FRANCHISE DISCLOSURE DOCUMENT

Ninja Franchising, Inc.
A Delaware Corporation
14 Chenell Drive
Concord, New Hampshire 03301
Tel: 603-566-9560
info@usaninjachallenge.com
www.usaninjachallenge.com

The franchise that we offer is for USA Ninja Challenge, a business offering youth fitness-based programs utilizing obstacle course equipment and progressive training. We offer individual unit USA Ninja Challenge franchises and franchises for the development of multiple Training Centers within a development territory.

The total investment necessary to begin operation of a USA Ninja Challenge Training Center under a franchise agreement is $436,300 to $670,300. This includes $288,500 to $332,000 that must be paid to the franchisor or its affiliates. The total investment necessary to begin operation of a USA Ninja Challenge Training Center under a multi-unit development agreement is $484,300 to $826,300. This includes $288,500 to $332,000 that must be paid to the franchisor or its affiliates, along with a development area fee of $36,000 to $48,000 for each additional Training Center established under the multi-unit development agreement.

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 form that is more convenient for you. To discuss the availability of disclosures in different forms, contact Richard Knight at 14 Chenell Drive, Concord, New Hampshire 03301 and 603-566-9560.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read your entire 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 also be laws on franchising in your state. Ask your state agencies about them.

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How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits G and H.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit D 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 USA Ninja Challenge 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 USA Ninja Challenge franchisee?	Item 20 or Exhibits G and H list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need to Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution**. The franchise agreement and multi-unit development agreement require you to resolve disputes with the franchisor by mediation, arbitration, and/or litigation only in New Hampshire. 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 New Hampshire than in your own state.

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

3. **Financial Support**. 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.

4. **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.

5. **Unregistered Trademark.** The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisors. This change can be expensive and may reduce brand recognition of the products or services you offer.

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.

NOTICE REQUIRED BY THE STATE OF MICHIGAN

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

The Michigan Franchise Law states in Sec. 445.1527, Sec.27 that each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(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 five 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, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six 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 sub-franchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

USA Ninja Challenge
Franchise Disclosure Document

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ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

Ninja Franchising, Inc., the franchisor of the USA Ninja Challenge franchise is referred to in this franchise disclosure document (the "Disclosure Document") as "we", "us" or "our" as the context requires. A franchisee is referred to in this Disclosure Document as "you" and "your" as the context requires. If you are a corporation, partnership or other legal entity (a "Corporate Entity"), our Franchise Agreement will also apply to your individual owners, shareholders, members, officers, directors and other principals.

The Franchisor

We are a Delaware Corporation established on August 21, 2015. Our principal place of business is 14 Chenell Drive, Concord, New Hampshire 03301. We conduct business under our corporate name Ninja Franchising Inc., and under the USA Ninja Challenge trade name. Our business is operating the USA Ninja Challenge Training Center franchise system and granting franchises to third parties like you to develop and operate a Training Center. We began offering franchises on September 7, 2015. Other than as discussed above, we are not in any other business, we have not conducted business in any other line of business, we do not conduct or operate a Franchised Business of the type to be operated by a franchisee, and we have not offered or sold franchises in any other line of business. We do not have a parent company. Our registered agents for service of process are disclosed in Exhibit B of this Disclosure Document.

The Franchised Business

We license a system (the "System") for the development and operation of a USA Ninja Challenge training center (each, a "Franchised Business" or "Training Center"), a business offering youth fitness-based programs utilizing obstacle course equipment, progressive training, and related products and services (the "Approved Products and Services") offered from a retail location (the "Training Center Location") within a designated territory. The System includes Approved Products and Services that we currently designate and that we may modify, add to or discontinue from time to time, and our specifications, methods and procedures for marketing, selling, offering, and providing the Approved Products and Services. The System also features and requires, as designated by us, your exclusive purchase, use, and maintenance of obstacles, cargo netting, floor beams, climbing ropes, rock wall holds, ring systems, mats, computer equipment, and other merchandise, inventory, products, supplies, and goods comprising or used to provide the Approved Products and Services offered for sale and other products and services related to the merchandizing, display, packaging, and sale of Approved Products and Services, uniforms, trade displays, equipment, furniture, and fixtures designated by us (collectively, the "System Supplies"). The System is presently identified by the USA Ninja Challenge trademark, logo and other trademarks, service-marks, logotypes, and commercial symbols as we may designate, modify and adopt from time to time for use in the System and as same may or may not be registered with the United States Patent and Trademark Office (collectively referred to as the "Licensed Marks"). The System features the prominent display of the Licensed Marks and our trade dress. You must only operate the Franchised Business in conformity with the specifications, procedures, criteria, and requirements that we designate in our confidential operations manual and other proprietary manuals that we may designate and loan to you and, as we may from time to time supplement and modify other manuals and communications (collectively, the "Operations Manual").

