 23060. RNR continues to own the ROMP N’ ROLL trademarks and certain other intellectual property.

We have an affiliate, Romp n’ Roll of Midlothian, LLC, a Virginia limited liability company (“RNR Midlothian”), with a principal place of business at 11541 Busy Street, Richmond, Virginia 23236. RNR Midlothian has operated a business of the type that you will operate, in Richmond, Virginia, since December 2008.

None of our affiliates provide products or services to our franchisees, nor have they ever offered franchises in this or in any other line of business.

The Franchise

ROMP N' ROLL businesses provide recreational and enrichment classes for children from 3 months to 6 years old, offering a variety of gym, art and music classes, as well as birthday parties. Classes are typically sold through memberships, but may also be sold on a class-by-class basis.

Multi-Territory Addendum. If you acquire the rights to develop multiple territories from us pursuant to a Multi-Territory Addendum (Attachment 6 to the Franchise Agreement), you will be required to sign our then current franchise agreement, which may contain terms and conditions which are different from those in the first franchise agreement you sign with us, at the time you are to acquire each additional territory.

Competition and Market

You will compete with local, regional and national independent and franchised businesses that provide similar services and products. You will offer your services in a developing market. Before signing a franchise agreement, you should survey your market to determine the number and quality of competitors.

Laws and Regulations

You must comply with all federal, state, and local laws and regulations that apply to the operation of your business. These laws and regulations may include those that are specific to child safety and protection, and may require licensing and registration, age restrictions, training requirements, obligations to report evidence of child abuse and neglect, and record keeping. These laws may also require, and we require, that you conduct a background check on personnel which includes a criminal or police record check and may require personnel to be fingerprinted. You must comply with the Fair Credit Reporting Act when conducting background checks.

Some states may have childcare facility laws or health club and fitness center laws that you must comply with while operating your business. You may be required to obtain a bond or require parents to remain on the premises during classes to be in compliance with these laws.

You must thoroughly investigate the zoning laws for your prospective site, since they may include zoning restrictions or special requirements. You must comply with all building codes, environmental laws and the American with Disabilities Act for your site. You should investigate the application of these laws further.

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Item 2
BUSINESS EXPERIENCE

Co-Founder and Chief Executive Officer: Michael S. Barnett

Mr. Barnett is one of our co-founders. He also has served as our Chief Executive Officer since August 2006. He also has been Managing Member of Romp n' Roll, LLC since April 2004.

Co-Founder and President: Barbara J. Barnett

Ms. Barnett is one of our co-founders. She also has served as our President since August 2006. She also has been Vice President of Operations and an instructor for Romp n' Roll, LLC since April 2004.

Senior Director of Franchising: Paul Summers

Mr. Summers has served as the Senior Director of Franchising for Romp n' Roll from June 2018 to present.

Director of Marketing: Denise Shafer

Ms. Shafer has served as our Director of Marketing since October 2023. Prior to that, Ms. Shafer served as Director of Marketing at LeafSpring Schools from December 2022 to October 2023 in Richmond, Virginia. From January 2022 to October 2023 she also served as the Area Leader of Marketing for Raising Canes in Richmond, Virginia. Ms. Shafer was the Director of Community Outreach at South University from December 2020 to April 2022, in Richmond, Virginia. From January 2018 to August 2020, she served as the Director of Community & Public Relations for the Virginia Department of Health, in Richmond, Virginia.

Director of Training and Field Support: Maggie Roop

Ms. Roop has been employed by RNR in her current role since October of 2023. She served as a Trainer and Instructor for Romp n' Roll from April 2021 to October 2023 and as Director of Curriculum from September 2017 to December 2019 prior to that. From December 2019 to April 2023 she was also a part-time Faculty Member at the School of Performing Arts in Richmond, Virginia.

Item 3
LITIGATION

No litigation is required to be disclosed in this Item.

Item 4
BANKRUPTCY

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

Item 5
INITIAL FEES

Initial Franchise Fee

You must pay to us an initial franchise fee of \$55,000 per territory. You may purchase additional territories for \$40,000 per territory, up to two additional (three total) territories, if purchased at the same time, and you enter into the Multi-Territory Addendum appended as Attachment 6 to the Franchise Agreement. The initial franchise fee is fully earned and due upon your signing of the franchise agreement.

Training Fees

We will provide initial training and training materials for up to 2 trainees at no extra charge to you. If you send more than 2 people to initial training, we will charge you a training fee of \$500 per day for each additional person. You must also pay for all of your trainees' travel, meal and lodging expenses.

Initial Package of Equipment

You must pay to us \$23,000- \$25,000 for an initial package of equipment. You will also pay actual shipping charges that we currently estimate will be between \$800-\$1,500. We will bill you the total package cost about 10 days before we intend to place the order, generally about the time your site is approved. The package cost is non-refundable once we place the order on your behalf.

Website Initial Set-up

You must pay us before opening an initial website set-up fee of \$1,000 for a website to promote your business that we will design and provide for you.

Veteran's Discount

For qualified individuals who were honorably discharged from any branch of the United States Military, the Initial Franchise Fee will be discounted \$5,000. You must provide required documentation of military service.

Except as described above, all of the initial fees listed above are uniform and non-refundable.

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Item 6
OTHER FEES

TYPE OF FEE ¹	AMOUNT	DUE DATE	REMARKS
Continuing franchise fee	8% of Gross Sales ²	On the 5 th day of each month	Payable by electronic draft.
Advertising contribution	A minimum of \$300 or 2% of Gross Sales (whichever is higher) ²	On the 5 th day of each month	Payable by electronic draft.
Training fee	\$500 per day ³	Before training	Payable only if you send more than 2 people to initial training.
Annual Conference Fee	Up to \$750 per person	Before attending Conference	If we choose to host an annual conference, you must pay us either a registration fee or a non-refundable per-attendee fee to us that may be equal to a pro-rata share of our out-of-pocket cost of holding the conference.
Examination	\$500 plus travel expense, which may range from \$100-\$1000.	When billed	Payable only if an examination is necessary because you are not properly operating the franchised business or failed to furnish required information or documents to us in a timely manner.
Renewal	\$5,000	Before renewal	Payable at the end of the initial term if you renew the franchise.
Transfer	\$15,000	Before transfer	Payable only if you transfer to a 3 rd party. We do not charge a transfer fee if you transfer to a legal entity that you control.
Late fee	\$50	When billed	If any sum you must pay to us or any report that you must submit to us under this Agreement is not actually received by us by the due date, you must pay a late fee of \$50 for each late payment or past due report.
Interest	Lesser of 1.5% per month or highest rate allowed by law	When billed	Payable only on past due amounts. If no due date is stated, interest begins to accrue 30 days after billing.
Equipment or supplier testing or inspection	\$250 per day and our expenses	When billed	Payable only if you suggest new equipment or suppliers, to cover our costs of testing and/or inspecting the suggested equipment or suppliers.
Site relocation fee	\$5,000	When billed	Payable only if you relocate.
Reimbursement	Our actual costs	When billed	Payable only if we incur charges for returned checks, dishonored drafts, or similar financial defaults.
Website monthly fee	\$49.95 per month	On the 5 th day of each month	Payable by electronic draft.
Software initial set-up fee	\$500	When billed	Payable by electronic draft.

TYPE OF FEE ¹	AMOUNT	DUE DATE	REMARKS
Software monthly license fee	Approximately \$295 per month	On the 5 th day of each month or when billed	This fee may vary based upon price increases by outside suppliers.
Special field assistance	\$500 per day and our expenses, which may range from \$100-\$1,000 ³	Before scheduled assistance	Payable only if you need or request special field assistance.
Training of replacement managers	\$500 per day ³	10 days after billing	Payable only if we must provide training for a replacement manager more than once each calendar year.
Remedial or follow-up training	\$500 per day ³	10 days after billing	Payable only if you request this training.
Grand Opening Advertising	\$1,500	Around the time of opening	You must spend at least \$1,500 on public relations for your grand opening, we collect this fee and provide it to a public-relations firm that we designate.
Advertising Cooperative	Currently \$0, but may not be more than 1% of Gross Sales annually	As determined	Payable only if a local or regional advertising cooperative is formed. If formed, franchisor-owned outlets will have the same voting power as franchisees. The minimum fee that may be imposed is 0% and the maximum fee is 1% of gross sales annually.
Insurance coverage	Actual premium cost	When billed	If you fail to maintain insurance required by the franchise agreement, we may obtain the required insurance and charge you the actual premium cost.
Deficiencies	Our actual costs	When billed	If you do not satisfy your obligations under the franchise agreement, we may perform your obligations for you and you must reimburse us for our actual costs in performing your obligations.
Indemnification	Our actual costs	When billed	You must reimburse us if we are held liable for claims involving the operation of the franchised business.
Management	Currently, \$500 dollars per day, and our expenses, which may range from \$100-\$1,000.	Monthly as billed	Payable only for any period that we manage the franchised business on your or your Principal operators death, disability, or abandonment; upon an allegation or claim involving or relating to any fraudulent or deceptive practice or any activity that endangers a child, or if in our reasonable judgement the Franchised Business is in imminent risk of closure due to the your financial condition or otherwise.
Costs and attorney fees	Our actual costs	When billed	Payable if your default results in us incurring legal expenses or we are the prevailing party in litigation with you.

Note 1: All fees are uniformly imposed, collected by and payable to us unless otherwise specified. All fees are non-refundable. You must sign an authorization allowing us to make an electronic funds transfer from your operating account for any fees owed to us (see Attachment 2 to the franchise agreement).

Note 2: "Gross Sales" include all collected receipts of your business, the value of all services or products received for services provided or products sold, whether for cash or barter, or on a charge, credit or time basis (and whether or not your business is open within the meaning of Section 5.4 of the franchise agreement), but excluding excise, sales and use taxes, gross receipts taxes or similar taxes paid by you based on sales, if those taxes are separately stated when the customer is charged, and excluding bona fide refunds, allowances or discounts to customers (see Section 9.18 of the franchise agreement).

Note 3: For all training sessions and annual conferences, you must pay for your trainees' and representatives' salaries and benefits, and for their travel, lodging and meal expenses. Certain training is provided if you pay an additional fee. If your training request requires our trainers to travel, or if our trainers must travel to give you training that we consider necessary, you must also reimburse us for the trainers' actual and reasonable travel, lodging and meal expenses.

Item 7 **ESTIMATED INITIAL INVESTMENT**

YOUR ESTIMATED INITIAL INVESTMENT **(Table 1-Single Unit)**

TYPE OF EXPENDITURE ¹	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	LOW	HIGH			
Initial franchise fee ²	\$55,000	\$55,000	Lump sum	When you sign the franchise agreement	Us
Travel, lodging and meals for initial training (per person) ³	\$1,500	\$3,000	As incurred	As incurred	3 rd parties
Rent, prepaid rent, and utility or security deposits ⁴	\$0	\$12,650	As incurred	As incurred	3 rd parties
Leasehold improvements and finish-out ⁵	\$150,000	\$250,000	As incurred	As incurred	3 rd parties
Fixtures, signs and equipment ⁶	\$44,000	\$60,000	As agreed	Prior to opening	Us and 3 rd parties
Computer hardware and software, website set-up and monthly fees ⁷	\$3,300	\$3,800	As incurred	Prior to opening	Us and 3 rd parties
Grand Opening and Marketing ⁸	\$12,000	\$15,000	As incurred	At opening	Us and 3 rd parties
Insurance ⁹ (premium for 1 st 3 months)	\$1,500	\$2,500	As incurred	As incurred	3 rd parties
Office equipment and supplies ¹⁰ (for 1 st 3 months)	\$1,000	\$1,500	As incurred	As incurred	3 rd parties
Business licenses, permits, etc. ¹¹ (for 1st year)	\$500	\$2,000	As incurred	Prior to opening	3 rd parties

TYPE OF EXPENDITURE ¹	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	LOW	HIGH			
Professional fees ¹²	\$35,000	\$40,000	As incurred	As incurred	3 rd parties
Additional funds ¹³ (for 1st 3 months)	\$18,000	\$30,000	As incurred	As incurred	3 rd parties
TOTALS ¹⁴	\$321,800	\$475,450			

Note 1: Unless otherwise stated in Item 5 or 6, or as otherwise negotiated with 3rd party suppliers, these expenses are non-refundable. We do not finance any of these initial expenses.

Note 2: We base the above table on the purchase of a single franchise.

Note 3: These are the estimate costs for your travel, lodging, food and costs to attend initial training. These costs will vary depending on how far you must travel, the type of accommodations you select and other factors.

Note 4: Our estimates are based on a typical ROMP N' ROLL business that may range in size from 3,200 to 3,500 square feet. Lease costs will vary based on the geographical area and size of the location you select, among other factors. When you sign a lease, the landlord may require you to provide a full or limited personal guarantee, or a letter of credit and/or a security deposit. The low estimate assumes that you are not required to pre-pay any rent or to provide a security deposit.

Note 5: These are the costs you will incur to build out and equip your facility. These costs will vary. The estimates in the chart assume that you have selected a location that fits our typical guidelines and your landlord will include an allowance for improvements in your lease. Landlord contributions generally range from \$60,000 to \$110,000.

Note 6: These are the estimated costs for the fixtures, interior and exterior signage, and equipment you will need to equip your facility. The initial package of equipment, including shipping charges, as specified in Item 5, is part of this cost.

Note 7: You will need computers, a point-of-sale cash register system, and software as we describe in Items 8 and 11. This cost also includes your website set-up and monthly website fees.

Note 8: We require you to engage in Grand Opening & Marketing to promote your Franchised Business over its first 3-4 months of operation.

Note 9: Your insurance costs may vary and increase over time.

Note 10: These are the estimated costs for office equipment and supplies. You will also need office supplies such as business cards, forms, and writing material.

Note 11: You may have requirements as to permits or licensing in your locality. You may have to comply with the fictitious, assumed or trade name laws of the locality where your business is located. All owners and managers of the franchise must be trained and certified in First Aid and CPR.

Note 12: We encourage you to consult with an attorney or accountant to assist in the purchase of this franchise and any entity formation work you may need and use a construction manager on your build out.

Both the low-end and high-end estimates include the anticipated cost to utilize the services of a site selection, architect, and construction project manager that we specify.

Note 13: This estimate includes employee payroll, utilities, music rights, and other miscellaneous expenses that you may incur before and during the first three months of operation. These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business.

Note 14: This represents working capital needed to open and operate your franchise during the first 3 months in operation. The estimated initial investment does not cover your personal living expenses, any salary or draw for you, any ongoing working capital requirements, or other similar costs. We have relied on our affiliates' experience in preparing these estimates.

YOUR ESTIMATED INITIAL INVESTMENT
(Table 2- Multi-Territory Purchase)

TYPE OF EXPENDITURE ¹	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	LOW	HIGH			
Initial franchise fee ²	\$95,000	\$135,000	Lump sum	When you sign the franchise agreement	Us
Initial Investment for your Initial Franchised Business ³	\$266,800	\$420,450	See Table 1 above	See Table 1 Above	See Table 1 above
Total ⁴	\$361,800	\$555,450			

Note 1: These expenses are non-refundable. We do not finance any of these initial expenses.

Note 2: We base the above table on the purchase of 2-3 franchises. The initial franchise fee for territory 1 is \$55,000; for territory two is \$40,000; and for territory three is \$40,000.

Note 3: This figure represents the total estimated initial investment required to open your initial Franchised Business under the Franchise Agreement you must enter into with us at the same time as the execution of your Multi-Territory Addendum.

Note 4: Other than the Initial Franchise Fees, this figure does not include the costs associated with opening a second or third location, which will incur additional costs.

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Item 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

The Goods or Services Required to be Purchased or Leased

Advertising and Promotional Items

You are required to use the marketing agency we specify for any internet-based advertising. You must purchase promotional items, including branded items and employee apparel, monthly email marketing, from designated suppliers. And you must purchase grand opening public relations from a designated vendor.

Buildout and Design Specifications

We require you to buildout your premises pursuant to our specifications. We also require that you use the site selection, architect and construction project manager designated by us.

CPR Certification

All owners and managers of the franchise must purchase training to become First Aid and CPR certified, which may include a vendor designation.

Equipment and Supplies

You must purchase or lease certain equipment and supplies meeting our specifications, including a moon bounce, gym flooring, gym equipment, stereo system, VoIP internet phone service, telephone system, Internet, musical instruments, art tables and chairs, baby changing tables, interior and exterior signs, computer system, books, birthday party supplies, art supplies, office supplies and cleaning supplies.

Insurance

You must obtain and maintain insurance, at your expense, as we require, in addition to any other insurance required by applicable law, your landlord or otherwise. We may periodically change the amounts of coverage required under the insurance policies and require different or additional kinds of insurance, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances, if the changes apply to all ROMP N' ROLL businesses. Your insurance must be written by an insurance company reasonably satisfactory to us, and currently must include at a minimum:

- Comprehensive general liability insurance with a limit of at least \$1,000,000 general aggregate, \$1,000,000 products and completed operations aggregate, \$1,000,000 personal and advertising injury and \$1,000,000 per occurrence.
- Umbrella commercial liability with a limit of at least \$2,000,000 per occurrence and aggregate, with the commercial general liability, automobile liability and workers' compensation/employer's liability as underlying policies.

- “All risk” property insurance on the site, equipment (except portable equipment) and supplies, for loss or damage by fire, windstorm, flood, casualty, theft and other risks usually insured against by the owners or tenants of similar property. The insurance must be for at least 80% of the replacement cost of the property. Unless you obtain a written waiver from us, any loss or damage must be repaired, restored or rebuilt within 90 days of the date of the loss or damage.
- Worker's compensation/employer's liability or similar insurance required by the law of the state or jurisdiction in which you are engaged in business for those employed or engaged in the operation of the ROMP N' ROLL business.
- Comprehensive automobile liability insurance with a limit of at least \$500,000 on each owned, non-owned or hired vehicle used in the operation of the ROMP N' ROLL business.
- Any other insurance required by your landlord, municipality, county, state or other local jurisdiction. We also recommend that you carry business interruption insurance for a period of at least 6 months.

At least 10 days before you open your business, you must furnish us with a certificate of insurance issued by an approved insurance company showing compliance with the insurance requirements and naming us and the persons and entities affiliated with us as an additional insured. You must send current certificates of insurance to us annually.

Lease of the Site

We must approve of any lease or sublease for the site for your business. We may recommend the services of a real estate brokerage to assist in finding a site for your business; however, you are not required to use this brokerage's services. Any lease or sublease must include provisions comparable to our form of lease addendum (see Attachment 5 to the franchise agreement). You must agree not to sign or agree to any modification of the lease or sublease that would adversely affect our rights without our written approval.

Maintenance and Repairs

You must maintain your ROMP N' ROLL business in the highest and most uniform degree of sanitation, repair, appearance, condition and security in the manner stated in our manuals. You must make additions, alterations, repairs and replacements to your ROMP N' ROLL business as reasonably required for that purpose, including periodic repainting, changes in appearance, upgrades and repairs to equipment, and replacement of obsolete signs as we reasonably direct. You must meet and maintain the highest safety standards and ratings applicable to the operation of your ROMP N' ROLL business as we reasonably require.

Music Rights

You must acquire music rights from BMI and ASCAP in order to use the music we supply for our programs.

Software

You must purchase or subscribe to monthly software subscriptions, email, customer services, and marketing services as we may require in the Manual from our designated vendors.

Renovation and Upgrading

You must abide by our requirements on alterations, remodeling, upgrading or other improvements to your ROMP N' ROLL business to achieve the strategic marketing goals of the ROMP N' ROLL system. The requirements will not exceed those applicable to new franchised and company-owned units; and will not occur more frequently than every 5 years, unless your ROMP N' ROLL business is subject to unusual wear and tear. You will be responsible for the cost of changes or additions.

Whether we or Our Affiliates Are Approved Suppliers

We may require you to obtain proprietary and other products and services only from us as provided in our manuals. Currently, we are the only approved supplier of the initial equipment package. We are an approved supplier of advertising and branded materials but not the only approved supplier.

Officer Interests in Suppliers

Our officers, Michael S. Barnett and Barbara J. Barnett, own an interest in us.

Alternative Suppliers

You may request in writing our approval of additional suppliers. We will grant or revoke approvals of suppliers based on the criteria for approving suppliers in our manuals, and based on inspections and performance reviews. We may approve a single supplier for any item and may approve a supplier only as to a certain item or items. We may grant approvals of new suppliers or revoke past approvals of suppliers on reasonable written notice to you. We will provide you with written notification of the approval or disapproval of any supplier you propose within 30 days after receipt of your request. For this approval or disapproval, we may charge you a fee equal to our out-of-pocket expenses, plus the then-current per diem charges for our personnel. Our criteria for supplier approval are available to you.

Specifications and Standards

We issue and modify specifications to franchisees and approved suppliers in our Operations Manual or other informational bulletins.

Revenue to Us

We derive revenue from required purchases or leases by franchisees. For the fiscal year ending December 31, 2023, we received \$12,314 from franchisee purchases representing 1.98% of our total revenue of \$620,761 in that same time period.

Magnitude of Required Purchases or Leases

We estimate that the following purchases and leases of services and products will represent the following percentages of your total purchases and leases of services and products to establish and to operate your ROMP N' ROLL business:

<u>Purchases and/or Leases:</u>	<u>% to Establish</u>	<u>% to Operate</u>
From us (including initial and ongoing fees)	20% to 25%	6% to 10%
From approved suppliers (not including us)	15% to 20%	4% to 6%
Under our specifications (not including from approved suppliers)	50% to 60%	3% to 5%

Supplier Payments to Us

Currently, we do not receive any payments on required purchases or leases by franchisees. We reserve the right to receive payments from suppliers from required purchases or leases by franchisees.

Purchasing or Distribution Cooperatives

We do not have purchasing or distribution cooperatives.

Purchase Arrangements

We may negotiate purchase arrangements with suppliers, including price terms, for the benefit of franchisees.

Material Benefits

We do not provide you with any material benefits based on your purchase of particular products or services, or your use of any particular designated or approved supplier, but the franchise agreement requires you to follow our specifications.

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Item 9
FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise agreement and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

	Obligation	Section of Franchise or Other Agreement	Item in Disclosure Document
a.	Site selection/acquisition/lease	5	5, 7, 8, and 11
b.	Pre-opening purchases/leases	5.3, 14, 15, 17	5, 7, 8, and 11
c.	Site development/other pre-opening requirements	5 and 15	5, 7, 8, and 11
d.	Initial/ongoing training	11; Attachment 6	5, 6, 8, and 11
e.	Opening	5; Attachment 6	7, 8, and 11
f.	Fees	9, 14.4, 14.5, 14.7, 25.7, 34.11; Attachment 6	5, 6, 7, and 8
g.	Compliance with standards/policies/Manuals	1, 12, and 14	8, 11, and 14
h.	Trademarks/proprietary information	19 & 20	13 and 14
i.	Restrictions on products/services offered	7	8, 11, and 16
j.	Warranty/customer service requirements	8	12
k.	Territorial development/sales quotas	Attachment 6	12
l.	Ongoing product/service purchases	14	6 and 8
m.	Maintenance/appearance/remodeling requirements	15	6, 7, and 8
n.	Insurance	17	6, 7, and 8
o.	Advertising	16	6, 7, 8, and 11
p.	Indemnification	24	6 and 8
q.	Owner's participation/management/ staffing	4	6 and 15
r.	Records & reports	13	8
s.	Inspections & audits	22	6 and 11
t.	Transfer	25 and 27	6 and 17
u.	Renewal	3.2. and 9.7	6 and 17
v.	Post-termination obligations	27	17
w.	Non-competition covenants	21	17
x.	Dispute resolution	34	6 and 17

Item 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or obligation.

Item 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

Before you open your business, we will provide you with:

- (1) An initial packet of materials for establishing a ROMPN' ROLL business, including specifications for equipment, supplies and services to be used under the ROMPN' ROLL system. See Franchise Agreement, Sections 10.1(c) and 14.
- (2) Initial training for you and, if you choose, one other individual of your choice, at a location we determine. The training lasts about 6-7 days and is currently held at our home office in Richmond, Virginia. See Training below and Franchise Agreement, Sections 10.1(a) and 11.2.
- (3) Access to our manuals by any method of our choosing. See Manuals below and Franchise Agreement, Sections 10.1(b) and 12.1.
- (4) Samples of initial advertising and marketing materials. See Franchise Agreement, Section 10.1(d).
- (5) Design and sign specifications for your site, a preliminary layout for your site and assistance with space planning. See Franchise Agreement, Sections 5.2 and 15.
- (6) Advice regarding site selection, construction, set-up and opening. See Franchise Agreement, Section 10.1(e).
- (7) Guidance in organizing your business. See Franchise Agreement, Section 10.1(e).
- (8) Provide guidance to obtain equipment and supplies, provide the names of approved vendors or specifications for these items. We do not deliver or install any items. See Franchise Agreement, Section 14.1.