Franchise Agreement

You may enter into a Franchise Agreement in the form attached to this Disclosure Document as Exhibit E to develop and operate one Training Center from a single Training Center Location. If you sign a Franchise Agreement, you will be required to develop and operate your Training Center in conformity with the requirements of our System and at a Training Center Location that we approve in writing. A Training Center will, ordinarily, be located in shopping centers, free standing buildings, non-traditional locations, and light industrial and business parks. If you do not have an approved site for your Training Center Location, you

must select a site in accordance with the Franchise Agreement and obtain our written approval of the Training Center Location. Your rights in the System will be limited to the establishment and operation of a single Training Center offering, selling, and/or providing only our Approved Products and Services from your approved Training Center Location and using only our System Supplies. Your Training Center must conform to the requirements of our System.

Multi-Unit Development Agreement

If we approve your request, you may have the option, in addition to signing a Franchise Agreement in the form attached as Exhibit E, to sign the Multi-Unit Development Agreement attached to this Disclosure Document as Exhibit F, to develop and operate multiple Training Centers. The total number of Training Centers that you will be required to develop and operate under a Multi-Unit Development Agreement will vary from two to five Training Centers, as negotiated at the time of signing the Multi-Unit Development Agreement. Each Training Center must be developed by you within a designated geographic area (the "Development Area") and each Training Center must be developed and operated under the terms of our then current individual unit Franchise Agreement which may differ from the Franchise Agreement included with this Disclosure Document. Your Multi-Unit Development Agreement will include a development schedule (the "Development Schedule") containing a deadline by which you must have each Training Center open and operating. Your Development Schedule may vary depending on your Development Area and the number of Training Centers that you are required to develop.

Unless otherwise specified, the information contained in this Disclosure Document applies to single unit development under a Franchise Agreement and multi-unit development under a Multi-Unit Development Agreement. If you are not contracting for the right to develop multiple Training Centers, you will not be signing a Multi-Unit Development Agreement. Even if you sign a Multi-Unit Development Agreement, you will also be signing individual Training Center Franchise Agreements with the first Training Center Franchise Agreement being the Franchise Agreement attached to this Disclosure Document as Exhibit E and signed simultaneous with the signing of the Multi-Unit Development Agreement.

Our Predecessor

Our predecessor is USA Ninja Challenge Franchising, LLC, a New Hampshire limited liability company with a business address of 14 Chenell Drive, Concord, New Hampshire 03301 (the "Prior Franchisor"). As of January 1, 2025, we merged with the Prior Franchisor and assumed the role as franchisor of the System. This change was in organization and name only.

Our Affiliates

Ninja Knight, LLC

Our affiliate Ninja Knight, LLC is a New Hampshire limited liability company established on January 2, 2024. This affiliate maintains a principal business address at 444 E. Industrial Park Drive, Unit 4, Manchester, New Hampshire 03106. This affiliate owns and operates a business substantially similar to the Franchised Business and utilizes the Licensed Marks. This affiliate has not in the past and does not now offer franchises in any lines of business.

Market and Competition

The general market for the services offered by the Franchised Business typically includes families with children ages two and a half to seventeen. The marketplace for the services offered by the Franchised Business is well developed and competitive. Depending on the location of your Franchised Business, the services offered by the Franchised Business may be seasonal in nature. You will be competing with many other fitness centers, gyms, and other businesses that offer and sell services that are similar to or substitutes for the products and services offered by the Franchised Business. Competition includes local fitness centers,

large-box fitness or obstacle course outlets, gyms, training facilities, bootcamp studios, indoor climbing gyms, trampoline parks, rope courses, and online outlets that offer and distribute competing products through e-commerce and home delivery channels of distribution.