Site Selection

You must find a site for your business that meets our site selection criteria within 120 days after signing your franchise agreement. We may recommend the services of a real estate brokerage to assist in finding a site for your business; however, you are not required to use this brokerage's services. You will be required to use our approved architect to inspect the site to determine whether the space will meet our requirements prior to our approving the site. We will accept or reject a proposed site within a reasonable time (generally 10 business days) after you propose it in writing with appropriate documentation as stated in our manuals, based on factors such as demographic characteristics, traffic patterns, access, parking, size, layout, length of availability, predominant

character of the neighborhood, competition from other businesses providing similar services in the area, proximity to other businesses, nature of other businesses in proximity to the site, and size, times open to the public, appearance and other physical characteristics of the site. Approval is intended only to indicate that the proposed site meets our minimum criteria for identifying sites. You agree that our approval or disapproval of a proposed site does not impose any liability on us. If we do not accept a proposed site, you must locate another site. If you and we cannot agree on a site, we may terminate the franchise and your initial franchise fee will not be refunded. See Franchise Agreement, Section 5.2

Multi-Territory Addendum. If you acquire the rights to develop multiple territories from us pursuant to a Multi-Territory Addendum (Attachment 6 to the Franchise Agreement), we will approve the locations of future sites pursuant to our site selection criteria in effect at that time.

Opening of Business

The typical length of time between the signing of a franchise agreement and the opening of a business is about 240 days. You must complete improvements and open for business within 9 months after signing your franchise agreement, subject to our opening schedule availability. Factors that may affect this length of time include locating a site that we accept, negotiating a lease, sublease or purchase contract, completing construction, improvements or renovation of your facility, your ability to obtain business licenses and permits and when you complete training. You will select the site of your ROMP N' ROLL business, subject to our written acceptance. We must accept your site before you sign a lease, sublease or purchase contract and before you begin construction, improvements or renovation of your site. If we disapprove a site, you must locate another site. Your acquisition of any proposed site before our acceptance of the site will be your sole risk and responsibility, and will not obligate us in any way to accept the site. Our acceptance of a proposed site is not in any way our warranty or representation as to the suitability of the site for a ROMP N' ROLL business.

If you are delayed from opening within the 9 months, you must provide us with a written request to delay opening. Your request must state: 1) that a delay is anticipated; 2) the reasons that caused the delay; 3) the efforts that you are making to proceed with the opening; and 4) an anticipated opening date. In considering the request, we will not unreasonably withhold our consent to a delay, up to a maximum of 60 days, if you have been diligently pursuing the opening. If, for any reason (including your failure to locate a site acceptable to us), you do not open your business within 9 months, or within any delay period to which we have consented, we may terminate your franchise. See Franchise Agreement, Section 5.4

During the operation of your business, we will:

- (1) Periodically establish policies regarding Memberships, if established. See Franchise Agreement, Section 8.5.
- (2) Provide periodic reviews and analyses of your operations. See Franchise Agreement, Section 10.1(h).
- (3) Offer, at our discretion, annual regional or national conferences designed to encourage the exchange of information and new ideas between us and our franchisees. You may be required to pay fees to us for these conferences based on

our out-of-pocket costs to hold the conferences. See Franchise Agreement, Sections 10.1(a) and 11.2(c).

- (4) Distribute to you periodic reports of improvements in administrative, bookkeeping, accounting, inventory control and general operating procedures, and business marketing methods (including pricing methods), as developed. See Franchise Agreement, Section 10.1(g).
- (5) Periodically update the manuals to incorporate improvements and new developments in the ROMP N' ROLL system, including improvements in services and products you offer to your customers and recommended prices. See Franchise Agreement, Sections 10.1(b) and 12.2.
- (6) Provide periodic telephone and electronic mail assistance on daily operations, marketing, advertising, financial management, personnel and other operating issues that you encounter. See Franchise Agreement, Section 10.1(g).
- (7) Make available to you initial training of replacement managers at a location that we determine. You must pay us fees for this training if we provide replacement manager training to you more than once per calendar year. Franchise Agreement, Sections 10.1(a) and 11.2(b).
- (8) Make reasonable efforts to negotiate, enter into and maintain, through volume purchasing, contracts for equipment, supplies and services that we make available for your purchase. See Franchise Agreement, Sections 10.1(h) and 14.3.
- (9) Review proposed equipment, supplies or service contracts to determine if they meet specifications under the ROMP N' ROLL system. See Franchise Agreement, Section 14.2.
- (10) Administer a system-wide advertising and promotional fund, which may include on-line marketing efforts. See Advertising and Promotional Fund below and Franchise Agreement, Section 16.2.
- (11) At our option, provide Intranet access to our manuals, franchisee resources, and company news. See Franchise Agreement, Section 10.1(i).
- (12) At our option, maintain an Internet website and provide you with a standard web page on the website, either at cost or for a reasonable fee. See System Website below and Franchise Agreement, Section 10.3.
- (13) Establishing Prices: we offer recommendations to assist you in setting prices, but do not set a minimum or maximum price at which you must sell your services. See Franchise Agreement, Section 8.1.

Advertising and Promotion

Advertising and Promotional Fund

You must contribute 2% of your Gross Sales or a minimum of \$300 per month to our system-wide advertising and promotional fund. All franchised and company-owned businesses will contribute on an equal basis to the fund. See Franchise Agreement, Section 9.3 and 16.1.

We intend that the fund primarily will be used for media development, public relations, search engine optimization, and advertising that may be placed in local, regional or national print and electronic media, including Internet advertising. Marketing and promotional materials will be prepared by our staff or an outside advertising agency, as we determine.

We will administer the fund and make an annual unaudited financial statement available for your review about 120 days after our fiscal year end if you request a copy. Other than reimbursement for reasonable costs and overhead incurred in activities for the administration or direction of the fund, we will not receive payment for providing services or products to the fund, unless we provide services that would have required payment to a third party. We will not use the fund to solicit prospective franchisees.

We will try to use the fund for the benefit of all ROMPN' ROLL businesses, but we will not be required to spend any amount from the fund directly in your area or territory or in proportion to your contributions. In any fiscal year, the fund may spend more or less than the contributions for that year. The fund may borrow from us or others to cover deficits or invest any surplus for future use. If contributions to the fund, including any earnings, are not spent in the fiscal year in which they accrue, they will remain in the fund for use in following years. We may terminate the fund at any time, but we will not do so until all monies in the fund have been spent for the purposes described in the franchise agreement or returned to contributors on a prorated basis. See Franchise Agreement, Section 16.2.

During our 2023 fiscal year, the Brand Fund spent approximately 43% of its income on the production of advertisements and other promotional materials, 32% for media placement, and 25% for administrative expenses.

Franchisee Advertising Council

We may establish an advertising council of franchisees to advise us on advertising policies. We intend that the council, if established, will be advisory and have no operational or decision-making power, and we will have the right to change or dissolve the council. See Franchise Agreement, Section 16.3.

Grand Opening Advertising

We consider the period 60 days before and 60 days after you open to be your grand opening period. You must advertise and promote your grand opening in accordance with our specifications. You must spend at least \$1,500 on public relations for your grand opening with a public relations firm that we designate. See Franchise Agreement, Section 16.4.

Local Advertising

You must spend at least 3% of your annual gross revenues on local advertising, beginning at the conclusion of the grand opening period. You are required to use the marketing agency we specify, for any internet-based advertising. We recommend that you spend most of your 3% local advertising requirements on internet-based advertising. See Franchise Agreement, Section 16.5.

You must submit to us, for our approval, all media and materials to be used for local advertising, unless the media and/or materials have been approved before or unless we provided the materials. All materials containing our proprietary marks must include the designation service mark “SM”, trademark “TM”, registered trademark “®”, copyright “©”, or any other designation we specify. If you do not receive written or oral disapproval of any materials submitted within 10 days from the date we receive the materials, the materials are approved. We may require you to withdraw and/or discontinue the use of any promotional materials or advertising, even if previously approved. We must make this requirement in writing, and you have 5 days after receipt of our notice to withdraw and/or discontinue use of the materials or advertising. Your submission of advertising for approval does not affect your right to determine the prices at which you sell your services or products. See Franchise Agreement, Section 16.7.

You may have as many telephone numbers, telephone directory listings, and email addresses for the franchised business (“listings”) as you choose. However, we will own all rights to the listings due to the use of our trademark, and you must transfer them to us on the expiration, termination, or transfer of the franchise, at your expense. You must sign an authorization that grants us the right to change, transfer or terminate your listings, if the franchise is terminated, is not renewed or expires (see Attachment 3 to the franchise agreement). See Franchise Agreement, Section 16.8.

You must include in any significant display advertisements and in marketing materials for your ROMP N’ ROLL business, in conformance with standards in our manuals, a notice that your ROMP N’ ROLL business is individually owned and operated. Subject to any legal restrictions, you also are required to display or make available in your ROMP N’ ROLL business’s reception area marketing materials that we provide to you about the purchase of ROMP N’ ROLL business franchises, but you have no responsibility or authority to act for us in franchise sales. See Franchise Agreement, Section 23.2.

You may not solicit business outside your territory through the use of a toll-free number, direct mail, website or other advertising method without our prior written approval. You may not maintain your own website if we provide you a web page on our website. If we do not provide you with a web page, you must notify us if you intend to develop your own website, fully comply with our advertising standards and submit the content to us for approval. See Franchise Agreement, Section 2.4.

Local or Regional Advertising Cooperatives

We have the authority to form a local or regional advertising cooperative if there is more than one ROMP N’ ROLL business in your locality, and you must participate in any local or regional advertising cooperative that we direct. We may allow the members of any local or regional cooperative to determine the activities of the cooperative and the amount of member contributions, but you will not be required to contribute more than 1% of your annual Gross Sales to the cooperative’s activities without your consent. See Franchise Agreement, Section 16.10.

Our Obligation to Conduct Advertising

We may advise you in the conduct of advertising or conduct advertising ourselves using online, direct mail, print or other advertising. We may use local, regional or national advertising. We may produce advertising material in-house or through outside agencies. We are not required to spend any amount on advertising in the area or territory where you will be located. See Franchise Agreement, Section 16.11.

Incentives and Membership Programs

Because customer incentives and membership programs may be effective methods to spur customer visits, you must offer for sale, and honor for purchases by customers, any incentives or membership programs that we may periodically establish. You must follow our standards and specifications for these programs as described in our manuals or otherwise in writing. See Franchise Agreement, Section 8.4.

System Website and Social Media

We have established a website to advertise, market and promote ROMPN' ROLL businesses and the franchise opportunity. We will provide you with a listing for your location, or a web page to promote your business, if you provide us with the information that we request and pay any fee that we may charge (see Item 6). Currently, the initial website set-up fee is \$1,000 and the monthly fee is \$49.95. Our system standards will apply to any website or Internet advertising. You may not establish your own website or use social media platforms without our prior written consent. You must sign an authorization that grants us the right to change, transfer or terminate your email addresses, domain names, social media platforms and any comparable electronic identities that use our trademarks if the franchise expires, is not renewed or is terminated (see Attachment 3 to the franchise agreement). See Franchise Agreement, Section 9.15 and 10.3.

Computer System

You must have broadband Internet access (DSL or cable modem), which will permit you to communicate with your customers, and to connect on-line with us to transfer data. You may use any independent Internet service provider (ISP) of your choosing that provides broad-band access. You must maintain a functioning email address so that we can communicate with you electronically.

You must obtain the computer hardware and software that we specify from vendors we specify. Currently we require QuickBooks Online and Qvinci subscriptions for franchisees. We also require you to have an internet connection, 3 tablets, a wireless, color, all-in-one printer, a mounted cash drawer, a credit card reader, a desktop computer for the membership desk, and either desktop or laptop computer for the office. Depending on what computer systems you already have, these items can be purchased for approximately \$2,500 - \$3,000 (excluding a lease on the printer and the telephones). See Franchise Agreement, Section 14.1.

You must have a G-Suite Subscription, and virus protection software. You also must subscribe to monthly software subscriptions, email, customer services, and marketing services as we may require in the Manual. Currently, we require you to subscribe to Mindbody Online and Google Business License. You must pay to us a software initial set-up fee of \$500 and monthly software

fees of approximately \$295 per month to either us or a third party. See Franchise Agreement, Section 9.16 and 14.7.

We may upgrade our minimum computer system requirements at any time to keep pace with technology. There are no contractual limitations on the frequency or cost of this obligation, but we expect you will need to upgrade at least every 3 years. If we modify or impose a requirement, we will notify you in our manuals or other written communications and will give you a reasonable time in which to comply at your expense. We estimate that the cost of upgrading and replacing a computer system could be from \$50 to \$2,500 annually. We do not provide general computer or software training, nor do we provide ongoing maintenance, repairs, upgrades, or updates. See Franchise Agreement, Section 1.2.

In the future, we or our affiliates may license proprietary software to you, or otherwise allow you to use technology that we develop or maintain. If so, you must sign any software license or other agreement that we prescribe in connection with the software or technology. We may charge you an initial and/or a monthly or other periodic fee for any proprietary software, mandatory hardware, or technology that we license to you and for other maintenance and support services that we or our affiliates provide to you during the term of the Franchise. See Franchise Agreement, Section 14.7.

We will have independent access to the information that is entered into the CRM software, otherwise we do not have access to your computer system.

Manuals

After you have signed your franchise agreement, we will lend you a paper or read-only disk copy of or will give you electronic access to our manuals. See Franchise Agreement, Section 10.1 and 12. The manuals contain proprietary information, and you must keep this information confidential as described in Item 14. See Franchise Agreement, Section 12.5.

Exhibit I contains the Table of Contents to the Operations Manual along with the page count per chapter. The total page count of the Operations Manual is 213.

Training

You will receive the following initial training before you open your ROMP N' ROLL business:

TRAINING PROGRAM

SUBJECT	NUMBER OF HOURS ¹		LOCATION
	CLASSROOM	ON-THE-JOB	
Child Development	3	0	Richmond, VA
Music Class	4	2	Richmond, VA
Gym Class	6	4	Richmond, VA
Marketing	3.5	0	Richmond, VA
Art Class	1.5	2	Richmond, VA
Operations	9.5	8	Richmond, VA
Birthday	5	3	Richmond, VA
TOTAL	32.5	19	

Initial Training is conducted at our offices, in Richmond, Virginia or another location we specify and lasts 6-7 days. Following Initial Training we will spend 5-6 days of on-the-job training at your location. The hours devoted to each subject may vary substantially based on how quickly trainees grasp the material, their previous experience with the subject, and scheduling. We generally will develop training schedules at the beginning of each quarter for that quarter, and we intend to hold initial training about once per quarter. You will generally attend initial training 6-8 weeks prior to opening months before the projected opening of your business.

You must complete initial training to our satisfaction. See Franchise Agreement, Section 11.2.

Our current instructors have 10-12 years with us and/or our affiliates, and 10-23 years of experience with the subject matter taught. The instructors, and consequently the level of experience of the instructors teaching the subjects, are subject to change at any time. All instruction is conducted by or under the supervision of Barbara Barnett. Ms. Barnett has approximately 20 years of experience in training employees of our affiliates and our franchisees to conduct classes under the System and operate the business. Our manuals are the basis for the training.

If you are an individual, you and your original manager, or only your original manager (subject to our approval, which may be conditioned on you attending an abbreviated training program), must attend and successfully complete initial training. If you are a legal entity, your managing shareholder, partner, or member and your original manager, or only your original manager (subject to our approval, which may be conditioned on your managing shareholder, partner, or member attending an abbreviated training program), must attend and successfully complete initial training. If you own more than 1 franchise, you must have a full-time manager that has successfully completed our initial training program on site at each franchise.

We will not charge you for any initial training unless you send more than 2 people to attend training, but you must pay travel, lodging and meal expenses for trainees and any compensation or benefits due to trainees during training. See Franchise Agreement, Section 11.2.

You or your trained manager must train your employees and independent contractors before the opening and during the initial operation of your business. See Franchise Agreement, Section 11.3.

Each year, at our discretion, you (or your managing shareholder, partner, or member if you are a legal entity) must attend a regional or national conference scheduled and conducted by us. The focus of the conference generally will be discussion and review of new business and marketing trends and methods. We may charge you a registration fee or a proportionate share of our out-of-pocket costs for each annual conference, presently estimated at \$750 per person (see Item 6). See Franchise Agreement, Section 11.2.

Currently, we also recommend but not require that you spend another 3–5 days at our offices in Richmond, Virginia, attending a refresher initial training course within 2–3 weeks before your grand opening. You (or your managing shareholder, partner, or member) and/or any previously trained manager must attend any refresher or follow-up training that we designate. We will not charge you for this training, but you must pay your trainees' travel, lodging and meal expenses and for their compensation and benefits during training (see Item 6).

Training for replacement managers is required and provided on the same terms as the initial training provided for you, except that there will be a fee for the training if we must provide it to you more than once per calendar year (see Item 6). Training for transferees of the franchised business will be required and provided on the same terms as the initial training provided for you. Training for replacement managers and transferees will occur at a time we schedule on a space-available basis and may not be available immediately after the replacement manager is hired or the transferee assumes control. See Franchise Agreement, Section 11.2.

Item 12 **TERRITORY**

We grant you a franchise for a specific location within the territory. For each ROMP N' ROLL business, we grant you an exclusive territory. Currently, we use census-based data to define a territory that generally will contain a residential population of 100,000 to 150,000. The territory may be defined by zip codes, county or city boundaries, or fixed geographical boundaries such as rivers, streets or highways and will be specified by a map attached to the Territory and Site Description (see Attachment 1 to the franchise agreement). The protection of the territory is not dependent on the achievement of any stated sales volume or market penetration.

The location may not be changed without our written approval and compliance with our relocation procedures. We may approve relocation of the franchised business if we feel conditions have changed such that relocation represents a sound business decision (e.g., better lease terms, more visibility, or other improvements in the new location). You do not receive rights of first refusal or rights to acquire additional franchises.

During the term of your franchise, your territory may not be modified except by a written agreement between you and us. On renewal or transfer of your franchise, the territory may be modified. Depending on the then-current demographics of the territory, and on our then-current standards for territories, if the territory is larger than our then-current standard territory, we may require you or the transferee to accept a renewal territory or a transfer territory smaller than the territory.

All sales must be made from your approved location. You may not solicit business outside the Territory through the use of a toll-free number, Internet website, direct mail or any other means or method, whether or not the area is another franchisee's protected territory. If you receive a customer lead or request for service in another franchisee's protected territory, you must refer the customer to the other franchisee. If you receive a customer lead or request for service from outside your Territory, but no other franchisee has rights to that area when you receive the request, we will authorize you to provide services to the customer, expressly conditioned on the understanding that we may grant rights to that area to another franchisee in the future, and you may not solicit any customer located outside your Territory if another franchisee is granted rights to the area where the customer is located.

You must comply with any Membership program policies. You may be required to provide services at your ROMP N' ROLL business to members who purchased a membership at a different ROMP N' ROLL business. Other ROMP N' ROLL businesses may be required to provide services to members who purchase memberships from you. See Item 16 for more information.

Your territorial rights restrict us: (a) from establishing or operating or granting any person other than you the right to establish or operate, a ROMP N' ROLL business at any location in your territory; or (b) from selling to any person in your territory products or services that are the same as the products and services offered by ROMP N' ROLL businesses. We or an affiliate will not use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to solicit or accept orders within your territory using our principal trademarks, and we would normally direct inquiries for services from within your territory to your outlet.

Otherwise, we and our affiliates may engage in any and all activities that we consider appropriate, both in and outside the Territory, without paying compensation to you for soliciting or accepting orders inside your territory.

Item 13 **TRADEMARKS**

We grant you the non-exclusive right and obligation to use the trademark, service mark and trade name ROMP N' ROLL, and other trademarks, service marks, trade names, logos, trade dresses, and commercial symbols ("trademarks") that we make available to you, for providing services and products under the ROMP N' ROLL system at your business. You may not use any of our trademarks as part of any legal entity name, website address, email address, domain name or other identification in any print, electronic or other medium, or with any prefix, suffix or other modifying word, term, symbol or design. You may not use our trademarks for the sale of unauthorized services or products or in any manner we have not authorized in writing. All rights in and goodwill from the use of our trademarks accrue solely to us.

Registrations and Applications

Our affiliate, RNR, owns the following principal trademarks registered with the United States Patent and Trademark Office ("USPTO"):

Description of Mark	Principal Or Supplemental Register of the USPTO	Registration Number	Registration Date
ROMP N' ROLL	Principal	3,106,339	June 20, 2006
ROMPY	Principal	3,601,871	April 7, 2009
TUMBLE TUNES	Supplemental	3,629,079	May 26, 2009

We have filed all required affidavits and renewals.

Determinations

There are no currently effective material determinations of the USPTO, any Trademark Trial and Appeal Board, any state trademark administrator or any court, nor are there any pending interference, infringement, opposition or cancellation proceedings or material litigation, involving the trademark in any manner that is material to the franchised business. There are no decided

infringement, cancellation or opposition proceedings in which we unsuccessfully fought to prevent registration of another trademark to protect the trademark.

Agreements

Our right to use and license others to use the trademarks is exercised under a trademark license agreement (“TM Agreement”) with our affiliate, RNR effective January 4, 2010. Under the TM Agreement, we are granted the right to use and to permit others to use the trademarks. The term of the TM Agreement automatically renews each year unless either party gives 30 days’ notice and may be terminated only if a material default of the agreement occurs and is not cured. If the TM Agreement is terminated, RNR must allow our franchisees to maintain their rights to use the trademarks in accordance with their franchise agreements. Other than the TM Agreement, there are no currently effective agreements that significantly limit our rights to use or license the use of the trademarks in any manner that is material to the franchised business.

Protection of Rights

We will control any administrative proceedings or litigation involving the trademarks. You must notify us promptly of any use by any person or legal entity other than us or our franchisees, of any of our trademarks or any variation of any of our trademarks. We will decide the actions to be taken against the use of any of our trademarks by any persons or legal entities other than us or our franchisees. Our current intent is to take strong and progressive actions (that may include bringing litigation) against that use. Any actions that we take will be at our expense.

You must notify us promptly of any litigation brought against you involving any of our trademarks, and you must deliver to us copies of any documents for the litigation that we request. We will decide whether to settle or defend any trademark litigation brought against you. If we decide to take either action, we will do so at our expense, but you must cooperate with us. If the defense does not involve issues concerning the operation of your franchise, we will reimburse you for your out-of-pocket costs. If we decide not to defend or settle any trademark litigation brought against you, you must defend or settle the litigation at your expense.

Because your listings will be associated with our trademarks, we will own all rights to the listings, and all goodwill generated from the use of the listings will be to our benefit (see Items 9 and 11 for more information).

We may acquire or develop additional trademarks, and may use those trademarks ourselves, make those trademarks available for use by you and other ROMP N’ ROLL businesses, or make those trademarks available for use by other persons or entities. You may not directly or indirectly contest our rights in our trademarks.

Indemnification of You

We will indemnify you to the extent that litigation involves defending against infringement or unfair competition if you are using our trademarks in accordance with the franchise agreement and our manuals, you allow us sole control of the defense and settlement of any claim and if you give us notice of a claim within 30 days after you learn about the claim.

Modification of Trademarks

We may require you to modify or use a substitute for any trademark. If we do, you must pay your cost of compliance. We will allow you sufficient time to make the change in a cost-effective manner. We also may require you to use and display a notice in a form we approve that you are a franchisee under the System using the trademarks under a franchise agreement.

Superior Prior Rights or Infringing Uses

We do not know of any superior prior rights or infringing uses that could materially affect your use of the trademarks.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

At this time, we do not hold any patents.

Copyrights

We have not registered any copyrights with the United States Copyright Office (Library of Congress), but various marketing, sales, training, management and other materials (including floor plans for our trade dress, lesson plans, marketing materials, supplemental training documents and forms used in the daily operation of the business) that we have created are and will be protected under the U.S. Copyright Act, whether or not we have obtained registrations. You may use these copyrighted materials during the term of the franchise, in a manner consistent with our ownership rights, solely for the purpose of promoting your franchised business.