Industry Specific Laws

Many states and local jurisdictions have laws, rules, and regulations that may apply to the development and operation of the Franchised Business. These laws include fitness, health and/or children's safety-based regulations. You will also be subject to federal and state laws and regulations that apply to businesses generally, including rules and regulations involving employment practices, wage and hour laws, immigration and employment laws. You must review federal minimum wage and overtime laws, as well as similar laws within your state to ensure compliance with labor and wage laws currently in existence and those that may later be adopted. You should consult with your attorney and investigate and evaluate how these laws, rules, and regulations may affect your development and operation of the Franchised Business.

ITEM 2
BUSINESS EXPERIENCE

Richard Knight, Chief Executive Officer (CEO)

Richard Knight is our CEO and Richard has served in this role since our formation on August 21, 2015. From January 2015 to 2025, Richard has served as Business Development Manager of Cisco Global Alliance located in Bow, New Hampshire.

Dale Grant, President

Dale Grant is our President and Dale has served in this role since our formation on August 21, 2015. Since 2000 and continuing to date, Dale has served as Owner and Operator of World Grafix located in Concord, New Hampshire. From 2004 to 2024, Dale was an Owner and Head Coach at Flipz Gymnastics, LLC in Concord, New Hampshire.

Somerset Buchanan, Chief Operating Officer

Somerset Buchanan is our Chief Operating Officer and Somerset has served in this role since August 4, 2025. From December 2020 to April 2025, Somerset was Vice President, Human Resources and Learning at Threshold Brands located in Boston, Massachusetts. From May 2012 to May 2020, Somerset was Director of Field Learning at Dunkin Brands located in Canton, Massachusetts.

Thomas Dievart, Chief Marketing Officer

Thomas Dievart is our Chief Marketing Officer and Thomas has served in this role since December 1, 2025. From 2022 to November 30, 2025, Thomas was Chief Marketing Officer at World Gym located in Newport Beach, California. From 2019 to 2022, Thomas was Vice President of Marketing at Technogym USA located in Jersey City, New Jersey.

Curtis (CJ) Crow, Business Analytics and Supply Manager

CJ Crow is our Business Analytics and Supply Manager and CJ has served in this role since February 1, 2026. From September 2018 to January 31, 2026, CJ served as our Vice President of Operations.

Eileen Kuhn, Director of Franchise Operations

Eileen Kuhn is our Director of Franchise Operations and Eileen has served in this role since January 5, 2026. From November 30, 2024 to October 15, 2025, Eileen was Chief Operating Officer at Chew located in Boston, Massachusetts. From July 13, 2013 to September 5, 2024, Eileen was Senior Manager of Field Learning at Inspire Brands located in Sandy Springs, Georgia.

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Stephen Collins, Development Manager

Stephen Collins is our Development Manager and Stephen has served in this role since February 2, 2026. From February 1, 2021 to February 1, 2026, Stephen was a self-employed consultant located in Portsmouth, New Hampshire.

Josh Faber, Franchise Development Director

Josh Faber is our Franchise Development Director and Josh has served in this role since January 1, 2023. From January 1, 2021 to January 1, 2023, Josh was a self-employed content creator located in Concord, New Hampshire.

Roman Madrid, Onboarding and Launch Manager

Roman Madrid is our Onboarding and Launch Manager and Roman has served in this role since January 2, 2025. Since September 1, 2018 and continuing to date, Roman serves as Manager at a USA Ninja Challenge located in Katy, Texas.

Ben Powell, Head of Onboarding and Launch

Ben Powell is our Head of Onboarding and Launch and Ben has served in this role since September 1, 2022. From January 1, 2021 to August 31, 2022, Ben was Manager at a USA Ninja Challenge located in Manchester, New Hampshire.

Kendall Braunig, Field Training Manager

Kendall Braunig is our Field Training Manager and Kendall has served in this role since February 3, 2024. From 2023 to 2024, Kendall was Manager at USANC Marlborough located in Marlborough, Massachusetts. From 2021 to 2023, Kendall was a Rewards Representative at Worcester Red Sox located in Worcester, Massachusetts.

Skye Fierros, Head of Training

Skye Fierros is our Head of Training and Skye has served in this role since February 1, 2026. From January 1, 2021 to February 1, 2026, Skye served as our Director of Training. Since January 1, 2022 and continuing to date, Skye serve as an Owner of White Mountain CrossFit, LLC located in Concord, New Hampshire.