There are no currently effective determinations of the U.S. Copyright Office (Library of Congress) or any court, nor are there any pending infringement, opposition or cancellation proceedings or material litigation, involving the copyrighted materials that are relevant to their use by our franchisees.

There are no agreements currently in effect that significantly limit our right to use or license the use of our copyrighted materials in any manner material to the franchise. We have no obligation to protect our copyrighted materials or defend you against claims arising from your use of the copyrighted items. You must modify or discontinue use of any subject matter covered by a copyright if directed by us at your expense.

We do not know of any superior rights in or any infringing uses of our copyrighted materials that could materially affect your use of the copyrighted materials.

Proprietary Information

We have proprietary, copyrighted manuals that include guidelines, standards and policies for the operation of your business, and other proprietary, copyrighted materials. Item 11 describes the manuals and the manner in which you may use them. All proprietary manuals and materials provided to you are for your use during the term of the franchise, and may not be reproduced, copied, loaned to, used by or shown to any person outside the ROMP N' ROLL system without our permission.

You must have each manager, each supervisory employee or independent contractor, and each person attending initial training sign an agreement before you grant him or her access to our manuals or any other confidential information, in which he or she agrees to the confidentiality of the ROMP N' ROLL system, agrees not to use any information about the system for his or her own benefit without an appropriate license, and agrees not to compete in certain respects with your business and other franchisees' businesses, subject to applicable state law.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

We strongly believe that the success of your ROMP N' ROLL business will depend to a large extent on your personal and continued efforts, supervision and attention. If you are an individual, you and your manager, if any, must personally manage the franchised business at all times and attend and successfully complete initial training (see Item 11).

If you are a legal entity, your managing shareholder, partner, or member and your manager, if any, must personally manage the franchised business at all times and attend and successfully complete initial training.

Any manager must pass a background check and attend and successfully complete initial training. The manager does not need to have an equity interest in the franchised business.

You must have each manager, each supervisory employee or independent contractor, and each person attending initial training sign an agreement before you grant him or her access to our manuals or any other confidential information, in which he or she agrees to the confidentiality of the ROMP N' ROLL system, agrees not to use any information about the system for his or her own benefit without an appropriate license, and agrees not to compete in certain respects with your business and other franchisees' businesses, subject to applicable state law .

If you are a legal entity, each shareholder, principal officer, partner, or member must sign the Guaranty Agreement (Exhibit A, Attachment 4) where you personally guarantee your obligations under the franchise agreement and also agree to be personally bound by, and personally liable for breach of, the franchise agreement, including the duty to maintain trade secrets and confidential information (Exhibit A, Section 20) and noncompetition provisions (Exhibit A, Section 21)..

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale and sell only services and products that we have approved or authorized. You may not offer for sale or sell services or products that are inconsistent with the ROMP N' ROLL system. You may use services or products not purchased from us, but those services or products must be of comparable quality and must be approved by us in writing before use to ensure maintenance of proper quality standards. You may not use or permit the use of your site for any other purpose or activity at any time without first obtaining our written consent.

You must offer for sale all approved services and products; must not deviate from our specifications for the approved services and products without our written consent; and must discontinue offering any items that we disapprove in writing.

We may change the types of services and products that we approve or authorize, if the services and products are compatible with the ROMP N' ROLL system. There are no other limits on our right to make these changes.

You must be open for business each week for minimum hours and days as stated in our manuals, unless you are limited by local government regulation or you obtain a written variance from us.

You must at all times have arrangements in existence with a full range of credit and debit card processors, check verification services and electronic fund transfer systems as we periodically designate in order that the Franchised Business may accept customers' credit and debit cards, checks and other methods of payment.

Typically, you will offer and sell rights to customers to obtain the services of the Franchised Business on a multiple-visit basis (a "Local Membership"), but you may also offer and sell rights to customers to obtain the services of the Franchised Business on a class-by-class basis. We may also periodically authorize you to offer and sell rights to customers to obtain the services of other or all ROMP N' ROLL businesses (subject to certain restrictions and exclusions) on a multiple visit basis (a "National Membership"). Local Memberships and National Memberships are collectively referred to as "Memberships." We may periodically modify the types and terms of Memberships, terminate your right to offer certain types of Memberships, and approve or require other types of Memberships. If we authorize the sale of Memberships, you must offer Membership in compliance with the System, and use only the form of membership agreement that we periodically provide to you. We may periodically establish additional policies regarding Memberships, and you must comply with our policies. If we authorize you to sell Memberships, you will be responsible to determine that you may do so under all laws and regulations applicable to your Franchised Business and you agree that you will fully comply with all these laws and regulations.

You must offer for sale, and will honor for purchases by customers, any incentive or convenience programs that we may periodically institute, including any gift-card programs, in compliance with our standards and specifications for these programs (see Item 11 for more information). You have sole discretion over the prices at which products are sold or services are rendered but you must offer and honor any discounts that are part of any incentive program.

You are not restricted in the customers to whom you may sell approved services or products or the prices the services are rendered or products are sold. However, all sales must occur at or from your site. You may not solicit business outside your territory through the use of a toll-free number, direct mail, website or other advertising method without our prior written approval. You may not maintain your own website if we provide you a web page on our website. If we do not provide you with a web page, you must notify us if you intend to develop your own website, fully comply with our advertising standards and submit the content to us for approval.

Item 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. You should read these agreements attached to this disclosure document.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(a) Length of the franchise term	3.1	10 years
(b) Renewal or extension of the term	3.2	You have the right to renew for successive 10 year terms, if you meet the requirements for renewal.
(c) Requirements for franchisee to renew or extend	3.2	6-to-12 months' prior written notice; sign our then-current agreement; sign a general release; pay renewal fee; remodel to our then-current standards; you are solvent, timely submission of reports, no ceasing to do business, no danger to public, no illegal conduct and no repeated defaults or misrepresentations to us. If you seek to renew your franchise at the expiration of the initial term or any renewal term, you may be asked to sign a new franchise agreement that contains terms and conditions materially different from those in your previous franchise agreement, such as different fee requirements and territorial rights.
(d) Termination by franchisee	Not applicable	You may terminate this Agreement if you do not renew or if you sell the franchise.
(e) Termination by franchisor without cause	None	Not applicable
(f) Termination by franchisor with cause	26.1 & 26.2; Attachment 6	We may only terminate your franchise with cause.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(g) "Cause" defined- curable defaults	26.2; Attachment 6	<u>30 Days to Cure</u> : failure to comply with franchise agreement or our manuals, including: failure to pay us or any affiliate any sum owing when due; failure to submit any required information when due; failure to maintain any standard, specification or procedure; failure to satisfy any other material obligation relating to your business; failure to obtain our prior written acceptance, approval or consent, including transfer, or failure to transfer, in violation of franchise agreement; unauthorized use or misuse of our system or trademarks; failure to pay personal attention to business; or failure to pay any 3 rd party any amount owing when due. We may terminate the Multi-Territory Addendum ("MTA") if we terminate the original franchise agreement that you purchased from us with the MTA or if you fail to meet the development schedule in it; however, we may not terminate other outlets which you have already developed for such a breach.
(h) "Cause" defined- non- curable defaults	26.1	<u>Termination on Notice</u> : insolvency; ceasing to operate business; criminal conviction; danger to public; material omissions or misrepresentation; violation of noncompetition or confidentiality provisions; repeated breaches; or failure to open for business on schedule.
(i) Franchisee's obligation on termination/non-renewal	27; Attachment 6	Fulfillment of continuing obligations under franchise agreement; de-identification; no use of system, trademarks, confidential information, materials; return of confidential information, materials, software; customer, employee and independent contractor lists to us; assignment of telephone numbers, email addresses and all electronic identifiers to us; cancellation of assumed name or equivalent registrations containing our trademarks; final accounting; see also (o) and (r). MTA-You forfeit your rights to territories as to which you have not met the Development Schedule.
(j) Assignment of contract by Franchisor	25.1	There are no restrictions on our right to assign our interest in your franchise agreement.
(k) "Transfer" by franchisee – defined	25.2, 25.3, 25.5, 25.6 & 25.7	Includes the conveyance or pledge of any interest in you (if you are a legal entity), franchise agreement or any related agreement, the franchise, your business or a substantial portion of the assets of the business.
(l) Franchisor approval of transfer by franchisee	25.2	We have the right to approve all transfers. Our consent will not be unreasonably withheld.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(m) Conditions for Franchisor's approval of transfer	25.2(b); 25.3	<p>Substantial compliance with franchise agreement; payments current; general release signed; transferee qualification; transferee's signing of then-current franchise agreement; transferee's agreement to complete training; transfer fee paid; equipment and site updated to our then-current specifications; our consent to material terms of transfer based on review of written transfer agreement; if you finance any part of the sale, you must subordinate the transferee's obligations to you to our obligations; see also (n).</p> <p>If you want to transfer to a legal entity, you must act as the principal operating officer of the entity, restrict the entity's activities to the franchised business, restrict the transfer of ownership interests in accordance with the franchise agreement, maintain a current list of your owners, periodically provide the current list to us, and your owners must personally guarantee the entity's performance to us.</p>
(n) Franchisor's right of first refusal to acquire franchisee's business	25.8	We may match any offer from a 3 rd party.
(o) Franchisor's option to purchase franchisee's business	26.3	We have the right (but not the duty) to purchase the assets of your business and obtain a transfer of your lease to us on expiration, non-renewal or termination of your franchise or on your death, disability or dissolution if an approved transferee is not identified (see (p) below).
(p) Death or Disability of Franchisee	25.6 & 25.7	On your death, disability or dissolution, your interest in the franchise must be transferred to an approved person within 240 days. We have the right (but not the duty) to appoint a manager for your business pending transfer.
(q) Non-competition covenants during the term of the franchise	21.3(a), (b) & (c)	No diversion of business or customers.
(r) Non-competition covenants after the franchise is terminated or expires	21.3 (b) & (d)	No involvement for 2 years in competing business within your territory or within the territory of any ROMP N' ROLL business operating at time of expiration, non-renewal, termination or transfer.
(s) Modification of the agreement	28.3	Your franchise agreement may not be modified without your and our consent, but we may change the contents of our manuals; we may modify the system; and a court may modify any provision of the franchise agreement under applicable law.
(t) Integration/merger clause	28.1	Only terms of franchise agreement, including its attachments, are binding (subject to state law). Any representations or promises outside of this disclosure document and the franchise agreement may not be enforceable.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(u) Dispute resolution by arbitration or mediation	34.9	You must mediate claims against us before filing suit. Arbitration only applies as may be required by State Addenda.
(v) Choice of forum	34.2	Litigation must be conducted in Richmond, Virginia (subject to applicable state law).
(w) Choice of law	34.1	Virginia law applies (subject to applicable state law).

Item 18
PUBLIC FIGURES

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

Item 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The Federal Trade Commission’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.

The following presents three historical Financial Performance Representations (“FPR”) for 9 ROMP N’ ROLL businesses that were in operation for the entire year in 2023. Of these 9 units, 7 are franchises, and 2 are owned and operated by our affiliates. .

Financial Performance Representation #1:

Gross Sales of the Measured Units For Fiscal Year Ending December 31, 2023 Units Operating for Full Year			
	System-Wide (9)*	Franchised Outlets (7)**	Affiliate-Owned Outlets (2)
Average Gross Sales	\$462,920	\$464,508	\$457,361
Median Gross Sales	\$433,907	\$430,983	\$457,361
Number of Units Measured	9	7	2
Highest Gross Sales	\$565,994	\$565,994	\$480,815
Lowest Gross Sales	\$370,360	\$370,360	\$433,907

*Four of nine, or 44%, of the units represented in FPR #1 for system-wide outlets, obtained or surpassed the average unit revenue of \$462,920.

** Three of seven, or 43%, of the units represented in FPR #1 for franchised outlets, obtained or surpassed the average unit revenue of \$464,508.

Financial Performance Representation #2:

Adjusted Gross Profit of the Measured Units For Fiscal Year Ending December 31, 2023 Units Operating for Full Year			
	System-Wide (9)*	Franchised Outlets (7)**	Affiliate-Owned Outlets (2)
Average Adjusted Gross Profit	\$105,777	\$111,250	\$94,740
Median Adjusted Gross Profit	\$95,006	\$93,596	\$94,740
Number of Units Measured	9	7	2
Highest Adjusted Gross Profit	\$165,800	\$165,800	\$124,926
Lowest Adjusted Gross Profit	\$53,769	\$53,769	\$64,554

*Four of nine, or 44%, of the units represented in FPR #2 for system-wide outlets, obtained or surpassed the average adjusted gross profit of \$105,777.

** Three of seven, or 43%, of the units represented in FPR #2 for franchised outlets, obtained or surpassed the average adjusted gross profit of \$111,250.

Financial Performance Representation #3:

Profit Margin of the Measured Units For Fiscal Year Ending December 31, 2023 Units Operating for Full Year			
	System-Wide (9)*	Franchised Outlets (7)**	Affiliate-Owned Outlets (2)
Average Margin	24.5%	23.0%	20.4%
Median Margin	22.06%	22.01%	20.4%
Number of Units Measured	9	7	2
Highest Margin	31.54%	31.54%	25.98%
Lowest Margin	12.48%	12.48%	14.88%

*Three of nine, or 33%, of the units represented in FPR #3 for system-wide outlets, obtained or surpassed the average margin of 24.5%.

**Three of seven, or 43%, of the units represented in FPR #3 for franchised outlets, obtained or surpassed the average margin of 23%.

Notes Relevant to all Tables:

1. The data reported above relating to franchisee Gross Sales performance were obtained from the point-of-sale system used by our franchisees, to which we have independent remote access. The data reported above relating to affiliate-owned Gross Sales performance has been compiled by our affiliates and provided to us in a similar manner. These figures have been compiled from those reports in accordance with generally accepted accounting principles. The Adjusted Gross Profit data was provided to us by the franchised outlets in survey responses.
2. “Gross Sales” means all collected receipts of the Franchised Business, the value of all services or products received for services provided or products sold, but excluding excise, sales and use taxes, gross receipts taxes or similar taxes paid by the Franchised Business based on sales, if those taxes are separately stated when the customer is charged, and excluding bona fide refunds, allowances or discounts to customers. The data presented in this FPR does not include any representation about costs of operation of the franchised businesses.
3. “Adjusted Gross Profit” means Gross Sales minus royalties, advertising, credit card fees, insurance, employee and manager payroll expenses, rent, repairs and maintenance, software, supplies and materials, utilities, and other miscellaneous expenses. The affiliate and franchisee owned outlets in the representation pay 6% in royalties to Franchisor. Affiliate owned outlets paid similar advertising expenses to franchisee owned outlets. Adjusted Gross Profit is calculated without subtracting owner compensation or benefits. All other employee compensation is included.
4. “Profit Margin” means Adjusted Gross Profit divided by Gross Sales.
5. Material financial and operational differences between the affiliated company outlet and a franchised outlet: There are no operational differences between the company outlet whose results are reported in the table above and an outlet that a franchisee would operate except the age of the outlet. The company outlets have been in operation for 15 and 19 years. We also have franchised outlets that have operated for 15 and 10 years. In addition, new franchisees will be required to pay 8% royalty.

Some outlets have earned this amount. Your individual results may differ. There is no assurance that you will earn as much.

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

You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees, listed in the Disclosure Document, may be one source of this information.

Other than the financial performance representations above, we do not make any representations. We also do not authorize our employees or representatives to make 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 our management by contacting Michael Barnett, 9677 W. Broad Street, Glen Allen, Virginia 23060, (804) 364-6363, the Federal Trade Commission and any appropriate state regulatory agencies.

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Item 20
OUTLETS AND FRANCHISEE INFORMATION

Table 1

**Systemwide Outlet Summary
For Years 2021 to 2023**

Outlet Type	Year	Outlets at Start of Year	Outlets at End of Year	Net Change
Franchised	2021	7	7	0
	2022	7	7	0
	2023	7	7	0
Company-Owned	2021	2	2	0
	2022	2	2	0
	2023	2	2	0
Total Outlets	2021	9	9	0
	2022	9	9	0
	2023	9	9	0

Table 2

**Transfers of Outlets From Franchisees to New Owners (Other than Franchisor)
For Years 2021 to 2023**

State	Year	Number of Transfers
North Carolina	2021	0
	2022	1
	2023	0
Texas	2021	0
	2022	0
	2023	1
Total	2021	0
	2022	1
	2023	1

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Table 3
Status of Franchised Outlets
For Years 2021 to 2023

State	Year	Outlets At Start Of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations For Other Reasons	Outlets At End Of Year
CT	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
FL	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
NC	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
PA	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
TX	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Total	2021	7	0	0	0	0	0	7
	2022	7	0	0	0	0	0	7
	2023	7	0	0	0	0	0	7

Table 4
Status of Company-Owned¹ Outlets
For Years 2021 to 2023

State	Year	Outlets At Start Of Year	Outlets Opened	Outlets Re-Acquired From Franchisees	Outlets Closed	Outlets Sold To Franchisees	Outlets At End Of Year
Virginia	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
	2023	2	0	0	0	0	2
Total	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
	2023	2	0	0	0	0	2

1. Company owned outlets refer to those outlets operated by our affiliate.

Table No. 5
Projected Openings as of December 31, 2023

State	Franchise Agreements Signed But Outlet Not Open	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
New Jersey	1	1	0
North Carolina	1	1	0
Texas	3	2	0
Virginia	1	1	0
TOTALS	6	5	0

Exhibit C contains the names of all current franchisees, and the addresses and telephone numbers of their outlets, as of December 31, 2023.

Exhibit D contains the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during our most recently completed fiscal year, or who had not communicated with us within 10 weeks of the issuance date of this disclosure document.

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

Restrictions on Ability to Speak. During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

We have not sponsored, endorsed or created any trademark-specific franchisee associations. No independent franchisee organizations have asked to be included in this Franchise Disclosure Document.

Item 21 **FINANCIAL STATEMENTS**

Exhibit E contains our audited financial statements as of our fiscal years ending December 31, 2023, 2022 and 2021.

Item 22 **CONTRACTS**

The proposed agreements regarding this franchise offering are included as exhibits to this Disclosure Document as follows:

Exhibit A- Franchise Agreement and Attachments:

- Attachment 1 – Territory and Site Description
- Attachment 2 – Bank Draft Authorization
- Attachment 3 – Transfer of Service Consent and Authorization

Attachment 4 – Legal Entity Information Sheet and Guaranty Agreement
Attachment 5 – Lease Addendum
Attachment 6 – Multi-Territory Addendum
Attachment 7 – State Addenda to the Franchise Agreement

Exhibit F - Compliance Certification

Exhibit G – [RESERVED]

Exhibit H - Release

Item 23
RECEIPTS

Exhibit K contains two copies of a Receipt of our Disclosure Document.

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MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

As to franchises governed by the Maryland Franchise Registration and Disclosure Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17.b. is modified to also provide, “The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. Item 17.u. is modified to also provide, “A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.”

3. Item 17.v. is modified to also provide, “Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.”

4. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

As to franchises governed by the New York franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT B OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency, or is subject to any currently effective order of any national securities

association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the “Summary” sections of Item 17(c), titled **“Requirements for franchisee to renew or extend,”** and Item 17(m), entitled **“Conditions for franchisor approval of transfer”**:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled **“Termination by franchisee”**:

You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the “Summary” sections of Item 17(v), titled **“Choice of forum,”** and Item 17(w), titled **“Choice of law”**:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

5. Franchise Questionnaires and Acknowledgements--No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

6. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

VIRGINIA ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Virginia Retail Franchising Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document is amended as follows:

Additional Disclosure: The following statements are added to Item 17.h.

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

“No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.”

EXHIBIT A

FRANCHISE AGREEMENT AND ATTACHMENTS

FRANCHISE AGREEMENT AND ATTACHMENTS

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FRANCHISE AGREEMENT AND ATTACHMENTS

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FRANCHISE AGREEMENT

This FRANCHISE AGREEMENT ("Agreement") is entered into by ROMP N' ROLL FRANCHISE DEVELOPMENT, LLC, a Virginia limited liability company with its principal office at 9677 W. Broad Street, Glen Allen, Virginia 23060 ("we", "us" or "our"), and _____ whose address is _____ ("you" or "your") as of _____ ("Effective Date").

WHEREAS, we have expended significant effort, money and time to develop certain concepts, skills, business and marketing techniques, and a specialized method and process with uniform standards, specifications, methods, policies and procedures ("System") for establishing and operating businesses providing recreational and enrichment classes for pre-school children ("Franchised Business").

WHEREAS, we have developed and will continue to develop valuable goodwill in the service mark, trademark and trade name ROMP N' ROLL, and in its trade dress; and have or may develop or acquire other service marks, trademarks, trade names and trade dresses for use under the System ("Marks"), all of which Marks are or will be our sole property; and we have expended, and will continue to expend effort, money and time in publicizing the services and products offered under the Marks and the System.

WHEREAS, you desire to establish and operate a Franchised Business, to use the Marks and the System, and to derive the benefits of the System as developed by us; and you acknowledge that it is essential to the preservation of the integrity and goodwill of the Marks that you adhere to the System for the establishment and operation of ROMP N' ROLL businesses.

NOW, THEREFORE, in consideration of the recitals above, the terms below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, we and you agree:

1. GRANT OF FRANCHISE AND OUR RESERVATIONS OF RIGHTS

1.1 Grant. Subject to the terms of this Agreement, we grant to you the right, and you undertake the duty, to establish and operate a Franchised Business in the Territory described in Section 2 for the term described in Section 3 ("Franchise").

1.2 System. The Franchise includes the right and obligation to sell ROMP N' ROLL services and products, and the right and obligation to use the complete System, as it exists or may be supplemented or modified during the term of the Franchise. You agree that the System will continue to evolve in order to reflect changing market conditions and to meet new and changing consumer demands, and that variations and additions to the System may be required to preserve and enhance the public image of the System and to ensure the continuing operational efficiency of ROMP N' ROLL businesses generally. Accordingly, you agree that we may, on notice and acting reasonably, add to, modify, upgrade and change the System, including the adoption and use of new and modified, upgraded or changed Marks, equipment, techniques and methodologies relating to the preparation, marketing, promotion and sale of ROMP N' ROLL services and products, but any additions, modifications, upgrades or changes may not unreasonably increase your obligations under this Agreement or place an excessive economic burden on the Franchised Business. You further

agree to promptly accept, implement, use and display in the operation of the Franchised Business all of those additions, modifications, upgrades and changes at your expense.

1.3 Our Reservations of Right. During the term of the Franchise, on behalf of ourselves and our affiliates, we reserve the sole and absolute right, to engage in any and all activities that we consider appropriate, in our discretion, both in and outside the Territory, which are not expressly prohibited by this Agreement, subject only to the following rights that we expressly grant to you:

(a) We will not directly establish or operate, or grant any person other than you the right to establish or operate, a Franchised Business at any location in the Territory; and

(b) We will not directly sell products or services that are the same as the products and services offered by the Franchised Business to any person in the Territory.

2. RESERVED AREA, SITE and TERRITORY

2.1 Reserved Area. If you have not located a site for the Franchised Business by the time that we accept this Agreement, you agree that you will seek to locate the Franchised Business only at a site acceptable to us within the geographic area described and identified in the Territory and Site Description (Attachment 1).

2.2 Site. When you have located a site for the Franchised Business acceptable to us, the site will be described and identified in the Territory and Site Description (Attachment 1). If the possession or ownership of or lease or sublease for the site of the Franchised Business expires or terminates without fault of you, or if the site are destroyed, condemned or otherwise rendered unusable, or if in our judgment there is a change in character of the site of the Franchised Business sufficiently detrimental to its business potential to warrant its relocation, we may grant you permission to relocate the Franchised Business to another site acceptable to us within the Territory. Any relocation will be at your sole expense, and will be subject to a site relocation fee as specified in Section 9.13.

2.3 Territory. The protected territory for your Franchised Business will be identified in the Territory and Site Description (Attachment 1), and may be different from any Reserved Area specified under Section 2.1.

2.4 Out-of-Territory Activities. You may not solicit business outside the Territory through the use of a toll-free number, Internet website, direct mail or any other means or method, whether or not the area is another franchisee's protected territory. If you receive a customer lead or request for service in another franchisee's protected territory, you must refer the customer to the other franchisee. If you receive a customer lead or request for service from outside your Territory, but no other franchisee has rights to that area when you receive the request, we will authorize you to provide services to the customer, expressly conditioned on the understanding that we may grant rights to that area to another franchisee in the future, and you may not solicit any customer located outside your Territory if another franchisee is granted rights to the area where the customer is located.