Brittany Sollinger, Instructional Designer and Technical Trainer

Brittany Sollinger is our Instructional Designer and Technical Trainer and Brittany has served in this role since January 5, 2026. From October 1, 2017 to December 19, 2025, Brittany was Instructional Designer and LMS Administrator at Threshold Brands located in Boston, Massachusetts.

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.

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ITEM 5
INITIAL FEES

Franchise Agreement

When you sign a Franchise Agreement you will pay to us a non-refundable initial franchise fee in the amount of $60,000 (the "Initial Franchise Fee"). The Initial Franchise Fee is fully earned by us upon payment. The method we use to calculate the Initial Franchise Fee is uniform for all franchises that we offer through this Disclosure Document, except as described below.

U.S. Military Veteran's Discount

For qualified individuals who were honorably discharged from any branch of the United States Military we offer a $5,000 discount off of the Initial Franchise Fee for your first Franchise Agreement. This discount must be requested at the time of signing the Franchise Agreement and requires documented military service.

During the fiscal year ending December 31, 2025, the initial franchise fees for two franchisees under their respective Franchise Agreements were discounted to an initial franchise fee of $55,000. No other franchise fees were discounted or waived in 2025.

Opening Inventory

You must purchase your opening inventory of retail items from us. We estimate that your initial opening inventory of retail items including, but not limited to, t-shirts, sweatshirts, shorts, hats, and water bottles that you must purchase from us or our affiliates will range between $3,000 to $3,500. Your initial opening inventory fees will be fully earned by us upon payment and are non-refundable.

Market Introduction and Launch Advertising Fee

During the 90 day period prior to the opening of your USA Ninja Challenge Training Center and continuing for 90 days after the opening of your USA Ninja Challenge Training Center (the "Launch Marketing Phase"), you must pay to us or our approved third party suppliers a market introduction and launch advertising fee (the "Market Introduction and Launch Advertising Fee") for costs incurred in connection with deploying marketing initiatives to promote the opening of your USA Ninja Challenge Training Center during the Launch Marketing Phase. The Market Introduction and Launch Advertising Fee will range between $19,800 to $34,800. The Market Introduction and Launch Advertising Fee is fully earned by us upon payment and non-refundable.

Launch Marketing Management Services Fee

You must pay to us a launch marketing management services (the "Launch Marketing Management Services Fee") in an amount equal to $5,200. The Launch Marketing Management Services is used to defray our costs in connection with the marketing and management services we provide in connection with the opening of your USA Ninja Challenge Training Center during the Launch Marketing Phase commencing 90 days prior to the opening of your USA Ninja Challenge Training Center and continuing for 90 days following the opening of your USA Ninja Challenge Training Center.

Equipment Package Fee

You must pay us or our affiliate an equipment package fee (the "Equipment Package Fee") for all the necessary initial equipment for your USA Ninja Challenge Training Center including, among other things, obstacle equipment, safety mats, gym flooring, and truss system. The size of your Training Center will influence the cost of the Equipment Package Fee, but it will range between $150,000 to $170,000 plus shipping costs ranging between $8,000 to $16,000 and taxes. The Equipment Package Fee is fully earned by us upon payment and non-refundable.

Equipment Installation Fee

You must pay us or our affiliate an equipment installation fee (the "Equipment Installation Fee") in an amount equal to $40,000. The Equipment Installation Fee is used to cover the expenses incurred by us in connection with the installation of the equipment at your Franchised Business. The Equipment Installation Fee is fully earned by us upon payment and non-refundable.

Website Set-Up Fee

You must pay us or our affiliate a website set-up fee (the "Website Set-Up Fee") in an amount equal to $2,500. The Website Set-Up Fee is used to cover the expenses incurred by us in connection with setting up your website. The Website Set-Up Fee is fully earned by us upon payment and non-refundable.