3. TERM OF FRANCHISE

3.1 **Initial Term.** The Franchise will begin on the date we execute this Agreement and will continue for an initial term of 10 years, unless sooner transferred under Section 25 or terminated under Section 26, and will expire at the end of the initial term unless renewed under Section 3.2.

3.2 **Renewal Terms.** You will have the right to renew the Franchise for successive 10-year terms, if:

(a) You are solvent (are able to pay your debts as they come due and have assets that are greater than your debts); you have not abandoned the Franchised Business; you are not operating the Franchised Business in a manner that endangers public health or safety; you have not repeatedly committed defaults of this Agreement during the prior term; and you (or your principal officers, partners, or members if you are a legal entity) have not been convicted of a felony or a crime involving moral turpitude, consumer fraud or any other offense that is reasonably likely, in our sole judgment, to have an adverse effect on the Marks, the System, the goodwill associated with the Marks or System, or our interest in the Marks or System.

(b) You give us written notice of your intention to renew not more than 12 months and not less than 6 months before the expiration of the term;

(c) You sign our then-current franchise agreement for the renewal term. You acknowledge that our then-current franchise agreement may contain terms that are substantially different from the terms in this Agreement, including but not limited to different fees, advertising contributions, training requirements, and a modification of your Territory if needed to conform your Territory to our then-current standards for granting Territories;

(d) You sign a general release, in a form satisfactory to us, of any claims against us and our shareholders, members, partners, officers, directors, employees and agent, in their corporate and individual capacities; and

(e) You pay to us the renewal fee specified in Section 9.7 in lieu of paying us an initial franchise fee as specified in Section 9.1.

4. PERSONAL ATTENTION OF FRANCHISEE OR MANAGER TO BUSINESS

4.1 You (or if you are not an individual, your principal operating officer, partner or member), or a Manager who has successfully completed all required initial training, must personally manage the Franchised Business at all times.

4.2 You understand and agree that the success of the Franchised Business will depend on personal, continued and full-time attention to the Franchised Business by you, your principal operating officer, partner or member, or your Manager. Personal, continued, and full-time attention will include at least: availability during normal and peak business periods; participation in the development and implementation of management and operational policies; and involvement in the

training and supervision of employees and independent contractors to ensure that the System is followed.

5. ESTABLISHMENT AND MAINTENANCE OF BUSINESS

5.1 Ownership of or Lease for Business Site. You may only locate the Franchised Business at a site within the Territory that we approve. You represent that you own, have leased, or promptly after the execution of this Agreement, will attempt to purchase or lease the site of the Franchised Business. Any lease or replacement lease for the site, or any lease for an acceptable substitute site, must include provisions comparable to the Lease Addendum (Attachment 5). For purposes of this Agreement, the term "lease" includes a sublease. You agree to provide us with a copy of the lease, and not to modify the lease in a way that adversely affects our rights without our prior written approval. Your execution of a lease or purchase agreement for the site of the Franchised Business will constitute acceptance by you of the site and of the terms of the lease or purchase agreement, and a waiver of any claim or right against us relating to the choice of the site or the terms of the lease or purchase agreement.

5.2 Selection of Site. You must find a site for your business that meets our site selection criteria within 120 days after signing your franchise agreement. We may recommend the services of a real estate brokerage to assist in finding a site for your business; however, you are not required to use this brokerage's services. You will be required to use our approved architect to inspect the site to determine whether the space will meet our requirements prior to our approving the site. We will accept or reject a proposed site within a reasonable time (generally 10 business days) after you propose it in writing with appropriate documentation as stated in our manuals, based on factors such as demographic characteristics, traffic patterns, access, parking, size, layout, length of availability, predominant character of the neighborhood, competition from other businesses providing similar services in the area, proximity to other businesses, nature of other businesses in proximity to the site, and size, times open to the public, appearance and other physical characteristics of the site. Approval is intended only to indicate that the proposed site meets our minimum criteria for identifying sites. You agree that our approval or disapproval of a proposed site does not impose any liability on us. If we do not accept a proposed site, you must locate another site. If you and we cannot agree on a site, we may terminate the franchise.

5.3 Development of Business. You agree to develop the Franchised Business in accordance with our standards and specifications. You will, promptly after obtaining possession of the site of the Franchised Business, and before opening, do or cause to be done all of the following:

(a) You are required to use our specified vendor to manage the build out of your ROMP N' ROLL outlet, including layout, architectural blueprints, General Contractor selection and oversight.

(b) Before building out the site of the Franchised Business, prepare and submit to us for acceptance, which will not be unreasonably withheld, plans for the Franchised Business (including, but not limited to, plans for construction, dimensions, exterior design, materials, interior layout, equipment installation, fixtures, furniture, signs and decorating). After being accepted, the plans may be further modified only to the extent necessary to comply with applicable ordinances and

building codes, and applicable permit, lease and deed requirements and restrictions. All plans and modifications are subject to our prior written acceptance.

(c) Obtain all required building, driveway, utility, sign and business permits and licenses, and any other required permits and licenses necessary for the establishment and operation of the Franchised Business.

(d) Construct all required improvements to the site, decorate the site in compliance with plans and specifications accepted by us and otherwise conform the site to all applicable ordinances and building codes, and all applicable permit, lease and deed requirements and restrictions and our specifications, as modified by you with our prior written approval to fit the particular site, and obtain all customary contractors' sworn statements and partial and final waivers of liens for construction, remodeling, decorating and installation services.

(e) Purchase, lease and install all equipment, fixtures, and furniture required for the Franchised Business as listed in our specifications. You agree to use in the operation of the Franchised Business only those brands and models of equipment, fixtures, furniture and signs that we have approved for ROMP N' ROLL businesses as meeting our standards and specifications. Our standards and specifications may include minimum standards for design, appearance, function, performance, serviceability and warranties. You may purchase approved brands and models of equipment, fixtures and furniture from any supplier unless we have designated an approved supplier in our Manual or otherwise in writing (also see Section 14.2 for more information about approval of suppliers).

(f) Purchase and display at the interior and exterior of site of the Franchised Business only the signs, emblems, lettering, logos and display materials that we approve (see also Section 15.3).

5.4 **Business Opening.** You agree to complete improvements and open for business within 9 months after signing the franchise agreement, subject to our opening schedule availability. If you are delayed from opening within 9 months, you must immediately provide us with either a written confirmation that you will open before the end of the 6-month period or a written request to delay opening. The request must state: (1) that a delay is anticipated; (2) the reasons which caused the delay; (3) the efforts that you are making to proceed with the opening; and (4) an anticipated opening date. In considering the request, we will not unreasonably withhold our consent to a delay, up to a maximum of 60 days, if you have been diligently pursuing the opening during the 9 months after signing the franchise agreement.

6. CONTINUOUS OPERATION OF BUSINESS

6.1 You must operate the Franchised Business on a continuous basis throughout the year, and must be open for business each week for the minimum hours and minimum days stated in the Manual, unless you are limited by local government regulation or you obtain a written variance from us.

7. LIMITATIONS ON ACTIVITIES OF BUSINESS

7.1 In order to preserve the System and the identification of ROMP N' ROLL business franchisees operating under the Marks, you agree that the Franchised Business will not engage in activities other than those approved under the System. You further agree that you must obtain our prior written consent to offer any services or sell any products other than those approved under the System.

7.2 You may not engage in any deceptive or unfair trade practice or other activity, or offer any service or product which is harmful to the goodwill or reputation of you, us, our franchisees generally, the System or the Marks.

7.3 You must conduct a background check on each individual that will have direct contact with children at the Franchised Business.

7.4 You may not maintain your own website in connection with the Franchised Business on the Internet or any comparable electronic network of computers if we provide you a web page on our website as specified in Section 10.3. If we do not provide you with a web page, you must notify us that you intend to develop your own website and submit the content to us for approval and otherwise fully conform to our standards regarding advertising the System and the Franchised Business and in the use of the Marks.

8. PRICES CHARGED BY BUSINESS AND PAYMENT METHODS

8.1 Prices. You have the right to offer and sell services and products at any prices you may determine. If we recommend a price, that price is suggested only, and is in no way binding on you.

8.2 Credit Cards. You will at all times have arrangements in existence with a full range of credit and debit card processors, check verification services and electronic fund transfer systems as we periodically designate in our sole discretion in order that the Franchised Business may accept customers' credit and debit cards, checks and other methods of payment. You will use only such methods of payment which we authorize or approve.

8.3 Gift Cards. We reserve the right to establish policies regarding the use of gift certificates, stored value cards, and other marketing items for you and others. You agree that the Franchised Business will offer for sale only the gift certificates, stored value cards, and stamp cards that we may authorize and/or require. You will not sell or otherwise issue gift certificates, stored value cards, coupons or the like without our express written authorization and we will have the right to withdraw or modify our authorization at any time. You will honor all validly issued gift certificates, stored value cards, coupons or the like and will strictly follow all procedures and policies that we may periodically establish in this regard.

8.4 Discounts and Incentives. You acknowledge and agree that customer discounts and incentives may be effective methods to encourage visits to the Franchised Business. You must periodically offer discounts to customers and/or customer incentive programs in accordance with our System. You must also offer for sale, and will honor for purchases by customers, any incentive

programs that we periodically institute, and you must do so in compliance with our System and procedures for such programs. However, you will retain sole discretion as to the prices to be charged to customers.

8.5 Memberships. In addition to offering individual classes for sale, you may offer and sell to customers rights to obtain the services of the Franchised Business on a multiple-visit basis (a “Local Membership.”) We may, but are not obligated to, also authorize you to offer and sell to customers right of access to other or all (subject to certain exclusionary rules) Romp n’ Roll businesses (“National Membership.”) Local Memberships and National Memberships are referred to collectively as “Memberships.” We may periodically modify the types and terms of Memberships that you may offer and sell. You must offer Memberships in strict compliance with our standards, specifications, policies and procedures as periodically established and modified, and you must fully comply with all laws and regulations applicable to the Franchised Business in offering Memberships. All Memberships must be evidenced by a written Membership Agreement in the form that we periodically provide to you, and may not be for a term that extends beyond the expiration of this Agreement. You acknowledge and agree that any Membership Agreement that has been modified without our consent shall be void. You agree to accept any Memberships that we assign to you by notice; to honor those Memberships on the terms and conditions of the existing Membership Agreement and accept only such payments as accrue under the Membership Agreement from the time of assignment.

9. FEES PAYABLE TO US

9.1 Initial Franchise Fee. Unless you are signing this Agreement as part of a renewal or transfer of the Franchise, you must pay to us an initial franchise fee of \$55,000. You may purchase up to two additional territories for \$40,000 each, if purchased at the same time, and you enter into the Multi-Territory Addendum appended as Attachment 6 to this Agreement.

The Initial Franchise Fee is due to us in full when you return to us signed copies of your Franchise Agreement. The Initial Franchise Fee is fully earned and nonrefundable upon your signing of the franchise agreement and receipt of the funds by us.

9.2 Continuing Franchise Fee. During the term of this Franchise, you must pay us a continuing franchise fee of 8% of Gross Sales (as defined in Section 9.18) per month. The continuing franchise fee is due and payable each month in accordance with Section 9.19, accompanied by a statement of Gross Sales in the form specified in the Manuals, and transmitted to us as specified in the Manuals.

9.3 Advertising Contribution. During the term of the Franchise, you must pay us, as a continuing monthly advertising contribution, an amount we periodically determine, that will be a minimum of \$300 a month but will otherwise not exceed 2% of Gross Sales (as defined in Section 9.18) per month. The advertising contribution will commence when we notify you in writing; will be due at the same time each month and payable in the same manner as the continuing franchise fee. See Section 16.1 for more information.

9.4 Training Fees. If you send more than 2 people to initial training or if we must train more than 1 replacement manager per year, you must pay us a training fee equal to our then-current per-diem fee per day per person. See also Sections 9.17, 11.2 (b) and (d), 11.4 and 11.5.

9.5 Annual Conference Fee. If we choose to host an annual conference in accordance with Section 11.2 (c), you must pay us either a registration fee or a non-refundable per-attendee fee to us that may be equal to a pro-rata share of our out-of-pocket cost of holding the conference.

9.6 Examination or Inspection Fee. If we, in our discretion, determine that (a) an examination under Section 22.1 is necessary due to your failure to submit required information to us in a timely fashion; or (b) an inspection under Section 22.4 is necessary due to your failure to comply with this Agreement, you must pay a fee and/or reimburse our costs, as follows: If our staff conducts an examination or inspection, you must pay us our then-current per-diem fee for our representative in accordance with Section 9.17, and reimburse us for actual travel, room and board expenses of our representative. If we decide to use a 3rd party to conduct an examination or inspection, you must reimburse our actual costs incurred in engaging someone to conduct an examination or inspection.

9.7 Renewal Fee. If you are signing this Agreement as part of a renewal of the Franchise, you must pay to us, on signing the successor franchise agreement, a renewal fee of \$5,000, in lieu of paying the initial franchise fee specified in Section 9.1. The renewal fee is non-refundable and fully earned by us when paid.

9.8 Transfer Fee. If you are signing this Agreement as part of a transfer of the Franchise under Section 25.2, you (or the transferring franchisee) must pay to us a transfer fee of \$15,000 in lieu of paying the initial franchise fee specified in Section 9.1. The transfer fee is non-refundable and fully earned by us when paid except as stated in Section 25.2 (b) (ix).

9.9 Late Fees. If any sum you must pay to us or any report that you must submit to us under this Agreement is not actually received by us by the due date, you must pay a late fee of \$50 for each late payment or past due report. The late fee is in addition to any other rights or remedies that we have under this Agreement or otherwise.

9.10 Interest. If any sum you must pay to us under this Agreement is not actually received by us by the due date, that sum will bear interest calculated daily after the due date until paid at the lesser of 1.5 % per month or the highest rate of interest allowed by law. Interest is in addition to any other rights or remedies that we have under this Agreement or otherwise.

9.11 Reserved.

9.12 Equipment, Supplies or Supplier Testing or Inspection, and Grant or Approval of Equipment, Supplies or Suppliers. You must reimburse us for our expenses for equipment or supply testing or grant or approval of equipment, supplies or suppliers in accordance with Section 14.4, and pay us the then-current per diem charges for our personnel in accordance with Section 9.17.

9.13 Site Relocation Fee. If you relocate your Franchised Business, you must obtain our prior written permission in accordance with Section 2.2 and pay us a site relocation fee of \$5,000 to

reimburse us for our administrative costs associated with our review and the approval process for a new site.

9.14 Reimbursements and Penalty Fees. You must reimburse us for any charges that we incur on your returned checks, declined drafts or other charges or similar financial defaults. You also must pay to us penalty fees as periodically specified in the Manual for such defaults and for overdue or unpaid invoices to you for products or services.

9.15 Website. If we allow you to establish and maintain a web page through our website, we may charge you a reasonable fee for any customized features, which fees will be periodically specified in our Manual or otherwise in writing. Currently, you must pay to us an initial website set-up fee of \$1,000 and pay to our designated vendor a monthly website fee of \$49.95. See also Section 10.3.

9.16 Software Fee. You pay to us, our affiliate, or any designated supplier, any required initial or recurring periodic fee for initial or continued licensing, support or maintenance that may be periodically specified in our Manual or otherwise in writing. Currently, you must pay to us a software initial set-up fee of \$500 and monthly software fees of approximately \$295 per month, which may vary depending upon outside supplier price increases.

9.17 Per-diem Fee. In any instance where we have reserved the right to charge a per-diem for services provided by our personnel, the cost will be \$500 per day.

9.18 Gross Sales. For purposes of this Agreement, “Gross Sales” means all collected receipts of the Franchised Business, the value of all services or products received for services provided or products sold, whether for cash or barter, or on a charge, credit or time basis (and whether or not the Franchised Business has opened in accordance with Section 5.4), but excluding excise, sales and use taxes, gross receipts taxes or similar taxes paid by the Franchised Business based on sales, if those taxes are separately stated when the customer is charged, and excluding bona fide refunds, allowances or discounts to customers.

9.19 Electronic Payment Authorization. You must pay all on-going or periodic fees to us by automatic bank draft or electronic funds transfer on the due date that we specify for each fee (currently, the 5th day of each month). If the due date specified for any fee is not a business day, we will draft your account on the next business day. You agree to execute Attachment 2 or any comparable documentation necessary for us to effect an automatic bank draft or electronic funds transfer. The continuing franchise fee obligation in Section 9.2 accrues when you receive Gross Sales, whether or not the Franchised Business has opened in accordance with Section 5.4. Your 1st payment of the continuing franchise fee is due in the month immediately after your initial receipt of Gross Sales.

9.20 Application of Payment. Regardless of your designation, we, in our sole discretion, may apply your payment to any of your past due indebtedness to us or our affiliates. Any payment received toward an overdue sum will first be applied to the late fees, accrued interest, reimbursement or other penalty fees, and will be applied to the overdue sum only after all accrued interest, late fees, reimbursements and other penalty fees are paid. If the due date for any fee or other sum is not stated in this Agreement, generally it will be the 30th day after the billing date.

9.21 Payment terms. You agree to pay all invoices rendered by us or our affiliates within 30 days after the dates of the invoice.

9.22 Adjustment of Fixed Dollar Amounts Based on Index. You and we agree that we may increase all fixed dollar amounts set out in this Agreement or the Manual depending on changes in the Consumer Price Index (1982-84=100: all items; CPI-U; all urban consumers) published by the U.S. Bureau of Labor Statistics ("Index") (or any successor index that we may reasonably specify in the Manual or otherwise in writing). We will make adjustments to fixed dollar amounts set out in this Agreement no more than once each year in writing. Increases based on changes in the Index shall be measured by changes in the Index from January 1 of the calendar year this Agreement is signed. The adjustment shall be calculated by multiplying the fixed dollar amount by a fraction the numerator of which is the Index for the year and month of the adjustment, and the denominator of which is the Index as of January 1 of the year this Agreement is signed.

10. SERVICES AND PRODUCTS FURNISHED BY US

10.1 During the term of the Franchise, we will provide the following:

- (a) Training programs and assistance as described in Section 11.2;
- (b) A Manual and updates as described in Section 12 and related materials other than the Manual that we, in our sole and absolute judgment, select;
- (c) Information about our specifications for establishing a ROMP N' ROLL business under the System;
- (d) Advice about implementing a grand opening and initial advertising and promotional program and materials;
- (e) Advice and assistance with site selection, construction, set-up and opening and guidance in initially organizing your Franchised Business;
- (f) Periodic efforts to report improvements in the System to you as they are developed or acquired by us in our sole discretion;
- (g) Continuing assistance by such methods as we, in our sole discretion, deem reasonable under the circumstances to provide periodic reviews and analyses in connection with the operation of the Franchised Business;
- (h) Continued efforts to negotiate purchasing agreements with suppliers for equipment, supplies and services, as described in Section 14;
- (i) At our option, Intranet access to our manuals, franchisee resources, and company news.

10.2 If you request, we will furnish special guidance and assistance relative to the operation of the Franchised Business, at per diem charges we establish as specified in Section 9.17, plus our out-of-pocket expenses. If you request special training of business personnel or other assistance in operating the Franchised Business that must take place at the location of the Franchised Business, you must pay all expenses for training, including per diem charges and all reasonable

transportation, meal and lodging expenses incurred by our personnel supplying the additional assistance.

10.3 We may maintain a website on the Internet or any comparable electronic network of computers to advertise and promote our franchise system, and services and products marketed by us and our franchisees. We will permit you to maintain a standard listing on our website and may allow you to establish and maintain a web page that is subject to the fee as specified in Section 9.15. Any representations and warranties of any kind whatsoever, express or implied, regarding our website(s), including representations and warranties as to the operation, functionality, lack of interruption or resources of our website(s), are expressly excluded. Without limiting the foregoing, we disclaim any implied warranties of merchantability and fitness for a particular purpose as to our website(s). As to any malfunctioning of our website(s), we will not be liable to you for any consequential, incidental, indirect, economic, special, exemplary or punitive damages, such as, but not limited to, loss of revenue or anticipated profits or lost business, even if you have advised us that such damages are possible as a result of any breach of warranty or malfunction.

10.4 Our obligations under this Agreement are to you. No other person or entity, directly, indirectly or by subrogation, may rely on, enforce or obtain relief under this Agreement for any default by us.

11. TRAINING

11.1 You and your employees and independent contractors must maintain the standards of skill, efficiency and quality associated with the System.

11.2 To assist you in establishing and maintaining those standards, we will provide training as follows:

(a) We will provide you (or if you are not an individual, your principal operating officer, partner or member) and your original Manager, if any, initial training for the operation of a ROMPN' ROLL business, at a location we designate, for the period of time that we specify. You (or if you are not an individual, your principal operating officer, partner or member) and your original Manager, if any, must successfully complete initial training to our satisfaction before opening the Franchised Business. We will bear the cost of providing initial training, including the cost of basic materials and instructors. You must bear the cost of trainees' wages and benefits, and trainees' travel, lodging and meal expenses.

(b) If the original or any succeeding Manager leaves your employ, a replacement Manager must successfully complete initial training at a location we designate, subject to our scheduling, within a reasonable time of the date of replacement. You must bear the cost of the succeeding Manager's wages and benefits, and travel, lodging, and meal expenses. You must pay us our then-current training fee (see Section 9.4) as to that training, if we provide replacement manager training to you more than once per calendar year.

(c) We may conduct an annual conference on a regional or national basis for our franchisees. We will provide you with notice of the time and place of any conference that we conduct, which time and place we will determine. You (or if you are not an individual, your principal operating

officer, partner or member) or your Manager must attend the conference. For each of your representatives attending the conference, you must pay us the fee specified in Section 9.5, and also must pay all wages and benefits, and your attendees' travel, lodging and meal expenses.

(d) You (or if you are not an individual, your principal operating officer partner or member) and your Manager, if any, must successfully complete remedial or follow-up training if, in our sole and absolute judgment, that training is necessary. We will bear the cost of providing remedial or follow-up training, but you must bear the cost of your and your Manager's wages and benefits, and travel, lodging and meal expenses.

11.3 Except as otherwise stated in this Section 11, you, your trained Manager (if any) or your other trained staff are responsible for training your other employees and independent contractors other than your Managers.

11.4 If you request our trainers to give any initial, remedial or follow-up field assistance or training at your location, you must pay our per-diem charges for each trainer as specified in Section 9.17 and reimburse us for the actual and reasonable travel, lodging and meal expenses of those trainers.

11.5 We may require you to make reservations for trainees or attendees in advance of any training or conference. We may require deposits for those reservations (which may be refunded or, in our sole discretion, applied toward training or conference fees) and may charge a cancellation fee if reservations are cancelled.

12. MANUAL and ADDITIONAL MATERIALS

12.1 We have developed a copyrighted Manual containing mandatory and suggested specifications, standards, procedures and rules applicable to the System. The Manual is and will remain our exclusive property. You will merely be given Intranet access to the Manual during the term of the Franchise. We also may lend to you paper or read-only disk copies of, or give you Intranet access to, additional materials we develop for aspects of the System. In order to protect our reputation and goodwill, the System and the Marks, you must operate the Franchised Business in strict conformance with the Manual and any additional manuals or materials we develop that are lent to you.

12.2 You agree that we may modify the System, and that modifications to the System may require modifications to the Manual and to any additional manuals or materials we develop, as long as those modifications do not unreasonably increase your obligations under this Agreement or place excessive economic burdens on the Franchised Business. You agree to operate the Franchised Business in strict conformance with any modifications to the Manual and any additional manuals or materials we develop. Modifications will be effective on receipt by you, unless we otherwise state.

12.3 The provisions of the Manual, including the mandatory specifications, standards, procedures and rules applicable to the System, and any modifications that we make, are provisions of this Agreement as if fully stated in this Agreement. All references in this Agreement to the provisions of the Manual mean the provisions of the Manual, including all modifications and

mandatory and recommended specifications, standards, procedures and rules, as of the time they are in effect.

12.4 You must at all times ensure that any paper or read-only disk copies of the Manual and any additional manuals or materials we provide to you are up-to-date and kept in a secure place. If there is any dispute as to their contents, the terms of our master copies of the Manual, and of any additional manuals or materials we develop and maintain at our headquarters, will be controlling.

12.5 You must treat the Manual and any additional manuals or materials we develop and provide to you that are designated as "Confidential", and the information in those manuals and materials, as confidential, and must take all reasonable precautions to maintain those manuals' and materials' confidentiality. You may not, without our written consent, copy, duplicate, record or otherwise reproduce the Manual or any additional manual or materials we develop, in whole or in part, or otherwise make the same available to any person who is not bound by the confidentiality terms of this Agreement or who has not signed a separate confidentiality agreement in a form approved by us (see Section 20.2).