Multi-Unit Development Agreement

If you sign a Multi-Unit Development Agreement, you must pay a fixed non-refundable development area fee for each Training Center (the "Development Area Fee") that will vary based on the number of Training Centers, over and above the first Training Center authorized by the Franchise Agreement, that you will be authorized to develop under the Multi-Unit Development Agreement. For the second Training Center authorized for the development under the Multi-Unit Development Agreement you will pay a Development Area Fee in an amount equal to $48,000 and for the third, fourth and fifth Training Center you will pay a Development Area Fee in an amount equal to $36,000. The minimum number of Training Centers that you may agree to develop is two and the maximum is five. The Development Area Fee that you must pay to us is in addition to the Initial Franchise Fee of $60,000 that you must pay to us at the time of signing the Franchise Agreement for your first Training Center. At the time of signing the Franchise Agreement for each additional Training Center authorized by the Multi-Unit Development Agreement, over and above your first Training Center, you will not be required to pay us an additional Initial Franchise Fee. The Development Area Fee is fully earned by us upon payment, represents consideration for a designated development area as referenced in Item 12 of this Disclosure Document, and is used to defray our costs for providing pre-opening assistance and to offset certain franchise recruitment expenses. The method we use to calculate the Development Area Fee is uniform for all franchises that we offer through this Disclosure Document.

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ITEM 6
OTHER FEES

Type of Fee (Note 1)	Amount	Due Date	Remarks
Royalty (Notes 2 and 3)	7.5% of Gross Sales	Monthly, payable on the 10th of each month for the preceding month	Will be debited automatically from your bank account by ACH or other means designated by us.
Brand Development Fund (Note 4)	1.5% of Gross Sales	Monthly, payable on the 10th of each month for the preceding month	Will be debited automatically from your bank account by ACH or other means designated by us.
Franchisee Directed Local Marketing (Note 5)	During months 4 to 12 following the opening of your Franchised Business you must spend not less than $1,500 per month During the second year following the opening of your Franchised Business you must spend not less than $1,000 per month During the third year following the opening of your Franchised Business and each year thereafter you must spend not less than $500 per month Subject to reduction after 24 months and ongoing satisfaction of Minimum Member Enrollment and Retention Requirements	As incurred	Must be spent by you monthly on pre-approved marketing within your designated territory.
Franchisor Directed Local Marketing (Note 6)	During months 4 to 12 following the opening of your Franchised Business, not less than $1,500 per month During the second year following the opening of your Franchised Business, not less than $1,000 per month	Monthly, payable on the 10th of each month for the prior month	Payable to us or our affiliate. Payable only if: (i) we, in our sole discretion, determine your enrollment with our directed local marketing program is required as a result of your ongoing failure to satisfy the Minimum Member Enrollment and Retention Requirements, or (ii) you voluntarily elect, by written notice to us, to opt-in and participate in our directed local marketing program. In either case, your

	During the third year following the opening of your Franchised Business and each year thereafter, not less than $500 per month Subject to reduction after 24 months and ongoing satisfaction of Minimum Member Enrollment and Retention Requirements		obligation to pay the Franchisor Directed Local Marketing Fee is in lieu of, and fully satisfies, your independent minimum monthly local marketing obligation set forth above and in Note 5. You will not be required to satisfy both obligations simultaneously. Will be debited automatically from your bank account by ACH or other means designated by us.
Franchisor Directed Local Marketing Management (Note 7)	Currently $750 per month	Monthly, payable on the 10th of each month for the prior month	Payable to us or our affiliate. Payable only if: (i) we, in our sole discretion, determine your enrollment with our directed local marketing program is required as a result of your ongoing failure to satisfy the Minimum Member Enrollment and Retention Requirements, or (ii) you voluntarily elect, by written notice to us, to opt-in and participate in our directed local marketing program. In either case, your obligation to pay the Franchisor Directed Local Marketing Fee is in lieu of, and fully satisfies, your independent minimum monthly local marketing obligation set forth above and in Note 5. You will not be required to satisfy both obligations simultaneously. Will be debited automatically from your bank account by ACH or other means designated by us. This fee will not increase by more than 20% annually.
POS System (Note 8)	Currently $299 per month	Monthly as invoiced	Payable to our designated supplier. Subject to increase by designated third party supplier.
Online Ordering, Customer Rewards, and Gift Cards (Note 9)	Currently not implemented by us but may be implemented in the future	As invoiced and as incurred	Payable to us or our designated supplier. Subject to increase by designated third party supplier.
Technology (Note10)	Up to $750 per month, currently $150 per month	Monthly as invoiced	Payable to us or our affiliate. Will be debited automatically from your bank account by ACH or other means designated by us.