13. ACCOUNTING PROCEDURES

13.1 You must use computerized record-keeping and accounting systems as we require.

13.2 You recognize the importance of financial and statistical analysis, and agree to provide us with periodic reports in the forms and at the times and places required in the Manual. You must submit to us any other financial or statistical reports, records, statements or information that we reasonably deem to be required or desirable, in the forms and at the times and places we reasonably state, in the Manual or otherwise in writing.

13.3 All financial information you provide to us must be prepared in accordance with generally accepted accounting methods. All financial or statistical information you provide to us must be accurate and correct in all material respects.

13.4 You must provide us annually, within 3 months after your fiscal year end, with a statement of revenues, expenses and income (or loss) for the year, and a statement of assets and liabilities as of the end of the year, which statements must be prepared in accordance with generally accepted accounting methods. Within 15 days after filing the return, you must provide us with copies of all tax returns you file for the year as to the Franchised Business, including federal and state income tax returns (or schedules).

13.5 Subject to the limitations in this Section 13.5, we have the right to use any financial or statistical information you provide as we deem appropriate. We will not identify you as the source of that information, and will not disclose any information shown in any of your tax returns (other than information disclosed in other documents submitted to us) except: (a) with your permission; (b) as required by law or compulsory order; or (c) in connection with examinations under Section 22.1.

13.6 During and for 5 years after the term of the Franchise, you must maintain and preserve all books, records and accounts of the Franchised Business for at least 5 years after the close of the fiscal year to which the books, records and accounts relate.

14. EQUIPMENT, FURNITURE, FIXTURES, COMPUTER HARDWARE AND SOFTWARE, PRODUCTS, SERVICES and SUPPLIES

14.1 We will maintain and make available to you a list of certain equipment, furniture, fixtures, products, services, supplies, and computer hardware and software that meet our specifications in order to achieve and maintain quality and consistency in the System. We may periodically modify this list. We do not deliver or install any items. So long as the equipment, furniture, fixtures, products, services, supplies, and computer hardware and software meet our specifications, you may obtain your equipment, furniture, fixtures, products, services, supplies and computer hardware and software from whomever you decide, unless we designate an approved supplier in this Agreement or in our Manuals or otherwise in writing. We may periodically modify our specifications or our designation of items that must be purchased in accordance with our specifications in our Manuals or otherwise in writing.

14.2 Currently, you must obtain promotional items from our approved supplier. We may periodically modify our approved supplier list by designating different or additional approved suppliers in our Manuals or otherwise in writing.

14.3 We or our affiliates may be an exclusive or designated supplier, or we or our affiliates may offer to sell to you equipment, furniture, fixtures, software, supplies, services and products used in operating a ROMPN' ROLL business, that you may elect to purchase at your option. To the extent we are not the manufacturer of any equipment or supply that we may sell or provide to you, unless specifically stated otherwise in writing, we do not provide any warranty or guarantee to you or any third party, and you may not make any representation to the contrary to any third party. If we are able to secure from any manufacturer any warranty, guarantee or assumption of liability that we are authorized to convey to you, we will so notify you.

14.4 We reserve the right to inspect and re-inspect the products, supplies and facilities of your suppliers, to determine conformity with this Section 14. We will have the right to charge you a reasonable fee to cover the expenses incurred by us for any testing or inspection as specified in Section 9.12, and any per-diem for our personnel as specified in Section 9.17.

14.5 If you propose to purchase or use equipment or supplies, or any brand and/or model of equipment, fixture or furniture that is not then approved by us, you will first notify us in writing before using the unapproved item. If we request, you must submit to us, sufficient written specifications, photographs, drawings and/or other relevant information or samples for a determination by us of whether the requested item or supplier complies with our specifications and standards. At our option, we will test any equipment or supply to determine whether it meets the required specifications and will notify you accordingly within a reasonable time. We will have the right to charge you a reasonable fee to cover the expenses incurred by us for any testing or inspection as specified in Section 9.12, and any per-diem for our personnel as specified in Section 9.17. If we determine that any equipment or supply does not meet the required specifications, you agree that you will not use the equipment or supply in the Franchised Business. The supplier of any equipment or supply proposed

for your use under this Section may be required to demonstrate to our reasonable satisfaction that the supplier (a) meets our specifications; (b) has the capacity to supply franchisee requirements; (c) has a sound financial condition and business reputation; and (d) will supply equipment or supplies to a sufficient number of our franchisees to enable us to economically monitor compliance by the supplier with our specifications.

14.6 We or our affiliates will endeavor, to the extent we are able, to negotiate volume purchasing arrangements based on total purchases by our franchisees, and to offer them to our franchisees at prices not otherwise generally available to the franchisees.

14.7 You agree to use in the operation of the Franchised Business all software that we prescribe, and to comply with all specifications and standards that we prescribe regarding proprietary software. Proprietary software may be developed and integrated into the System in our discretion. We or our designee will provide any initial, upgrade or update of proprietary software to you for reasonable fees (see Section 9.16). You agree to execute a Software License Agreement for any proprietary software on written request. We may include timers or other security devices (collectively "Security Devices") in any proprietary software. We may use the Security Devices to prevent your use of our proprietary software if the Franchise expires, or is terminated or transferred. We will not be liable to you for any loss of data, business interruption or any other damages alleged to be caused by our use of the Security Devices in such circumstances.

15. DESIGN AND APPEARANCE OF BUSINESS

15.1 Condition and Appearance of Business; Trade Dress. The condition and appearance of a ROMP N' ROLL business is part of our trade dress. You agree to maintain the condition and appearance of the Franchised Business consistent with our trade dress and the image of the Franchised Business as a clean, attractive, modern, sanitary, convenient and efficiently operated facility selling high quality services and products. If at any time, in our reasonable judgment, the general state of repair, appearance or cleanliness of the site of the Franchised Business or its equipment, fixtures, furniture, signs or decor does not meet our standards, we will so notify you, specifying the action to be taken by you to correct the deficiency. If you fail or refuse to initiate, within 30 days after receipt of notice, and then continue, a bona fide program to undertake and complete any required maintenance within the timetable set by us, your failure or refusal will be considered a default for which we may terminate the Franchise. In addition, we will have the right, but will not be obligated, to enter the site of the Franchised Business and effect required repairs, painting, decorating and/or replacements of equipment, fixtures, furniture, signs or decor on behalf of you, and you will have the obligation to pay the entire cost to us on demand. Your obligation to initiate and continue any required maintenance will be suspended during any period in which the maintenance is impractical due to an event of Force Majeure.

15.2 You may make no change to your facility design or appearance without our prior written consent, and must maintain and renovate periodically, at your expense, the interior and exterior of the facility in the manner we reasonably require so as to maintain standards of design and appearance consistent with the image of the System. We will have the right to require remodeling changes to the facility at your expense no more often than once every 5 years, but you will not be required to do any particular required remodeling if it would occur within 1 year of the expiration date of any term of the Franchise unless you and we have agreed that you will renew the Franchise as specified in Section 3.2. Costs associated with the repair, maintenance or upkeep of your facility,

including repairs needed because of unusual wear and tear, do not apply toward the timing limitations of remodeling.

15.3 You agree to purchase or lease, and to display at the Franchised Business, only signs, emblems, logos, lettering and pictorial materials that are in accordance with specifications required by us in the Manual or otherwise in writing, subject to changes for which we have given our prior written consent. We have the right to revise the specifications for signs, emblems, logos, lettering and pictorial materials. You must alter your signs and other materials at your location to conform to the revised specifications promptly after receiving written notice. The alterations will be at your expense, but will not be required more often than once every 3 years. Any costs associated with the repair, maintenance or upkeep of your signs, do not apply toward the timing or cost limitations of alterations.

15.4 You must maintain your facility and all adjacent areas in good, clean, attractive and safe condition at all times. You must, at your expense, undertake all maintenance and make all repairs, replacements, alterations and additions as required for that purpose, including periodic cleaning, repainting, repairs and replacement of obsolete fixtures, equipment, and furnishings as we reasonably require.

15.5 You, at your or your employees' expense, will cause your employees and independent contractors to present themselves to customers and prospective customers, in terms of general appearance, dress and accessories, in accordance with written standards we require in the Manual or otherwise in writing.

16. ADVERTISING AND PROMOTION

16.1 Recognizing the value of marketing and the importance of the standardization of promotions and public relations programs to the furtherance of the goodwill and public image of the System and the Marks, you agree to contribute to a system-wide advertising and promotional fund ("Fund") the amount specified in Section 9.3 based on Gross Sales (as defined in Section 9.18) for the preceding month in accordance with the requirements of Section 9.19.

16.2 The Fund will be maintained and administered as follows:

(a) Any company-owned ROMP N' ROLL businesses will make contributions to the Fund on a basis at least equal to that described in Section 16.1.

(b) We will direct all advertising and promotional programs, with the sole discretion of approval over agencies, spokespersons, creative concepts, materials, and media placements and allocations used in the programs. You agree that the Fund may be used to meet the costs of researching, preparing, maintaining, administering and directing advertising and promotional materials and programs, including the costs of preparing and conducting Internet, television, radio, magazine, newspaper, direct mail and coupon advertising campaigns and other public relations activities; employing advertising agencies; providing a toll-free number for prospective customers; providing promotional brochures and other marketing materials to franchisees in the System, establishing and maintaining a website or an on-line presence, and any other advertising and promotional activities to benefit the System.

(c) You agree that the Fund is intended to maximize general public recognition and acceptance of the Marks for the benefit of the System, and that we and our designees undertake no obligation in administering the Fund to make expenditures for you that are equivalent or proportionate to your contributions, or to ensure that you benefit directly or pro rata from the placement of advertising. We do not owe any fiduciary obligation to you or any other franchisee for administering the Fund.

(d) The Fund may spend in any fiscal year more or less than the total contributions to the Fund, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will use all interest earned on the Fund to pay costs before using the Funds other assets.

(e) All sums contributed to the Fund will be accounted for separately from our general funds. The Fund will not be used for any of our general operating expenses, but we and our affiliates may receive payment for any products or services that we or our affiliates provide to the Fund. We may use the Fund to pay the reasonable salaries and benefits of our personnel who manage and administer the Fund, including its collection and accounting, travel expenses of personnel on business related to the Fund, and any other reasonable administrative costs and overhead incurred in activities related to the administration or direction of the Fund. An unaudited summary report on the operation of the Fund will be prepared annually and will be made available to you on request about 120 days after fiscal year end.

(f) Although the Fund is intended to be of perpetual duration, we retain the right to terminate the Fund, but will not do so until all contributions have been used for the purposes described above or returned to contributors on a prorated basis.

16.3 Advertising Council. We may establish an advertising council of franchisees. The council will be advisory and have no operational or decision-making power. We will determine the number of members of the council and determine how council members are elected or appointed, and will have the right to change or dissolve the council.

16.4 Grand Opening. You agree to conduct a grand opening marketing program, using marketing and public relations programs and media and advertising materials that we approve for the Franchised Business. If other franchisees are opening ROMP N' ROLL businesses at about the same time in the same advertising marketing area, you agree to participate in a joint grand opening program with other franchisees on our request. As part of your grand opening you must spend at least \$1,500 on public relations for your grand opening with a public relations firm that we designate.

16.5 Local Advertising. You must spend at least 3% of your annual Gross Revenues on local advertising in accordance with the standards contained in our Manuals beginning after the 1st 60 days of operation of the Franchised Business.

16.6 Internet-Based Advertising. You are required to use the marketing agency we specify for any internet-based advertising. You must also purchase monthly email marketing from our designated supplier.

16.7 Use of Advertising Materials. You must submit to us, for our approval, all materials to be used for local advertising, unless they have been approved before or they consist only of materials we provided. All materials containing our proprietary marks must include the designation TM for trademark, ® for registered trademark, SM for service mark, © for copyright, or any other designation we specify. If you do not receive written or oral disapproval of any materials submitted within 10 days from the date we receive the materials, the materials are approved. Your submission of advertising for approval does not affect your right to determine the prices at which you sell your services or products.

16.8 Listings. You acknowledge and agree that we will own all rights to and interest in each telephone number and telephone directory listing, email address, domain name, social media methodology and comparable electronic identity that is associated in any manner with your Franchise and/or with any Mark ("Listing"). You acknowledge and agree that all goodwill arising from or in connection with the use of each Listing will inure to our benefit. Promptly after expiration, termination, or transfer of the Franchise, you will notify each telephone or Internet service provider with whom you have any Listing and direct them to transfer the Listing to us, or our designee, at your expense; and you will execute all documents necessary to complete these transfers. On the execution of this Agreement, you will sign a transfer of service consent and authorization (Attachment 3), granting us the authority to change, transfer or terminate any Listing on your behalf. We agree to use Attachment 3 only if you do not comply fully with this Section and Section 27.1(d).

16.9 Franchise Sales Materials. Subject to any legal restrictions, you must display or make available, in the reception area of the Franchised Business, marketing materials that we periodically provide to you about the purchase of ROMP N' ROLL franchises, but you have no responsibility or authority to act for us in franchise sales.

16.10 Local or Regional Cooperatives. If other ROMP N' ROLL businesses that you do not operate are located in your geographic or trading area, you must participate in any local or regional advertising cooperative that we establish or cause to be formed, if we require your participation. Such participation may involve, for example, paying your pro rata share of the cost of directory or other advertising placed on behalf of you and other local or regional ROMP N' ROLL businesses. We may authorize the members of the cooperative to adopt bylaws under which the members will vote on contributions and activities of the cooperative, but your contributions to any cooperative may not exceed 1% of your annual Gross Sales without your consent.

16.11 Our Obligation to Conduct Advertising. We may advise you in the conduct of advertising or conduct advertising ourselves using online, direct mail, print or other advertising. We may use local, regional or national advertising. We may produce advertising material in-house or through outside agencies. We are not required to spend any amount on advertising in the area or territory where you will be located.

17. INSURANCE

17.1 You must secure before opening the Franchised Business, and then must continuously maintain during the term of the Franchise, insurance at your expense, as follows:

(a) Comprehensive general liability insurance with a limit of at least \$1,000,000 general aggregate, \$1,000,000 products and completed operations aggregate, \$1,000,000 personal and advertising injury and \$1,000,000 per occurrence.

(b) Umbrella commercial liability with a limit of at least \$2,000,000 per occurrence and aggregate, with the commercial general liability, automobile liability and workers' compensation/employer's liability as underlying policies.

(c) "All risk" property insurance on the site, equipment (except portable equipment) and supplies, for loss or damage by fire, windstorm, flood, casualty, theft and other risks usually insured against by the owners or tenants of similar property, for at least 80% of the replacement cost of the property. Unless you obtain a written waiver from us, any loss or damage must be repaired, restored or rebuilt within 90 days of the date of the loss or damage.

(d) Comprehensive automobile liability insurance with a limit of at least \$500,000 on each owned, non-owned or hired vehicle used in the operation of the ROMP N' ROLL business.

(e) Worker's compensation/employer's liability or similar insurance as required by the law of the state or jurisdiction in which you are engaged in business for those employed or engaged in the operation of the ROMP N' ROLL business.

(f) Any other insurance required by your local jurisdiction or your landlord.

17.2 We recommend but do not require that you carry business interruption insurance for a period of at least 6 months. If circumstances require for the protection of you and us, we may, in our sole discretion, modify the insurance limits noted above and/or may require additional types of insurance. If we determine that any required insurance is not generally available to you at a cost that we, in our sole judgment, consider to be reasonable, then we may temporarily modify the insurance requirements to provide for lower limits until the insurance becomes available at a reasonable cost.

17.3 Each insurance policy you maintain for the Franchised Business must: name us, and our affiliates, successors, assigns, shareholders, partners, officers, directors, employees and agents as an additional insured; require the insurer to defend each person or entity if there is a claim; provide that any liability coverage afforded applies separately to each person or entity against whom a claim is brought as though a separate policy had been issued to that person or entity; contain no provision that limits or reduces coverage if there is a claim by one or more additional insured, or by reason of any insurance that we maintain; and provide coverage for your indemnification obligation under Section 24.2 of this Agreement. Coverage for the additional insured will apply on a primary basis irrespective of any other insurance, whether or not collectable.

17.4 At least 10 days before opening the Franchised Business and annually thereafter, you must furnish to us a then-current certificate of insurance for each policy, evidencing the limits and additional insured endorsement noted above or as then required, and proof of premium payments. All insurance policies must be issued by insurance companies with acceptable performance ratings.

17.5 You may not reduce any insurance limit, restrict any insurance coverage, or cancel, alter or amend any insurance policy without our prior written consent. If you fail to obtain or

maintain any required insurance, you agree that we may, but are not obligated, to obtain the insurance and that you will reimburse us for the cost of the insurance, and for any reasonable expenses incurred in procuring the insurance, within 30 days of the date of our invoice. You expressly waive any objection to our purchase of insurance on your behalf under this Section 17.5.

18. LEGAL COMPLIANCE, TAXES, LICENSES, UTILITIES AND OTHER OBLIGATIONS

18.1 You must comply with all federal, state, and local laws and regulations that apply to the operation of your business. Some states may have childcare facility laws or health club and fitness center laws that you must comply with while operating your business. You may be required to obtain a bond or require parents to remain on the premises during classes in order to be in compliance with these laws.

You must thoroughly investigate the zoning laws for your prospective site, since they may include zoning restrictions or special requirements. You must comply with all building codes, environmental laws and the American with Disabilities Act for your site. Some jurisdictions require, and we strongly recommend that you conduct background checks on any employee that will be in contact with children during the operation of the franchised business. You must comply with the Fair Credit Reporting Act when conducting background checks.

18.2 You must promptly pay all water, sewer, gas, telephone, electric, power and other utility charges assessed or charged to the Franchised Business and satisfy any other indebtedness that you incur in operating the Franchised Business. You must promptly secure and pay for all licenses, permits and inspections necessary for the construction and operation of the Franchised Business. You must promptly pay all withholding, unemployment, occupational, privilege, license, sales, use and income taxes and the like, including all taxes and fees levied and asserted on your Franchised Business property.

18.3 You must promptly notify us of your receipt of service of any action, suit or proceeding, or of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality that may adversely affect the operation of the Franchised Business. If there is any bona fide dispute as to any liability for taxes assessed or other indebtedness, you may contest the validity of the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law; however, you may not permit a tax sale or seizure by levy of signing or similar writ or warrant, or attachment by a creditor to occur against the site of the Franchised Business or any of its improvements.

18.4 You must immediately notify us of the occurrence of any event that occurs at or near the Franchised Business that has or may cause harm or injury to customers or employees (including but not limited to *e.g.*, contagious diseases, shootings, tampering or terrorist acts) or any other circumstances that may damage the image or reputation of the System, the Marks, the Franchised Business, you or us (each, a "Crisis Management Event") by the method specified in the Manuals, comply with our instructions and fully cooperate with our directions in responding to the Crisis Management Event.

19. PROPRIETARY MARKS

19.1 The Marks are our exclusive property. You agree that your use of the Marks is a temporary authorized use under franchise and that we retain all ownership interests in the Marks. You acknowledge and agree that all goodwill arising from or in connection with the use of the Marks will inure to our benefit. You agree that during the term of the Franchise, and after the expiration, termination or transfer of the Franchise, you will not, directly or indirectly, commit an act of infringement or contest or aid others in contesting the validity, distinctiveness, secondary meaning, ownership or enforceability of the Marks, or take any other action in derogation of the Marks, and that no monetary amount will be assigned as attributable to any goodwill associated with your use of the System or the Marks.

19.2 You agree to use the Marks only in accordance with the terms of this Agreement and agree that the use of the Marks outside the scope of the terms of this Agreement without our prior written consent, is an infringement of our exclusive right, title and interest in and to the Marks. You may not use any Mark in connection with the offer or sale of unauthorized services or products or in any manner that we have not authorized in writing.

19.3 You agree that when any Mark is affixed to any packaging or point of sale display, or is used in advertising or promotional materials, the Mark will be accompanied either by an appropriate notice immediately following the Mark (TM if on a product package and SM if advertising a service) or by an asterisk immediately following the Mark and the legend "ROMP N' ROLL is a service mark or trademark of Romp n' Roll Franchise Development, LLC" printed on or in the package, display, advertisement or material. A suitably abbreviated form of the legend, approved by us, may be used where space restrictions so require. If we receive a Certificate of Registration from the United States Patent and Trademark Office for any Mark, the symbol ® will be substituted for the notices described above, and the word "registered" will precede the word "service" in the legend described above, as required by written notice from us to you.

19.4 You must provide services and products to the public under the service mark, trademark and trade name "ROMP N' ROLL," but may not use any Mark, any derivation or modified version of any Mark, or any confusingly similar mark: as part of any corporate, partnership, firm or other business name, website address, email address, domain name or other identification in any print, electronic or other medium; or with any prefix, suffix or other modifying word, term, symbol or design.

19.5 If it becomes advisable at any time, in our sole and absolute judgment, for the Franchised Business to modify or discontinue use of any Mark and/or to use one or more additional or substitute service marks, trademarks, trade names or trade dresses, you agree to comply with our directions to modify or otherwise discontinue the use of the Mark, and/or to use one or more additional or substitute service marks, trademarks, trade names or trade dresses, within a reasonable time after receiving notice from us. You will be responsible for the costs of modifying or discontinuing the use of any trademark, service mark or trade name, or using one or more substitute trademarks, service marks or trade names. We will not be responsible for reimbursing you for any loss of goodwill in connection with the modification or discontinuation of any trademark, service mark or trade name.

19.6 During the term of the Franchise, you must file and maintain requisite trade name or fictitious name registrations, and must execute any documents that we or our counsel deem necessary to obtain protection for the Marks or maintain their continued validity and enforceability. During or after the term of the Franchise, you agree to execute, at our request, any consent necessary for registration of our name where you conduct the Franchised Business.

19.7 You must promptly notify us of any use of any Mark or any name or mark confusingly similar to any Mark by any person or entity other than us or another of our franchisees.

19.8 You agree to promptly notify us of any litigation brought or threatened by any person or entity against you, involving any Mark. If we, in our sole and absolute judgment, undertake the defense or settlement of that litigation or claim, we will do so at our own expense, but you agree to execute any documents, and to render any assistance as may be reasonably necessary, in the sole discretion of our counsel, to carry out the defense or settlement. If the defense does not involve issues concerning the operation of your Franchised Business, we will reimburse you for all reasonable out-of-pocket costs incurred in connection with assisting in the defense or settlement.

19.9 You agree that the use of any Mark contrary to any term of this Agreement is an act of infringement, and that the use will cause irreparable injury to us and entitle us to an order of specific performance and/or a temporary, preliminary or permanent injunction, court costs, reasonable expenses of litigation, reasonable attorney's fees, and any other appropriate relief.

20. TRADE SECRETS AND CONFIDENTIAL INFORMATION

20.1 You acknowledge that the System involves trade secrets we own and that, during your relationship with us, you will acquire knowledge of confidential information, including know-how, sales, organizational, operational and other information concerning the System.

20.2 You agree that, without our prior written consent, you will never either during or after the term of the Franchise, use or allow the use of any trade secret or confidential information except in connection with the operation of the Franchised Business by persons actively involved in the operation of the Franchised Business. You further agree that you will not disclose the contents of any manuals, plans, records or other documents relating to the Franchised Business to any third party, except a party who is actively involved in the operation of the Franchised Business and who has a valid need for disclosure. Any third party or employee to whom a trade secret or confidential information is disclosed will be informed that the trade secret or confidential information is confidential and proprietary to us and that it may not be used except in accordance with the terms of a valid franchise agreement with us.

20.3 You must have each Manager, each supervisory employee or independent contractor; and each person attending initial training enter into a Manager/Supervisor Confidentiality and Noncompetition Agreement, subject to state law, that is substantially similar to our approved form.

20.4 You agree to promptly reveal to us discoveries, inventions, innovations or improvements made by you or any of your Managers, employees or independent contractors relating to materials, devices, methods or processes in any way connected with the System, and further agree that all proprietary interests in the information, materials, devices, methods, techniques, know-how

and processes utilizing those discoveries, inventions, innovations and improvements will be our property.

20.5 You agree that use of any trade secret or confidential information contrary to any term of this Agreement is an act of infringement, and that the use will cause irreparable injury to us and entitle us to an order of specific performance and/or a temporary, preliminary or permanent injunction, court costs, reasonable expenses of litigation, reasonable attorney's fees, and any other appropriate relief. You agree that your only remedy if an injunction is entered against you will be the dissolution of that injunction, if warranted, on due hearing, and expressly waive all claims for damages caused by the wrongful issuance of any injunction.

21. NONCOMPETITION

21.1 Unless otherwise stated in this Agreement, the word "you" in this Section 21 includes, collectively and individually, each shareholder, member, partner, officer and director, and each direct or indirect holder (and each shareholder, member, partner, officer or director of each holder) of any beneficial interest in you, if you are a legal entity, but this Section 21 will not apply to any ownership by you of less than a 5% beneficial interest in the outstanding equity securities of any publicly-held corporation.

21.2 You acknowledge: that certain methods of doing business and other elements comprising the System are unique and distinctive, and have been developed by us at great effort, skill, time and expense; that you will have regular and continuing access to valuable trade secrets, confidential information and valuable training regarding the System; and that you recognize your continuing obligation to promote the Franchised Business. You accordingly agree to the restrictive covenants of this Section 21 and further agree that if you violate any obligation under this Section 21, then the specified time period will be extended by a period of time equal to the period of time beginning when the activities constituting such violation begin and ending when the activities constituting such violation terminate.

21.3 Without our prior written consent, for yourself, or through, on behalf of or in conjunction with any other person or entity, directly or indirectly, you will not:

(a) During the term of the Franchise, divert or attempt to divert any business or customer of the Franchised Business to any competitor or other person by direct or indirect inducement or otherwise, but this will not prevent you from referring customers in good faith to other businesses, including competitors' businesses, that may be able to provide those customers with services not available from the Franchised Business.

(b) During the term of the Franchise, in the United States, directly or indirectly offer services or products that are the same as or substantially similar to services or products that are or could be offered by you under this Agreement.

(c) For an uninterrupted period of 2 years after the expiration, non-renewal, termination or transfer of the Franchise or your interest in it, directly or indirectly offer services or products that are the same as or substantially similar to services or products that were or could have been offered by you under this Agreement, and which operates: (1) within the Territory or (2) within the territory of any other ROMP N' ROLL business operating at the time.

21.4 You agree that your violation of any term of this Section 21 will cause irreparable injury to us for which no adequate remedy at law is available. You accordingly consent to the issuance of an order of specific performance and/or a temporary, preliminary or permanent injunction prohibiting any conduct by you in violation of any term of this Section 21. Further, in the event of a breach of any of the provisions of this Section 21, we will be entitled to an accounting and repayment of all profits, compensation or other benefits that you have realized and/or may realize as a result of, arising out of or in connection with any such breach.

21.5 Each provision and subpart of a provision of this Section 21 is independent of each other provision and subpart of a provision of this Agreement. If a provision or subpart of a provision of this Section 21 is held unreasonable or unenforceable by any court, agency or other tribunal of competent jurisdiction, you agree to be bound by any lesser provision or subpart that imposes the maximum duty permitted by law, as if the resulting lesser provision or subpart were separately stated in this Section 21, and also agree to be bound by each other subpart of a provision of this Agreement.

21.6 You agree that we may, in our sole discretion, reduce the scope of any provision or subpart of any provision in this Section 21 without your consent, effective immediately on written notice from us, and you agree that you will promptly comply with any provision or subpart so modified, which will be fully enforceable notwithstanding any other provision or subpart of this Agreement.

21.7 You agree that any claim you may have against us, whether or not related to the Franchised Business, will not be a defense to the enforcement by us of any provision of this Section 21. You further agree that we will be entitled to set off any amounts we owe to you against any loss or damage to us arising from your breach of this Agreement, including this Section 21.

22. INSPECTION BY US

22.1 During and for 4 years after the term of the Franchise, we or our designated agents have the right, at all reasonable times during normal business hours, to examine, copy and audit your and the Franchised Business' books, records and tax returns. If an examination or audit discloses any underpayment of any fee, you must promptly pay the outstanding delinquent amount, plus late fee as specified in Section 9.9 and accrued interest in accordance with Section 9.10. If an examination or audit is made necessary by your failure to furnish required information or documents to us in a timely manner, you must also reimburse us for the cost of having your books examined or audited.

22.2 We and our designated agents may make an announced or unannounced inspection of the Franchised Business at any reasonable time during normal business hours to ensure compliance with all terms of this Agreement. During any inspection, you agree to cooperate fully and to give any assistance reasonably requested. At the conclusion of the inspection, we or our designee will prepare a written report. You (or if you are not an individual, your principal operating officer, partner or member) or your Manager, will be given a copy of the report. Promptly after receiving notice of any deficiencies detected in an inspection, you agree to take steps necessary to correct the deficiencies, including if necessary the temporary closing of the Franchised Business. Without limiting our other rights and remedies, we will have the right, if you fail or refuse to act promptly, to make or cause to be made any required corrections and to charge the costs of correction to you.

22.3 Any inspection will be made at our expense, but if we or our designee must make 2 inspections during the Term of the Franchise due to your repeated or continuing failure to comply with this Agreement, you must reimburse us as specified in Section 9.6 for the costs of making all further inspections during the Term of the Franchise.

22.4 The rights specified in this Section 22 are in addition to any other rights or remedies we have under this Agreement or otherwise.

23. FRANCHISEE AS INDEPENDENT CONTRACTOR

23.1 This Agreement does not create a partnership, joint venture, fiduciary, parent/subsidiary, principal/agent or employer/employee relationship between us and you. You will be an independent contractor with entire control and direction of the Franchised Business, subject only to the terms of this Agreement and the attachments. The Franchised Business will be totally separate from any business that may be operated by us.

23.2 During the term of the Franchise, you will conspicuously identify yourself in all dealings with customers, suppliers, public officials, your personnel and others as the independent owner and operator of the Franchised Business under a franchise granted by us, and will place notices of independent ownership and operation as we require on business cards, stationery, letterhead sheets, invoices, order forms, receipts, signs, contracts and similar documents, advertising and other materials. You must include in any significant display advertisements, and in other marketing materials for the Franchised Business, a notice that the Franchised Business is individually owned and operated. The form and content of the identification must comply with specifications in the Manual or as we otherwise periodically specify.

23.3 No party to this Agreement may make any representation tending to create a fiduciary, joint venture, parent/subsidiary, principal/agent, employer/employee relationship or apparent partnership between us and you. You may not act for or on behalf of us in any manner to create obligations or debts binding on us, or make any agreement, warranty or representation on behalf of us. We are not responsible for any of your obligations, debts or expenses. We will have no right to hire or fire any employees or independent contractors of you or to exercise any control over those employees or independent contractors, all of whom will be entirely under your control and direction and you will be responsible for their acts and omissions. Unless specifically authorized by this Agreement, we will not act for you or on your behalf.

24. INDEMNIFICATION

24.1 We must indemnify you, your affiliates, successors and assigns, and your partners, shareholders, officers, directors, employees, members, and agents, for any expenses arising out of any claim for copyright or trademark infringement or unfair competition directly or indirectly related to your authorized use of our materials or the Marks under this Agreement and the provisions of the Manual, if you notify us in writing within 30 days, or within any shorter period necessary to avoid prejudice, after learning of the claim, and also if we are given the opportunity, if we so choose, in our sole discretion, to control the settlement or defense of the claim. You may not settle any claim to which this Section 24.1 applies without our prior written consent.

24.2 You must indemnify us, our affiliates, successors and assigns, and our partners, shareholders, officers, directors, employees and agents, for any expenses arising out of any claim directly or indirectly related to your operation of the Franchised Business or performance or lack of performance under this Agreement, if the claim does not arise from our negligent or wrongful conduct. You also must promptly notify us of any claim by or against you directly or indirectly related to your operation of the Franchised Business and, on request, must furnish us with copies of any filings in any proceeding involving the claim.

24.3 As used in this Section 24, the word "expenses" includes all losses, compensatory, exemplary or punitive damages, fines, charges, costs, lost profits, attorneys' fees, accountants' fees, expert witness fees, expenses, court costs, settlement amounts, judgments, compensation for damages to reputation or goodwill, costs of or resulting from delays, financing, costs of advertising material and media time/space, and costs of changing, substituting or replacing the same, and costs of recall, refunds, compensation and public notices.

24.4 The indemnification obligations of us and you will survive the expiration or termination of the Franchise for as long as any potential for liability under any applicable law, rule, ordinance, statute or judicial decision remains. In this regard, to the maximum extent permitted by law, we and you each waive the effect of any statute of limitation which would, by lapse of time, limit our indemnification obligations.

25. TRANSFERS OF INTEREST

25.1 Transfer by Us. You acknowledge that our obligations under this Agreement are not personal, and we can unconditionally assign this Agreement to another entity, be acquired by another entity or merge with another entity.

(a) We reserve the right to assign the franchise system to anyone including the operator of a competing system. We shall have the absolute right to transfer or assign this Agreement or any of our rights or obligation under this Agreement to any person or entity.

(b) You acknowledge and agree that we may sell our assets, the Marks or the System to any third party of our choice; may offer our securities privately or publicly; may merge with or acquire other corporations or be acquired by another corporation; may undertake a refinancing, recapitalization, leveraged buyout, or other economic or financial restructuring; or may terminate or cease to exist or dissolve, in any such case without your consent and, provided the transferee expressly assumes and undertakes to perform our obligations in all material respects, free of any responsibility or liability whatsoever to you after the transaction occurs.

(c) With regard to any of the above sales, assignment and dispositions, you expressly and specifically waive any claims, demands, or damages against us arising from or related to the transfer of the Marks or the System from us to any other party.

25.2 Transfer by Franchisee.

(a) You acknowledge that your rights and obligations under this Agreement are personal to you, and we have granted the Franchise in reliance on the business skill, financial capacity, personal character, and reputation for honesty, integrity and fair dealing of you and your principal owners. Accordingly, you and your shareholders, partners, members, successors and assigns (and any person with a beneficial interest in you, if you are a legal entity) may not, without our prior written consent, transfer any interest in you, in this Agreement or any related agreement, in the Franchise or the Franchised Business, or otherwise enter into any transaction that would, alone or together with other previous, simultaneous or proposed transfers, have the effect of transferring either a controlling interest in or operating control of you, this Agreement, any related agreement, the Franchise, the Franchised Business or substantially all of the assets of the Franchised Business. Any purported transfer not having our prior written consent will be void and is an event of default under Section 26.2 (c).

(b) We will not unreasonably withhold our consent to a transfer, but we may, in our sole discretion, require as conditions to our consent that:

(i) You must be in substantial compliance with the terms of this Agreement and have no uncured defaults;

(ii) Your debts to us and others relating to the Franchised Business have been satisfied;

(iii) You have signed a general release, in a form satisfactory to us, of any claims against us and our partners, shareholders, officers, directors, employees and agents, in their corporate and individual capacities;

(iv) You have updated the Franchised Business to our then-current specifications in the Manual or the proposed transferee agrees in writing to perform such maintenance, remodeling and re-equipping of the Business and that we determine necessary to bring the Franchised Business in compliance with our then-current standards;

(v) The transferee (including any person with a beneficial interest in the transferee if it is a legal entity) has demonstrated to our satisfaction that it meets the then-current standards which we would normally apply to any prospective franchisee. The transferee, for example, has demonstrated that it meets our educational, personal, managerial and business standards; possesses a good moral character and a good business reputation; has the aptitude and ability to conduct the Franchised Business; has adequate financial resources and capital to operate the Franchised Business; is financially responsible and has a good credit rating; will be likely in our sole and absolute judgment to comply with the terms of this Agreement and our then-current standard franchise agreement and Manual; and has no direct or indirect connection with any actual or potential competitor of us or any of our franchisees;

(vi) The transferee (including any person with a beneficial interest in the transferee if it is a legal entity) has entered into a written transfer agreement, in a form satisfactory to us, assuming and agreeing to discharge your obligations under this Agreement and any attachments;

(vii) The transferee (including any person with a beneficial interest in the transferee if it is a legal entity) executes our then-current standard franchise agreement and

attachments. The then-current franchise agreement may contain terms substantially different from those in this Agreement, including different fees, advertising contributions, training requirements and territory. Depending on the then-current demographics of the Territory, and on our then-current standards for territories, if the Territory is larger than our then-current standard territory, we may require the transferee to accept a Transfer Territory smaller than the Territory.

(viii) The transferee and its Manager, if any, have agreed to attend (at the transferee's expense) and successfully complete (to our satisfaction) any then-current initial training programs and that such training must be successfully completed prior to the date of transfer;

(ix) You (or the transferee) have paid us the transfer fee specified in Section 9.8 in lieu of the initial franchise fee specified in Section 9.1. The transfer fee is fully earned and non-refundable when paid except that if, before the completion of the transferee's initial training in accordance with Section 25.2 (b) (viii), we, in our sole discretion, decide that transferee should not operate a ROMP N' ROLL business, we may refuse to proceed with the transfer. If we refuse to proceed with the transfer, we will refund the transfer fee, less our actual expenses incurred, if the transferee agrees to terms substantially similar to those in Sections 19, 20, 21, 27.1 and 34, and we will allow you to resume operation of the Franchised Business; otherwise we may cancel this Agreement or the transferee's then-current franchise agreement and terminate the Franchise;

(x) We have decided not to exercise our right of first refusal, if any, under Section 25.8;

(xi) We have consented to the material terms of the transfer, including the price and terms of payment, which will not be so burdensome as to adversely affect the operation of the Franchised Business by the transferee; and

(xii) If you are financing any part of the sale price of any transferred interest, you must agree that all obligations of the transferee to you under any promissory notes, agreements or security interests will be subordinate to the obligations of the transferee to pay any continuing fees, contributions and other amounts due to us and our affiliates, or otherwise to comply with this Agreement or the franchise agreement that is to be signed by the transferee pursuant to Section 25.2 (b) (vii); you must agree that you are not entitled to resume the Franchise in the event of a default by the transferee unless we specifically consent; and you must acknowledge that we will not act as your agent to collect any amounts owed to you by the transferee.

25.3 Transfer to Franchisee's Legal Entity. If a proposed transfer is to a legal entity you control which is formed solely for the convenience of ownership, our consent to the transfer may, in our sole discretion, be conditioned on the following requirements:

(a) The legal entity's activities will be confined exclusively to operating the Franchised Business;

(b) You will own a majority stock interest, partnership or membership interest in the legal entity, and will act as its principal operating officer, partner or member;

(c) You will maintain stop transfer instructions against the transfer of any stock certificate, certificate of interest, or evidence of ownership contrary to the terms of this Section 25, and will not issue any certificate of interest in the legal entity on which the following statement does not legibly and conspicuously appear:

The transfer of this [*stock certificate, certificate of interest, or evidence of ownership*] is subject to the terms of a franchise agreement dated [*insert date*] between ROMP N' ROLL FRANCHISE DEVELOPMENT, LLC and [*insert name of your legal entity*].

(d) All shareholders, partners, or members will jointly and severally guarantee the legal entity's performance and will bind themselves to the terms of this Agreement and any attachments by signing the guaranty agreement in the form of Attachment 4;

(e) You will maintain a then-current list of all partners, members or shareholders and beneficial owners of any class of stock in substantially the form of Attachment 4, and furnish the updated list to us periodically on request; and

(f) You will promptly furnish copies of the legal entity's organizing and governing documents to us.

25.4 Non-Waiver of Claims. Our consent to a transfer of any interest in you, this Agreement, any related agreement, the Franchise or the Franchised Business will not be a waiver of any claims we may have against you or the transferring party, nor will it be a waiver of our right to demand the transferee's compliance with the terms of this Agreement.

25.5 Security Interests. No transfer in the nature of a grant of a security interest in you, this Agreement, any related agreement, the Franchise or the Franchised Business will be permitted without the written our prior consent, in our sole discretion. If we consent to a transfer in the nature of a grant of a security interest, and if the holder of the security interest later seeks to exercise your right or assume the interest of you in the Franchise, this Agreement, any related agreement, you or the Franchised Business due to a default under any documents related to the security interest, we will have the option to purchase the rights of the secured party by paying all sums then due to the secured party, and the secured party will sign an agreement to that effect before any transfer takes place.

25.6 Transfer On Death, Permanent Incapacity or Dissolution. On the death or permanent incapacity of any person with an interest in you, this Agreement, any related agreement, the Franchise or the Franchised Business, or on your dissolution if you are a legal entity, the executor, administrator, personal representative or trustee ("personal representative") of that person or entity will transfer his, her or its interest to a third party acceptable to us within 180 days after assuming that capacity. Any transfer of this type, including a transfer by devise or inheritance, will be subject to the same requirements as other transfers under Section 25.2, but if the transfer is to a spouse, child or parent, the fee required under Section 9.8 will not be required. If the personal representative is unable to meet these conditions, the personal representative of that deceased person will have an additional 60 days to dispose of the interest, which disposition will be subject to the requirements for transfers in this Agreement, including the requirements of this Section 25. Such transfer shall be subject to our right of first refusal and to the same conditions as any other transfer.

25.7 Interim Operation of Business By Us. In order to prevent any interruption in the operation of the Franchised Business and any injury to the goodwill and reputation which would cause harm to the Franchised Business, you authorize us, and we shall have the right, but not the obligation, to operate the Franchised Business for so long as we deem necessary and practical, and without waiver of any other rights or remedies we may have under this Agreement, in the event that:

(i) your Principal Operator is absent or incapacitated by reason of illness or death and you are not, in

our sole judgment, able to designate an acceptable substitute Principal Operator or perform under this Agreement, (ii) you abandon the Franchised Business (iii) any allegation or claim is made against the Franchised Business, any Owner, or the Principal Operator involving or relating to any fraudulent or deceptive practice or any activity that endangers a child, or (iv) in our reasonable judgement the Franchised Business is in imminent risk of closure due to the your financial condition or otherwise. In the event that we install a support manager to operate the Franchised Business, we, at our option, shall not be obligated so to operate it for a period more than 90 days. All revenues from the operation of the Franchised Business during such period of operation by us shall be kept in a separate account and the expenses of the Franchised Business, including royalty fees, advertising contributions, compensation and expenses for our representative, shall be charged to said account. If the revenues are not sufficient to cover these expenses, you will pay us on demand the amount necessary to pay these expenses in full. If we elect to temporarily operate the Franchised Business on your behalf, you agree to indemnify and hold us harmless from any and all claims arising from our acts and omissions.

25.8 Our Right of First Refusal. If you or any other person or entity at any time determines to sell an interest in you, the Franchise or the Franchised Business (unless the proposed transferee is the spouse, child or parent of the proposed transferor, or is a person or entity that has been disclosed to us as already holding an equity interest in you, the Franchisee or the Franchised Business; provided that you or the transferee must give us written notice at least 30 days before the proposed transfer, and provided further, that if the proposed transferee spouse, child or parent has a direct or indirect connection with any actual or potential competitor of us or any of our franchisees, the following provisions will also apply to the proposed transferee):

(a) A true and complete copy of the offer (and any proposed ancillary agreements) will immediately be submitted to us by you or the other person or entity involved. The offer must not include the purchase of any of your other property or rights (or those of your shareholder, partner, or member), but if the offeror proposes to buy any other of your property or rights (or those of shareholder, partner or member) under a separate, contemporaneous offer, the price and terms of purchase offered to you (or to your shareholder, partner or member) for the interest in you, the Franchise or the Franchised Business will reflect the bona fide price offered and will not reflect any value for any other property or rights.

(b) We will have the right, exercisable by written notice delivered to you, or the person or entity involved, within 30 days after receipt of the copy of the offer, to purchase the interest for the price and on the terms in the offer, but we may substitute cash, a cash equivalent or marketable securities of equal value for any form of payment proposed in the offer. Our credit will be deemed equal to the credit of any proposed purchaser, and we will have not less than 60 days to prepare for closing. If the parties cannot agree on a cash equivalent within a reasonable time, they will either jointly select 1 appraiser, or 3 appraisers will be selected (1 by us, 1 by you, and 1 jointly by the first 2 appraisers), and his, her or their determination will be binding. The parties will share equally the fees and expenses of any appraiser jointly selected, but each must pay any separately selected appraiser individually. We will be entitled to purchase the interest subject to all customary representations and warranties given by the seller of the assets of a business or voting stock of an incorporated business, as applicable, including representations and warranties as to ownership, condition and title to stock and/or assets, liens and encumbrances relating to the stock and/or assets, validity of contracts, and liabilities, contingent or otherwise, of any corporation whose stock is purchased.

(c) If we do not exercise our right of first refusal, you or the person or entity involved may complete the sale to the purchaser under the terms of the offer subject to our consent to the transfer under Section 25.2 (b), but if the sale to the purchaser is not completed within 120 days after receipt of the offer by us, or if there is a material change in the terms of the sale, we will have an additional right of first refusal for 30 days on the same terms as were applicable to the initial right of first refusal.

26. DEFAULT AND TERMINATION

26.1 Termination on Notice. We may, in our sole discretion, terminate the Franchise, without giving you an opportunity to cure the default, effective immediately on giving written notice of termination to you, if:

(a) You are insolvent, meaning unable to pay your bills as they become due in the ordinary course of business;

(b) You (or any person with a beneficial interest, if you are a legal entity) are convicted of a felony, a crime involving consumer fraud, or any other crime that is reasonably likely, in our sole judgment, to have an adverse effect on the System, the Marks, the goodwill associated with the System or the Marks, or our interest in the System or the Marks;

(c) Your operation of the Franchised Business is creating a threat or danger to public health or safety;

(d) You, without our prior written consent, cease to operate the Franchised Business, and the conditions specified in Section 25.6 or 25.7 do not apply;

(e) We discover that you knowingly made a material false or incomplete statement to us to obtain the Franchise or you knowingly make a material false or incomplete statement in any report submitted to us;

(f) You participate in in-term competition contrary to Section 21;

(g) You improperly disclose the contents of the Manual or any other information learned or received under this Agreement and designated as "Confidential;"

(h) If you commit three or more breaches of this Agreement, the Operations Manual, or any other agreement with us, in any 12-month period regardless of whether such breaches were cured after notice.; or

(i) You fail to open for business within the period stated in Section 5.4.

26.2 Termination After Notice and 30-Day Opportunity to Cure. You will have 30 days, or any greater period permitted by us or required by law, to cure any default for which we have given written notice of termination to you under this Section 26.2, and to provide us with evidence of the cure. If a default is not cured within that period, the Franchise will terminate without the need for further notice to you, effective immediately on the expiration of the cure period. We may give written notice of termination under this Section 26.2 for any failure by you to comply with any term of this Agreement or any requirement in the Manual. Defaults may include, for example, if:

(a) You fail, refuse or neglect to pay to us or any affiliated company any sum owing when due, or to submit to us any required information when due;

(b) You fail to maintain any standard, specification or procedure required to be maintained or followed by this Agreement or the Manual, or to satisfy any other material obligation relating to the Franchised Business;

(c) You fail, refuse or neglect to obtain our prior written acceptance, approval or consent as required by this Agreement, including but not limited to a purported transfer of any interest contrary to Section 25.2, or an approved transfer is not effected following death, permanent incapacity or dissolution as required by Section 25.6;

(d) You misuse or make any unauthorized use of the System or the Marks, or otherwise materially impair the goodwill associated with or our rights in the System or the Marks;

(e) You or your Manager fail to comply with the requirement of personal attention in Section 4; or

(f) You fail, refuse or neglect to pay to any third party, including any major supplier, or government taxing or licensing authority, any amount owing when due unless you have promptly taken the reasonable and appropriate steps to dispute any amount that you, in good faith, claim is not owed.

26.3 Option to Purchase Assets of the Franchised Business. For a period of forty-five (45) days after termination, expiration or non-renewal of this Agreement, we have the right (but not the duty) to purchase any or all assets of the Franchised Business, including but not limited to leasehold improvements, equipment and supplies. The purchase price will be equal to fair market value of the assets, excluding any goodwill. If we elect to exercise this option to purchase, we have the right to set off against the purchase price any amounts due to us from you under this Agreement. If you and we cannot agree on fair market value, an independent appraiser selected by us will determine the fair market value. Each of us will be responsible for one-half (1/2) of the fees and expenses of any appraiser, but if the appraiser sets the fair market value at or below the price that we offered, then you will be responsible for the entire fees and expenses associated with the appraisal.

27. OBLIGATIONS ON EXPIRATION, NON-RENEWAL OR TERMINATION

27.1 On expiration, non-renewal or termination of the Franchise, or the date on which we notify you that we are not exercising our option to purchase under Section 26.3 of this Agreement, as applicable, in addition to fulfilling your other continuing obligations under this Agreement:

(a) You will immediately discontinue the use of any materials or designations indicating or intending to indicate in any way that you are our franchisee or otherwise associated with us, including but not limited to all advertising (Internet, social media, radio, television, newspaper, print or otherwise) and promotional materials, forms and other materials containing any Mark or otherwise identifying or relating to a Franchised Business or identifying you with our services or products; and, at our option, destroy or deliver such items to us or our designee.

(b) You will immediately and permanently discontinue use of the System, including but not limited to any of our proprietary and/or copyrighted materials.

(c) You will promptly deliver to us or our designee the Manual, any information or materials received pursuant to this Agreement that were designated as proprietary or "Confidential," and all other manuals, bulletins, instruction sheets, forms, devices, customer, employee and independent contractor lists, proprietary software, and all copies of the same, that you received under this Agreement.

(d) You will promptly pay all charges due for any Listings used in connection with the Franchised Business and will assign to us or our designee, or will cancel, those Listings as we direct and as provided in Section 16.4 of this Agreement.

(e) You will immediately and permanently discontinue use of the Marks, and promptly take any action necessary to cancel any assumed name or equivalent registration that contains the mark ROMP N' ROLL or any other Mark.

(f) You will promptly, at your expense, discontinue use of our trade dress and make such alterations to the interior and/or exterior décor as we specify in the Manuals or otherwise in writing in order to clearly distinguish the appearance of the Franchised Business from its former appearance and from other Franchised Businesses, including but not limited to removing all signs, removing or altering all furniture, fixtures and equipment that bear the Marks, or allowing us, without liability to you or third parties, to remove all such items from the Franchised Business at your expense.

(g) You will make a final accounting to us, and promptly pay any sums owed to us under this Agreement, and pay any sums related to the Franchised Business that are owed to third parties for any reason.

27.2 Within thirty (30) days after the later of the effective date of termination, expiration or non-renewal of this Agreement or the date on which we notify you that we do not intend to exercise our option to purchase under Section 26.3 of this Agreement, you agree to furnish to us evidence that is satisfactory to us as proof of your compliance with the obligations under Section 27.1 of this Agreement.

28. ENTIRE AGREEMENT; EFFECTIVE DATE; MODIFICATION

28.1 This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

28.2 The effective date of this Agreement is the date it is countersigned and accepted by us, not the date that it is signed by you.

28.3 Except as otherwise stated in this Agreement, this Agreement may not be modified except in a written agreement of at least equal formality signed by the parties.

29. INTERPRETATION

29.1 The caption headings of this Agreement are for convenience only and should in no way affect the manner in which any term of this Agreement is interpreted.

29.2 Whenever the context requires, the singular includes the plural, the plural includes the singular, the whole includes any part, and any gender includes all other genders.

29.3 Whenever this Agreement gives us the right to perform an act in the future, that act may be performed “periodically” when we choose, in our sole discretion, unless stated otherwise in this Agreement.

29.4 If 2 or more parties sign this Agreement for you or as your guarantors, their liability is joint and several.

29.5 The following words have the following meanings in this Agreement and any attachments:

(a) “current” or “currently” refers to the time of execution of this Agreement, and if referring to a fee, indicates that the fee is subject to periodic adjustment.

(b) “discretion” when referring to a right that we have or an action that we may take, means that we may exercise the right or take the action in our sole discretion.

(c) “Force Majeure” means an Act of God, casualty to equipment, civil disturbance, drought, earthquake, epidemic, fire, flood, labor difficulty, lightening, riot, sabotage, storm, strike or war.

(d) “including” means “including but not limited to.”

(e) “repeatedly” means “at least 3 times.”

(f) “then-current” refers to the time of the event or contingency involved.

(g) “will” means “shall.”

30. PARTIAL INVALIDITY

30.1 If any Section of this Agreement is determined to be wholly invalid, that determination will not be deemed to affect the validity of any other Section. The parties agree that the remaining Sections will be deemed to be in full effect as if they had been executed by the parties after removal of the invalid Section. If any Section is determined to be partially invalid, the remainder of that Section will continue to be enforceable if in accordance with the intent of the parties.

31. WAIVER AND ESTOPPEL; FORCE MAJEURE

31.1 Our failure to exercise any right reserved to us under this Agreement, or to insist on compliance by you with any term of this Agreement, will not constitute a waiver of our right to demand compliance with any term of this Agreement. No custom or practice of the parties at variance with any term of this Agreement will constitute a waiver of our right to demand compliance

with any term of this Agreement. Our waiver of any default will not affect or impair our rights as to any subsequent default of the same or a different nature; nor will any delay, forbearance or omission by us to exercise any right as to any default of any term of this Agreement affect, impair or be our waiver of any right as to any subsequent default. Our rights and remedies under this Agreement are cumulative, and our exercise or enforcement of any right or remedy under this Agreement will not preclude us from exercising or enforcing any other right or remedy to which we are entitled.

31.2 The parties to this Agreement will not be considered to be in default of any obligations hereunder, other than the obligation of a party to make payment of amounts due to the other party, if the failure of performance is due to a Force Majeure event. If any party is affected by a Force Majeure event, such party will give 14 days' notice to the other party, stating the nature of the Force Majeure event, its anticipated duration and any action being taken to avoid or minimize its effect. The suspension of performance will be of no greater scope and no longer duration than is required, and the non-performing party will use its best efforts to remedy its inability to perform.

31.3 The obligation to pay any amount in a timely manner is absolute and will not be subject to Section 31.2, except to the extent prohibited by governmental rule or regulation. During any period of business disruption, whether or not the disruption is the result of a Force Majeure event, you must continue to pay us the continuing franchise fee and advertising contribution based on your average monthly payments during the 2-month period immediately before the period of business disruption.

32. NOTICES

32.1 All notices or communications required by this Agreement will be in writing. A notice will be deemed to have been delivered: (a) if mailed, 3 days after deposited in the United States mail, postage prepaid; (b) if hand-delivered, on delivery against receipt or on refusal to accept the notice; (c) if delivered by overnight courier, the next business day after deposited with such courier, charges prepaid, with proof of delivery; (d) if by email, on delivery during business hours if sent to the address that the other party has on file by notice from the recipient, with proof of delivery; or (e) if by certified or other receipted mail, on receipt. A party is not required to use more than 1 method and may choose any method of giving notice.

32.2 Notices to us will be sent to our address as stated on the first page of this Agreement or to any other address we may specify to you by written notice. Notices to you will be sent to the address of the Franchised Business or to any other address you may specify to us by written notice.

33. ACCEPTANCES, APPROVALS AND CONSENTS

33.1 Acceptances, approvals and consents required by this Agreement will not be unreasonably withheld or delayed.

33.2 Whenever this Agreement requires our prior acceptance, approval, or consent, you will make a timely written request to us for the acceptance, approval or consent, which will be obtained in writing.

33.3 We assume no liability or obligation to you by providing any acceptance, approval, consent or suggestion to you, or by delaying action on or denying any request for an acceptance, approval or consent.

34. DISPUTE RESOLUTION

34.1 **Choice of Law.** This Agreement is effective upon its acceptance in Virginia by our authorized officer. Virginia law governs all claims that in any way relate to or arise out of this Agreement or any of the dealings of the parties (“Claims”). However, no laws regulating the sale of franchises or governing the relationship between franchisor and franchisee shall apply unless the jurisdictional requirements of such laws are met independently of this paragraph.

34.2 **Jurisdiction and Venue.** You and we agree that venue and jurisdiction for any Claims shall be proper solely in the state and federal court nearest to our corporate headquarters, presently located in Richmond, Virginia.

34.3 **Jury Waiver.** In any trial between any of the parties as to any Claims, you and we agree to waive our rights to a jury trial and instead have such action tried by a judge.

34.4 **Class Action Waiver.** You agree to bring any Claims, if at all, individually and you shall not join such claim with claims of any other person or entity or bring, join or participate in a class action against us.

34.5 **Punitive Damages Waiver.** As to any Claims, you and we agree to waive our rights, if any, to seek or recover punitive damages.

34.6 **Limitation of Actions.** You agree to bring any Claims against us, if at all, within one (1) year of the occurrence of the facts giving rise to such Claims, and that any action not brought within this period shall be barred as a claim, counterclaim, defense, or set-off.

34.7 **Prior Notice of Claims.** As a condition precedent to commencing an action for a Claim, you must notify us within thirty (30) days after the occurrence of the violation or breach, and failure to timely give such notice shall preclude any claim for damages.

34.8 **Internal Dispute Resolution.** You must first bring any Claim to our CEO, after providing notice as set forth in Section 34.7 above. You must exhaust this internal dispute resolution procedure before you may bring your Claim before a third party.

34.9 **Mediation.** Before you may bring any Claim against us in court, you agree to try for a period of 60 days to mediate such claim before a mutually agreed to mediator in the city or county where our headquarters are located. If we cannot mutually agree on a mediator, you and we agree to use the mediation services of the American Arbitration Association (“AAA”), and split any AAA and mediator fees equally.

34.10 **Waiver of bond.** You agree that if we are forced to bring suit to enforce any provision of this Agreement, you agree to waive any requirement that we post bond to obtain a temporary, preliminary, or permanent injunction to enforce these duties.

34.11 **Attorney Fees.** If we are the substantially prevailing party as to any Claims, you agree to reimburse our costs and attorney fees incurred in pursuing or defending the Claims.

34.12 **Third Party Beneficiaries.** Our officers, directors, members, shareholders, agents, and employees are express third-party beneficiaries of the terms of the Dispute Resolution provisions contained herein.

IN WITNESS WHEREOF, each of the undersigned agrees to the terms of this Agreement.

FRANCHISOR (“We”):

ROMP N’ ROLL FRANCHISE DEVELOPMENT, LLC

By: _____
Printed Name: _____
Title: _____

FRANCHISEE (“You”):

Printed Name: _____
Title (if any): _____

Attachment 1

TERRITORY AND SITE DESCRIPTION

Select, initial, and date:

☐ You have not yet located a site, so we and you agree that the reserved area under Section 2.1 is:

☐ The approved site for your ROMP N' ROLL business under Section 2.2 is:

☐ The Territory under Section 2.3 is described below or on the attached map.

Attachment 2

BANK DRAFT AUTHORIZATION

Please fill out this entire form.

Name of Company (if company account): _____

Contact Person: _____ Business Phone: _____

Title: _____

Address: _____

City: _____ State: _____ Zip: _____

Name of Territory: _____

Name of Financial Institution: _____

Account Number: _____

***ACH Financial Institution Routing Number:** _____

***You must verify this number with your bank.**

As of the date below, I authorize Romp n' Roll Franchise Development, LLC ("Franchisor"), and the financial institution named above to initiate entries to the above-referenced account and, if necessary, initiate adjustments for any transactions credited in error. I also authorize the Franchisor to withdraw from my account any and all payments due to Franchisor for initial or continuing franchise fees, advertising contributions, any other fees and any products that I purchase from Franchisor for my ROMP N' ROLL franchise. This authority will remain in effect until I notify the financial institution named above in writing to cancel it in such time as to afford the financial institution a reasonable opportunity to act on it. I can stop payment of any entry by notifying my financial institution at least 3 days before my account is charged. I can have the amount of an erroneous charge immediately credited to my account up to 15 days following issuance of my financial institution statement or 60 days after deposit, whichever occurs first.

Signature: _____

Title: _____

Date: _____

To be completed by Romp n' Roll Corporate office only

Accounting Approval: _____

Date: _____

Attachment 3

TRANSFER OF SERVICE CONSENT AND AUTHORIZATION

If my ROMP N' ROLL Franchise is transferred, terminated, expires or is not renewed for any reason, I hereby irrevocably appoint and designate ROMP N' ROLL FRANCHISE DEVELOPMENT, LLC as my attorney-in-fact to direct: (1) any telephone company to change, transfer and/or terminate any and all listed telephone numbers used in conjunction with the Franchised Business, (2) any Internet service provider or comparable Internet authority to change, transfer and/or terminate any email addresses, domain names or other comparable electronic identities relating to the Franchise; or (3) any other service provider to change, transfer and/or terminate any social media using the Marks or otherwise associated with the Franchised Business. I also hereby agree that ROMP N' ROLL FRANCHISE DEVELOPMENT, LLC may execute any legal document on my behalf to carry out the intent of this consent and authorization.

FRANCHISEE:

Printed Name: _____
Title (if any): _____

[FOR USE BY NEW CUSTOMER ONLY]

I hereby assume and agree to pay all charges outstanding on the following telephone number(s):

or the following domain name(s):

or the following email address(es):

or the following social media platform(s):

New Customer's Signature

Printed Name of New Customer

Attachment 4

LEGAL ENTITY INFORMATION SHEET AND GUARANTY AGREEMENT

Legal Entity Name/Type: _____

State/Date of Formation: _____

Proof of Entity Formation (Articles of Organization and Operating Agreement for an LLC, or Articles of Incorporation and Bylaws for a corporation) must be provided to us.

Holders of Ownership Interest in the Franchisee

Name	Address	Title	Percent Ownership

Attachment 4

GUARANTY AGREEMENT

In consideration of, and as an inducement to, the signing by **ROMP N' ROLL FRANCHISE DEVELOPMENT, LLC** ("we," "us" or "our") of the franchise agreement with _____ ("Franchisee") dated _____ ("Agreement") each undersigned Guarantor ("you or "your") personally, unconditionally and irrevocably agrees that, for the term of the Franchise and thereafter as provided in the Agreement:

- (1) You guarantee to us and our successors and assigns that Franchisee will punctually pay or perform each obligation in the Agreement;
- (2) You will be personally bound by, and personally liable for the default of, each condition, provision and term of the Agreement;
- (3) Your direct and immediate liability under this guaranty is joint and several;
- (4) You will render any payment or performance required under the Agreement on demand if Franchisee fails or refuses to do so punctually;
- (5) Your liability will not be contingent or conditioned on our pursuit of any remedies against Franchisee or any other person; and
- (6) Your liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence that we may grant to Franchisee or any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claim, none of which will in any way modify or amend this guaranty, that will be continuing and irrevocable for as long as any obligation in the Agreement remains in effect.

Each of you waives:

- (1) our acceptance and notice of acceptance of these undertakings;
- (2) notice of demand for payment of any indebtedness or nonperformance of any obligation guaranteed;
- (3) protest and notice of default to any party as to any indebtedness or nonperformance of any obligation guaranteed;
- (4) any right you may have to require that an action be brought against Franchisee or any other person as a condition of liability; and
- (5) any other notices and legal or equitable defenses to which you may be entitled.

[signature page follows]

Each of you affixes your signature to this guaranty as of the same date as the date of signing of the Agreement.

Signature of Guarantor

Printed Name: _____

Address: _____

Telephone Number: _____

Signature of Guarantor

Printed Name: _____

Address: _____

Telephone Number: _____

Attachment 5

LEASE ADDENDUM

This LEASE ADDENDUM is entered into by and among ROMP N' ROLL FRANCHISE DEVELOPMENT, LLC, a Virginia limited liability company doing business as ROMP N' ROLL ("Franchisor"), _____ ("Lessee") and _____ ("Lessor").

1. Lease. Lessor and Lessee entered into a lease dated _____, 20__ ("Lease") for premises located at _____.

2. Franchise Agreement; Use; Display of Marks. Lessor acknowledges that the business to be conducted by Lessee in the premises leased to Lessee under the Lease is governed in all respects by that franchise agreement by and between Franchisor and Lessee ("Franchise Agreement"). Lessor and Lessee acknowledge that the leased premises may only be used by Lessee for the operation of the franchised business described in the Franchise Agreement and in the Lease unless otherwise consented to in writing by Franchisor. Lessor consents to the use by Lessee and/or Franchisor of such trademarks and signage as may be required by Franchisor under the Franchise Agreement, as modified periodically by Franchisor in its sole and absolute right, subject to the provisions of applicable law and community standards.

3. Default of Lessee under Lease In the event of any default by Lessee under the Lease, Lessor will give simultaneous written notice to Franchisor at the address set forth in Section 7 below. Franchisor shall have the right, but not the obligation, to cure such default, in accordance with the terms of the Lease.

4. Termination or Expiration of Franchise. If during the term of the Lease, or any extension thereof, the franchise between Franchisor and Lessee expires or is terminated, and Franchisor elects to accept the assignment of the Lease from Lessee, Franchisor will give Lessor written notice of its election to acquire the leasehold interest. Lessor consents to the assignment of the Lease from Lessee to Franchisor or its designee, and agrees that in such event, Lessor shall recognize Franchisor or its designee as the lessee under the Lease. Lessee will remain liable for all of its obligations under the Lease regardless of the assignment of the Lease to Franchisor. If Franchisor does not accept assignment of the Lease, or if Franchisor determines that it must enter the leased premises to enforce any of its rights under the Franchise Agreement, Lessor consents to Franchisor's or its agent's entry onto the site to enforce Franchisor's rights under the Franchise Agreement, including the removal of signs, materials, fixtures, equipment and other items identifying Lessee with Franchisor or belonging to Franchisor. Lessor agrees that, in exercising these rights, Franchisor will not be guilty of trespass or any other tort as to Lessor. Franchisor agrees to repair any damage to the leased premises caused by its entry and activity.

5. Franchisor's Prior Written Approval; Information. Lessor and Lessee acknowledge that Lessee shall deliver the Lease in executed form to Franchisor within 5 days after full execution hereof, and agree that the Lease is subject to Franchisor's execution and prior written approval. Lessor agrees to

provide to Franchisor, on request, information regarding the Lessee or the Lease, including any information furnished to Lessor by Lessee.

6. Amendment of Lease. Lessor and Lessee agree not to amend, modify, extend or waive the terms of the Lease in any respect without the prior written consent of Franchisor.

7. Notices. All notices or communications required by this Addendum will be in writing. A notice will be deemed to have been delivered: (a) if mailed, 3 days after deposited in the United States mail, postage prepaid; (b) if faxed, on delivery during the recipient's normal business hours; otherwise, the next business day; (c) if hand-delivered, on delivery against receipt or on refusal to accept the notice; (d) if delivered by overnight courier, the next business day after deposited with such courier, charges prepaid, with proof of delivery; (e) if by email, on delivery during the recipient's normal business hours if sent to the address that the other party has on file by notice from the recipient, with proof of delivery; or (f) if by certified or other receipted mail, on receipt. A party is not required to use more than 1 method and may choose any method of giving notice. Notices will be sent to the following:

If to Lessor:

Attention:

Fax:

If to Lessee:

Attention:

Fax:

If to Franchisor:

ROMP N' ROLL FRANCHISE DEVELOPMENT, LLC
Attention: Mr. Michael S. Barnett, CEO
9677 W. Broad Street
Glen Allen, Virginia 23060
Email: michael@rompnroll.com

8. Waiver. Failure of Franchisor to enforce or exercise any of its rights under this Addendum will not constitute a waiver of those rights or a waiver of any subsequent enforcement or exercise of its rights under this Addendum.

9. Attorneys' Fees. If any action is instituted by any party to enforce any provision of this Addendum, the prevailing party will be entitled to recover all attorneys' fees and costs incurred in the action.

10. Effective Date. Each of the undersigned agrees to the terms of this Addendum effective as of _____.

LESSOR:

[_____]

By: _____

Printed Name: _____

Title: _____

LESSEE:

[_____]

By: _____

Printed Name: _____

Title, if any: _____

FRANCHISOR:

ROMP N' ROLL FRANCHISE DEVELOPMENT, LLC

By: _____

Printed Name: Michael S. Barnett

Title: President

Attachment 6

MULTI-TERRITORY ADDENDUM

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms of this Multi-Territory Addendum ("MTA") below control.

1. **Territories.** You are acquiring the following territories from us:

_____ ("First Territory")

_____ ("Second Territory")

_____ ("Third Territory")

Each of the above territories are described and identified on the attached map(s).

2. **Initial Franchise Fees:** In addition to the Initial Franchise Fee in the Franchise Agreement, you shall pay to us \$40,000 for the Second Territory and an additional \$40,000 for the Third Territory. All Initial Franchise Fees are due upon execution of the Franchise Agreement and this Multi-Territory Addendum ("MTA").
3. **Development Schedule.** You agree that you shall sign a franchise agreement, have an approved site, and be open for business in each additional territory according to the following Development Schedule:

Territory Number	Date by Which You Must Have a Signed Franchise Agreement	Date by Which You Must Have an Approved Site Location	Date by Which You Must be Open for Business
1	N/A	Per Franchise Agreement	Per Franchise Agreement
2			
3			

4. **Default and Termination.** If you fail to meet or satisfy the timing in the above Development Schedule, we may give you written notice of the default and if such default is not cured within thirty (30) days after notice of the default, we may terminate your rights to develop any territories as to which you have breached the above Development Schedule.

You agree that for our consideration in allowing the Development Schedule set forth above, we may keep as non-refundable all initial franchise fees you may have paid to us at any time.

5. **Execution of Franchise Agreement.** You will execute our then-current form of franchise agreement for each territory identified in Paragraph 1 of this MTA, before taking steps to develop the outlet, which may contain different or additional terms than those set forth in any

agreement signed concurrently with this MTA; however, you will not be required to pay any additional initial franchise fees or attend additional initial training programs.

Except to the extent modified above, the terms of the Franchise Agreement remain in full force and effect.

FRANCHISOR:
ROMP N' ROLL FRANCHISE
DEVELOPMENT, LLC

FRANCHISEE:

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Attachment 7

State Addenda to the Franchise Agreement

**MARYLAND ADDENDUM
TO THE FRANCHISE AGREEMENT**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

- 1) Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
- 2) A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.
- 3) A general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
- 4) All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.
- 5) No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISOR (“We”):

ROMP N’ ROLL FRANCHISE DEVELOPMENT, LLC

By: _____

Printed Name: _____

Title: _____

FRANCHISEE (“You”):

Printed Name: _____

Title (if any): _____

**VIRGINIA ADDENDUM
TO THE FRANCHISE AGREEMENT**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

“No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.”

FRANCHISOR (“We”):
ROMP N’ ROLL FRANCHISE DEVELOPMENT, LLC

FRANCHISEE (“You”):

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

EXHIBIT B

AGENCIES/AGENTS FOR SERVICE OF PROCESS

State	State Administrator	Agent for Service of Process
California	The Department of Financial Protection and Innovation 320 West 4th Street Los Angeles, CA 90013 2101 Arena Blvd. Sacramento, CA 95834 1-866-275-2677 1455 Frazee Rd, Suite 315 San Diego, CA 92108 One Sansome St, Suite 600 San Francisco, CA 94104 (866) 275-2677	Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West 4th Street Los Angeles, CA 90013
Connecticut	The Banking Commissioner The Department of Banking, Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8299	The Banking Commissioner The Department of Banking, Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8299
Hawaii	Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
Illinois	Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706
Indiana	Secretary of State, Securities Division 302 West Washington Street, Room E-111 Indianapolis, IN 46204 (317) 232-6681	Secretary of State, Securities Division 302 West Washington Street, Room E-111 Indianapolis, IN 46204

EXHIBIT B

AGENCIES/AGENTS FOR SERVICE OF PROCESS

Kentucky	Kentucky Attorney General 700 Capitol Avenue Frankfort, Kentucky 40601-3449 (502) 696-5300	
Maryland	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Department of Attorney General Consumer Protection Division – Franchise Unit 525 W. Ottawa Street G. Mennen Building Lansing, MI 48913 (517) 335-7117	Department of Attorney General 525 W. Ottawa Street G. Mennen Building Lansing, MI 48913
Minnesota	Minnesota Commissioner of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198
Nebraska	Nebraska Department of Banking and Finance 1526 K Street, Suite 300 P.O. Box 95006 Lincoln, Nebraska 68509 (402) 471-3445	
New York	NYS Department of Law Investor Protection Bureau 28 Liberty St. 21 st Floor New York, NY 10005 212-416-8222	New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, New York 12231-0001 (518) 473-2492
North Dakota	Securities Commissioner North Dakota Securities Department 600 East Boulevard Avenue State Capital, Fourteenth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	Securities Commissioner North Dakota Securities Department 600 East Boulevard Avenue State Capital, Fourteenth Floor, Dept. 414 Bismarck, ND 58505-0510
Rhode Island	Department of Business Regulation Securities Division John O. Pastore Complex	Department of Business Regulation Securities Division John O. Pastore Complex

EXHIBIT B

AGENCIES/AGENTS FOR SERVICE OF PROCESS

	1511 Pontiac Avenue, Bldg. 69-1 Cranston, RI 02920 (401) 462-9500	1511 Pontiac Avenue, Bldg. 69-1 Cranston, RI 02920
South Dakota	Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-4823	Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501
Texas	Secretary of State Statutory Document Section P.O. Box 13193 Austin, TX 78711 (512) 475-0775	
Utah	Department of Commerce Division of Consumer Protection 160 East 300 South Salt Lake City, Utah 84111-0804 (801) 530-6601	
Virginia	State Corporation Commission Division of Securities and Retail Franchising, 9 th Floor 1300 E. Main Street Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Washington State Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507 (360) 902-8760	Securities Administrator Washington State Department of Financial Institutions 150 Israel Road SW Tumwater, WA 98501
Wisconsin	Wisconsin Department of Financial Institutions 345 West Washington Avenue Madison, WI 53703 (608)-266-8557	Wisconsin Department of Financial Institutions 345 West Washington Avenue Madison, WI 53703

**EXHIBIT C
LIST OF FRANCHISEES
AS OF DECEMBER 31, 2023**

The following is a list of the names of all current franchisees and the addresses and telephone numbers of their outlets as of December 31, 2023.

Operational Outlets:

CONNECTICUT

Meredith Myers
1275 Silas Deane Highway
Wethersfield, CT 06109
860-436-5821

FLORIDA

Nicole Pearlman
2534 22nd Ave, N
St. Petersburg, FL 33713
727-877-5299

NORTH CAROLINA

Joey and Maria Byrd
3611 Mount Holly - Huntersville Rd
Charlotte, NC 28216
704-837-0806

Rafia Jamal and Muhammad Rehan
6210 Plantation Center Dr, Ste 101
Raleigh, NC 27616
919-766-8996

PENNSYLVANIA

Laree Rolley
6600 Hamilton Ave., Suite 200
Pittsburgh, PA 15206
lareerolley@gmail.com
412-736-0020

Lisa Lichon and Sheva Lyons
2856 W. Moreland Road
Willow Grove, PA 19090
215-659-1025

TEXAS

Ashley Ebur
4030 FM 1463, Suite 106
Katy, TX
281-889-8714

Franchise Agreement Signed But Outlet Not Yet Open (as of 12/31/2023):

NEW JERSEY

Sandra Hanna and David Azer
Marlboro, NJ
908-227-3609

Ashley Ebury
Cypress TX
(281) 899-8714

NORTH CAROLINA

Joey and Maria Byrd & Michelle Mitchell
Concord, NC
704-837-0806

Risha Patel
Frisco, TX
804-551-2162

TEXAS

Ashley Ebury
Sugarland TX
(281) 899-8714

VIRGINIA

Ilana Cumbey*
Fairfax, VA
703-201-1443

All Franchisees noted with (*) are also Area Developers.

EXHIBIT D
FORMER FRANCHISEES

The following is a list of the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during our most recently completed fiscal year, or who had not communicated with us within 10 weeks of the issuance date of this disclosure document.

Whitney Bouknight
Wilmington, NC
web0281@yahoo.com
910-546-0550
(Franchise Agreement Signed- Never Opened)

Jana and Marc Lindner
Katy, TX
jlindner@gmail.com
832-600-6977
(Transfer)

EXHIBIT E
FINANCIAL STATEMENTS



CDM Financials, LLC

Certified Public Accountants, Business Advisors

Independent Auditor's Report

***To the Sole Member of
Romp n' Roll Franchise Development, LLC***

Opinion

We have audited the financial statements of Romp n' Roll Franchise Development, LLC, which comprise the balance sheets as of December 31, 2023, 2022 and 2021, and the related statements of income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Romp n' Roll Franchise Development, LLC, as of December 31, 2023, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Romp n' Roll Franchise Development, LLC's ability to continue as a going concern for one year from the date that the financial statements are issued.

Auditor's Responsibilities/or the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report

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

In performing an audit in accordance with GAAS, we:

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

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

CDM Financials, LLC

CDM Financials, LLC
Fairburn, GA
February 20, 2024

ROMP N' ROLL FRANCHISE DEVELOPMENT, LLC
BALANCE SHEET
AS OF DECEMBER 31, 2023, 2022 and 2021

	ASSETS		
	2023	2022	2021
CURRENT ASSETS			
Cash	\$ 121,806	\$ 38,266	\$ 21,075
Accounts Receivable, net	29,703	4,881	7,288
Inventory	2,827	34,022	17,798
Consumer Marketing Fund	7,031	7,031	7,031
TOTAL CURRENT ASSETS	<u>\$ 161,367</u>	<u>\$ 84,200</u>	<u>\$ 53,192</u>
OTHER ASSETS			
Fixed Assets, net	19,825	8,327	7,162
TOTAL ASSETS	<u>\$ 181,192</u>	<u>\$ 92,527</u>	<u>\$ 60,354</u>
	LIABILITIES AND MEMBER'S EQUITY		
CURRENT LIABILITIES			
Revolving Credit	\$ 8,160	\$ 110	\$ 1,307
Accounts Payable	-	(1,350)	-
Accrued Expenses	8,111	5,222	3,154
Due to Affiliates	29,497	53,969	49,779
TOTAL CURRENT LIABILITIES	<u>\$ 45,768</u>	<u>\$ 57,951</u>	<u>\$ 54,240</u>
LONGTERM LIABILITIES			
SBA Loan Payable	\$ 75,000	\$ 74,900	\$ 74,900
TOTAL LIABILITIES	<u>\$ 120,768</u>	<u>\$ 132,851</u>	<u>\$ 129,140</u>
EQUITY			
Member's Equity	60,424	(40,324)	(68,786)
TOTAL LIABILITIES AND MEMBER'S EQUITY	<u>\$ 181,192</u>	<u>\$ 92,527</u>	<u>\$ 60,354</u>

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

ROMP N' ROLL FRANCHISE DEVELOPMENT, LLC
STATEMENT OF OPERATIONS AND MEMBER'S EQUITY
FOR THE PERIODS ENDED DECEMBER 31, 2023, 2022 and 2021

	<u>2023</u>	<u>2022</u>	<u>2021</u>
REVENUES			
Franchise Fees	\$ 284,000	\$ 5,000	\$ 5,000
Franchise Royalties, net	248,924	180,419	116,338
Sales	8,567	20,537	13,834
Ad Fund Revenue	87,523	84,419	50,610
Other	14,769	6,203	37,144
TOTAL REVENUES	<u>\$ 643,783</u>	<u>\$ 296,578</u>	<u>\$ 222,926</u>
OPERATING EXPENSES			
Salary and Wages	\$ 272,073	\$ -	\$ -
Advertising	106,495	27,347	27,904
Franchise Expense	44,623	3,000	-
Professional Fees	28,146	2,393	16,988
Equipment	-	1,713	450
Licensing Fees	100	-	-
Other Operating	86,740	195,163	141,251
TOTAL OPERATING EXPENSE	<u>\$ 538,177</u>	<u>\$ 229,616</u>	<u>\$ 186,593</u>
OPERATING INCOME/(LOSS)	<u>\$ 105,606</u>	<u>\$ 66,962</u>	<u>\$ 36,333</u>
OTHER INCOME (EXPENSE)			
Interest Expense	(4,858)	-	(158)
TOTAL OTHER EXPENSES	(4,858)	-	(158)
NET INCOME/(LOSS)	<u>\$ 100,748</u>	<u>\$ 66,962</u>	<u>\$ 36,175</u>
Member's Equity, Beginning of Year	(40,324)	(68,786)	(92,482)
Member's Capital Contributions	-	-	-
Member's Distributions	-	(38,500)	(12,479)
Member's Equity, End of Year	<u>\$ 60,424</u>	<u>\$ (40,324)</u>	<u>\$ (68,786)</u>

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

ROMP N' ROLL FRANCHISE DEVELOPMENT, LLC
STATEMENT OF CASH FLOWS
AS OF DECEMBER 31, 2023, 2022 and 2021

	<u>2023</u>	<u>2022</u>	<u>2021</u>
OPERATING ACTIVITIES			
Net Income/(Loss)	\$ 100,748	\$ 66,962	\$ 36,175
Adjustments to reconcile net loss to net cash from operating activities:			
Depreciation	2,875	-	1,342
Changes in operating assets and liabilities:			
Accounts Receivable	(24,822)	2,407	5,112
Inventory	31,195	(16,224)	(4,943)
Accounts Payable	9,400	(2,547)	(15,042)
Accrued Expenses	2,889	2,068	3,015
Due to Affiliates	(24,472)	4,190	7,895
Other Current Assets			-
Net Cash Provided by/ (Used for) Operating Activities	<u>\$ 97,813</u>	<u>\$ 56,856</u>	<u>\$ 33,554</u>
INVESTING ACTIVITIES			
Purchase of Fixed Assets	<u>(14,373)</u>	<u>(1,165)</u>	<u>-</u>
Net Cash Provided by/ (Used for) Investing Activities	<u>(14,373)</u>	<u>(1,165)</u>	<u>-</u>
FINANCING ACTIVITIES			
Net (payments on) Proceeds from Loan Payable	100	-	-
Member's Distributions	<u>-</u>	<u>(38,500)</u>	<u>(12,479)</u>
Net Cash Provided by/ (Used for) Financing Activities	<u>100</u>	<u>(38,500)</u>	<u>(12,479)</u>
Net Change in Cash	83,540	17,191	21,075
Cash at Beginning of Period	38,266	21,075	-
Cash at End of Period	<u>\$ 121,806</u>	<u>\$ 38,266</u>	<u>\$ 21,075</u>
Supplemental Disclosure of cash flow information:			
Cash paid for interest during the year	<u>\$ 4,858</u>	<u>\$ -</u>	<u>\$ 158</u>

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

ROMP N' ROLL FRANCHISE DEVELOPMENT, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD ENDING DECEMBER 31, 2023, 2022 and 2021

Note 1 - Nature of Business

Romp n' Roll Franchise Development Company, LLC (the "Company") was formed in August 2006 in the Commonwealth of Virginia for the primary purpose of marketing, selling, and licensing franchise rights under the trade name of Romp n' Roll.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally acceptable in the United States ("GAAP"). Under this method income is recorded when earned and expenses are recorded when incurred.

Reporting Period

For reporting purposes, the Company operates on a calendar year consisting of a full twelve months beginning with January 1 and ending December 31.

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates.

Accounts Receivable

The Company establishes an allowance for doubtful accounts and records bad debt expense as receivables are deemed potentially uncollectible based upon a periodic review of the accounts. For the years ending December 31, 2023, 2022 and 2021 the Company determined the allowance for doubtful accounts was \$0.

Inventory

The inventory consists of merchandise held for resale and is stated at the lower of cost or market, determined on the first-in first-out method or market.

ROMP N' ROLL FRANCHISE DEVELOPMENT, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD ENDING DECEMBER 31, 2023, 2022 and 2021

Note 2 - Summary of Significant Accounting Policies (continued)

Fixed Assets

Fixed assets are stated at cost. Major repairs and betterments are capitalized, and normal maintenance and repairs are charged to expense as incurred. Depreciation is computed by the straight-line and accelerated methods over their estimated useful lives of five to ten years. At December 31, 2023, fixed assets net of accumulated depreciation amounted to \$19,825.

Revenue Recognition

The Company adopted ASU 2014-09 Revenue from Contracts with Customers and all subsequent amendments to the ASU (collectively, "ASU 606") which creates a single framework for recognizing revenue from contracts with customers that fall within its scope. In adopting ASC 606 the full retrospective method was used to determine revenue under the current standard. Completion of the implementation analysis resulted in no adjustment to the beginning accumulated deficit balance.

Initial franchise fees are used to secure the franchisees designated territory and cover the necessary training and orientation. Franchise sales are only recognized when the Company satisfies all its performance obligations to its franchisees. Accordingly, for the year ending December 31, 2023, the company no deferred revenue to report.

Provision for income tax

No provision for income taxes has been provided in these financial statements since all income, losses, deductions, and credits are passed to and are reported by the member on the member's income tax returns.

Management has evaluated the Company's income tax positions and concluded that the Company has no significant financial statement exposure to uncertain income tax positions at December 31, 2023, 2022 and 2021. The Company is not currently under audit by any tax jurisdiction.

Advertising Expense

The Company accounts for advertising expenses in accordance with SOP 93-7 'Reporting of Advertising Cost'. Accordingly, advertising that does not provide a future benefit should be expensed as incurred. Advertising expenses for December 31, 2023, 2022 and 2021 was \$106,495, \$27,347, and \$27,904 respectively.

ROMP N' ROLL FRANCHISE DEVELOPMENT, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD ENDING DECEMBER 31, 2023, 2022 and 2021

Note 3- Franchise Agreements

All U.S. franchisees enter into a franchise agreement with the Company. Each agreement has a stated initial term, which is generally ten years and is renewable for successive five year terms. Upon signing of the agreement, each franchisee is required to pay an initial franchise fee for the exclusive use of Romp n' Roll trademarks and training. In addition, the franchisee is obligated to pay a royalty fee of either a percentage of the franchise's monthly gross sales, or an agreed upon flat rate, and an advertising contribution as determined by the Company not to exceed 2% of monthly gross sales.

Note 4 - Note Payable

Notes payable includes the following amounts:

	<u>2023</u>
Long-term note payable due to Small Business Administration (SBA). Interest payment of \$366 is due monthly. Interest is charged at 3.75% per annum.	\$75,000

Note 5 - Commitments and Contingencies:

From time to time, the Company may be involved in claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Company's financial position or results of operations.

Note 6 – Related Party Transactions

The Company entered into a license agreement with Romp n' Roll, LLC (the "Manager"), an entity which is wholly owned by the sole owner of the Company. Under the terms of the license agreement, the Company is granted full rights to the use of the Romp n' Roll trademark in the marketing, sale, and provisions of franchises to the franchisees. The license requires monthly payments of 5% of the Company's gross revenue, which is recorded as a licensing fee in the statements of operations and member equity.

As of December 31, 2023, the company has a balance due to related parties of \$29,497. The amount due to related parties at December 31, 2022 was \$53,969 and the balance of amounts advanced to related parties during 2021 was \$49,779.

ROMP N' ROLL FRANCHISE DEVELOPMENT, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD ENDING DECEMBER 31, 2023, 2022 and 2021

Note 7 – Subsequent Events

The Company has evaluated subsequent events through the date which the financial statements were available to be issued, and no such events have occurred.

EXHIBIT F
COMPLIANCE CERTIFICATION

[Not to be used as to any franchise sale in or to residents of CA, HI, IL, IN, MD, MI, MN, NY,
ND, RI, SD, VA, WA, WI]

You and we are preparing to enter into a franchise agreement for the establishment and operation of a ROMP N' ROLL franchised business. One of the purposes of this Compliance Certification is to determine whether any statements or promises were made to you that we have not authorized and that may be untrue, inaccurate or misleading.

Please review each of the following questions and statements carefully and provide honest and complete responses to each. You understand that your answers are important to us and that we will rely on them when making our decision to award you a ROMP N' ROLL franchise. Please remember that our franchisees are not our representatives for purposes of answering these questions.

1. Have you received and personally reviewed the ROMP N' ROLL Franchise Disclosure Document ("FDD") provided to you?

Yes _____ No _____
2. Did you sign a receipt for the FDD indicating the date that you received it?

Yes _____ No _____
3. We recommend that you consult with your own independent advisors. Have you been given the opportunity to discuss the benefits and risks of operating a ROMP N' ROLL franchise with an attorney, accountant or other professional advisor?

Yes _____ No _____
4. Have you received and personally reviewed the ROMP N' ROLL franchise agreement and related agreement attached to them?

Yes _____ No _____
5. Do you understand that the franchise agreement and the attachments signed by you contain the entire agreement between you and us about your rights and obligations as a ROMP N' ROLL franchisee, meaning that any oral or written agreements or representations not in the franchise agreement, the attachments or the FDD will not be binding on us?

Yes _____ No _____

6. Do you understand that in all dealings with you, our officers, directors, employees and agents act only in a representative capacity and not in an individual capacity and such dealings are solely between you and us?

Yes _____ No _____

7. The purchase of a ROMP N' ROLL franchise is primarily the purchase of a license to establish and operate a business under the ROMP N' ROLL name and trademark. Do you understand that the purchase of a ROMP N' ROLL franchise is a business decision that has many of the same risks associated with starting any type of business and that the operation of a new business involves a number of business risks?

Yes _____ No _____

8. The ability to operate a profitable ROMP N' ROLL franchise requires some level of business and management skills and the capability of providing good customer service. Do you understand that how you treat customers is critical to the franchised business?

Yes _____ No _____

9. We have disclosed an estimate of the additional funds that you should have available to invest in the franchised business in its initial period. Do you understand that no amount of investment can guarantee you will have a profitable franchised business, that we cannot and do not guarantee the success of your ROMP N' ROLL franchise or that it will ever achieve profitability, and that the success or failure of your ROMP N' ROLL franchise will depend in part upon economic factors beyond our control or your control?

Yes _____ No _____

10. Although we recommend methods to establish pricing, as an independent business owner, you must establish your own pricing for products and services sold by your franchised business. Do you understand that if you elect to price products and services too low, you may adversely affect your profit margin, and if you elect to set your prices too high, you may lose business to your competitors?

Yes _____ No _____

11. We produce and distribute various training materials, programs, manuals and newsletters to our franchisees. While we can make recommendations and suggestions on how to improve your franchised business, it is up to you to avail yourself of and use the information and ideas we provide. Do you understand that your failure to operate the franchised business in accordance with the System may have a negative effect on the franchised business?

Yes _____ No _____

12. Your franchised business will be subject to a variety of federal, state, and local laws and governmental regulations, including future new legislation, and must pay all existing and any new taxes and fees imposed on businesses by various governmental entities. Do you understand that we cannot advise you with regard to all such laws and it is your responsibility to know and comply with them?

Yes _____ No _____

If you have answered “No” to any of questions 1-12, please provide a full explanation of each answer below (attach additional pages if needed).

<u>Question No</u>	<u>Explanation</u>
--------------------	--------------------

13. Have you entered into any binding agreement with us about the purchase of this franchise before today?

Yes _____ No _____

14. Have you paid any money to us about the purchase of this franchise before today?

Yes _____ No _____

15. Have you at any time had any discussions with or received any information about us or about the ROMP N’ ROLL franchise opportunity from any broker, agent or other person or entity claiming to represent us that is different from the information in the FDD?

Yes _____ No _____

16. Has anyone speaking for us made any statement or promise to you about the actual or possible amount of money you may earn, revenues, profits or operating costs of a ROMP N’ ROLL franchised business that is different from the information in the FDD?

Yes _____ No _____

17. Has anyone speaking for us made any statement, agreement or promise to you about the advertising, marketing, training, support service or assistance that we will furnish to you that is different from the information contained in the FDD?

Yes _____ No _____

18. Starting a new business is a complicated undertaking and will require both a financial investment and a commitment of your personal time. Although we will provide assistance and advice, we cannot guarantee your success as a franchisee. Has anyone speaking for us made any statement or promise to you about the likelihood of success in operating the ROMP N' ROLL franchised business?

Yes _____ No _____

If you have answered "Yes" to any of questions 13-18, please provide a full explanation of each answer below (attach additional pages if needed).

<u>Question No</u>	<u>Explanation</u>
--------------------	--------------------

All representations requiring you to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

[Remainder of Page Intentionally Left Blank]

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

By signing below, you are representing that you have considered each question carefully, responded truthfully and that you FULLY UNDERSTAND AND ACCEPT ALL OF THE BUSINESS RISKS described above.

[Not to be signed as to any franchise sale in or to residents of CA, HI, IL, IN, MD, MI, MN, NY, ND, RI, SD, VA, WA, WI]

Date

Signature of Franchise Applicant

EXHIBIT G

[RESERVED]

EXHIBIT H
RELEASE

RELEASE

THIS RELEASE is made and given by _____,
("Releasor") with reference to the following facts:

1. Releasor and Romp N' Roll Franchise Development, LLC (Releasee) are parties to one or more franchise agreements.
2. The following consideration is given:

_____ the execution by Releasor of a successor Franchise Agreement or other renewal documents renewing the franchise (the "Franchise"); or

_____ Releasor's consent to Releasee's transfer of its rights and duties under the Franchise Agreement; or

_____ Releasor's consent to Releasee's assumption of rights and duties under the Franchise Agreement; or

_____ [insert description]

3. Release- Franchisee and all of Franchisee's guarantors, members, employees, agents, successors, assigns and affiliates fully and finally release and forever discharge Releasee, its past and present agents, employees, officers, directors, members, Franchisees, successors, assigns and affiliates (collectively "Released Parties") from any and all claims, actions, causes of action, contractual rights, demands, damages, costs, loss of services, expenses and compensation which Franchisee could assert against Released Parties or any of them up through and including the date of this Release.
4. THIS IS A SPECIFIC RELEASE GIVING UP ALL RIGHTS WITH RESPECT TO THE TRANSACTIONS OR OCCURRENCES THAT ARE BEING RELEASED UNDER THIS AGREEMENT.
5. California Releasor- You represent and warrant that YOU EXPRESSLY WAIVE ANY AND ALL RIGHTS AND BENEFITS UNDER CALIFORNIA CIVIL CODE §1542, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

6. The above Release shall not apply to any liabilities arising under the California Franchise Investment Law, the California Franchise Relations Act, Indiana Code § 23-2-2.5.1 through 23-2-2.7-7, the Maryland Franchise Registration and Disclosure Law, Michigan Franchise Investment Law, Minnesota Franchise Act, North Dakota franchise laws, the Rhode Island

Investment Act, and the Washington Franchise Investment Protection Act, chapter 19.100 RCW, or the rules adopted thereunder in accordance with RCW 19.100.220..

Franchisee:

**ROMP N' ROLL FRANCHISE
DEVELOPMENT, LLC**

By:_____

By:_____

Michael S. Barnett, President

Printed Name:_____

Date:_____

Title:_____

EXHIBIT I
Operating Manual
Table of Contents

Operating Manual Table of Contents

Table of Contents & Introduction	Pages 1-40; 40 pages
1.0 Manual Overview	Pages 41-46; 6 pages
2.0 Franchising Overview	Pages 47-56; 10 pages
3.0 Pre-Opening	Pages 57 -113; 57 pages
4.0 Human Resources	Pages 114-129; 16 pages
5.0 Marketing	Pages 130-145; 16 pages
6.0 Sales Procedures	Pages 146-149; 4 pages
7.0 Finance & Accounting	Pages 150-160; 11 pages
8.0 Daily Operating Procedures	Pages 161-185; 25 pages
9.0 Merchandise	Pages 186-190; 5 pages
10.0 Safety	Pages 191 -204; 14 pages
11.0 Security	Pages 205 -207; 3 pages
12.0 Emergency Response Procedures	Pages 208 -213; 6 pages
Total Number of Pages	213 pages

EXHIBIT J

STATE EFFECTIVE DATES

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

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
Maryland	May 20, 2024
Michigan	January 24, 2024
New York	Pending
Virginia	April 30, 2024

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT K

RECEIPTS

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Romp n' Roll Franchise Development, LLC offers you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

Iowa requires that we give you this Disclosure Document at the earlier of the first personal meeting or 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit B.

The franchisor is Romp n' Roll Franchise Development, LLC located at 9677 W. Broad Street, Glen Allen, Virginia 23060. Its telephone number is 804-364-6363.

Issuance Date: March 19, 2024

The Franchise Seller for this offering is:

X Michael Barnett, 9677 W. Broad Street, Glen Allen, Virginia 23060, 804-364-6363
X Paul Summers, 9677 W. Broad Street, Glen Allen, Virginia 23060, 804-364-6363

See Exhibit B for our registered agents authorized to receive service of process.

I have received a disclosure document dated March 19, 2024 that includes the following Exhibits:

- A. Franchise Agreement and Attachments
 - Attachment 1 – Territory and Site Description
 - Attachment 2 – Bank Draft Authorization
 - Attachment 3 – Transfer of Service Consent and Authorization
 - Attachment 4 – Legal Entity Information Sheet and Guaranty Agreement
 - Attachment 5 – Lease Addendum
 - Attachment 6 – Multi-Territory Addendum
 - Attachment 7 – State Addenda to the Franchise Agreement
- B. Agencies/Agents for Service of Process
- C. List of Franchisees
- D. Former Franchisees
- E. Financial Statements
- F. Compliance Certification
- G. Reserved
- H. Release
- I. Operating Manual Table of Contents
- J. State Effective Dates
- K. Receipts

Date

Signature

Printed Name

Please sign, date and retain this copy for your records.

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- I. Operating Manual Table of Contents
- J. State Effective Dates
- K. Receipts

Date

Signature

Printed Name

Please sign, date and return this copy to us.