Local and Regional Advertising Cooperatives (Note 11)	As established by cooperative members, but not exceeding the local marketing requirement, and currently not assessed	As established by cooperative members	If we authorize an Advertising Cooperative, fees that you pay to the cooperative will count to the satisfaction of your local marketing requirements and will not exceed local marketing requirements.
Annual Conference Attendance Fee (Note 12)	Our then current conference fee, not greater than $1,500 per attendee	When invoiced and before conference	Applies to conference fee for an annual System conference.
Additional Employee Initial Training	Our then current training fee, currently $500 per person per day. This fee will not increase more than 25% annually.	When invoiced and prior to training	There is no initial pre-opening training fee for you or, if you are a Corporate Entity, your Managing Owner and up to two designated management level employees (your Operating Manager and/or Lead Instructor). This fee applies to additional individuals that we authorize to attend training.
Supplemental On-Site Training	Our then current daily rate per trainer, plus expenses we incur. Current rate is $500 per day per trainer. This fee will not increase more than 25% annually.	When invoiced and prior to training	If you request or we require on-site training at your Training Center, you must pay our then current trainer fee plus our expenses for travel and accommodations.
Interest	18% per annum from due date	On demand	Payable on all overdue amounts, fees, charges, and payments due to us under the Franchise Agreement. Interest rate cannot exceed legal rate allowed by law and may be adjusted to reflect same.
Reporting Non-Compliance	$500 per occurrence	14 days of invoice	Payable for failure to timely submit Royalty and Activity Reports, and other reports and financial statements as required under Franchise Agreement.
Operations Non-Compliance	$500 per occurrence	14 days of invoice	Payable for failure to comply with operational standards as required and specified under Franchise Agreement, plus inspection and re-inspection costs incurred by us.
Payment Non-Compliance	$500 per occurrence	14 days of invoice	Payable for failure to timely pay, when due, a fee or payment due to us under the Franchise Agreement, plus interest, costs and legal fees.
Audit	Reimbursement of Actual Costs of Audit	On demand	For costs incurred by us for each financial audit, provided the audit determines underreporting of 2% or greater during any designated audit

			period. Includes fees incurred by us including audit, legal, travel and reasonable accommodations.
Quality Assurance Audit	Reimbursement of Actual Cost of Quality Assurance Audit	As invoiced	Payable to us if we elect to perform or designate a third party to perform periodic quality assurance audits, including mystery shopper type inspections and programs.
Collections	Reimbursement of Actual Costs of Collections	As incurred	For costs and expenses incurred by us in collecting fees due to us, and/or to enforce the terms of the Franchise Agreement or a termination of the Franchise Agreement. Includes costs and expenses of re-inspections required by quality assurance audit.
NSF Check Fee of Failed Electronic Fund Transfer	5% of amount or $50, whichever is greater, or maximum fee allowed by law	On demand	Payable if your bank account possesses insufficient funds or fails to process a payment or transfer related to a fee due to us.
Non-compliance	Actual fees, costs, and expenses	On demand	Fees, costs and expenses incurred by us as a result of your breach or noncompliance with the terms of your Franchise Agreement.
Supplier Review	Actual Costs of Supplier Review	Within 14 days of invoice	At our discretion, you may be required to pay us the costs incurred by us to review and evaluate a potential supplier, product, or service that you submit to us for approval.
Management Service	Actual Cost of Management Service	As invoiced	Payable if we elect to manage the Franchised Business due to a failure by you to have the Franchised Business managed by an authorized Managing Owner or Manager.
Transfer	$15,000	On demand	Payable if we approve your transfer request, but prior to execution of final transfer agreements and authorization.
Renewal	$12,500	On signing renewal Franchise Agreement	Payable if we approve your renewal request and upon signing our then current Franchise Agreement.

Explanatory Notes to Item 6
"Other Fees"

Note 1: Type of Fee – The above table describes fees and payments that you must pay to us, our affiliates, or that our affiliates may impose or collect on behalf of a third party. All fees are uniformly imposed for all franchises offered under this Disclosure Document, are recurring, are not refundable, and are payable to us, unless otherwise specified. If you enter into a Multi-Unit Development Agreement or open multiple Training Centers then these fees shall apply, respectively, to each and every Training Center, subject to the terms of their respective Franchise Agreement. Payment is subject to our specification and instruction, including our election to have all fees automatically drafted from your business bank account or automatically debited or charged to your business bank account. You will be required to sign an ACH Authorization Form (Franchise Agreement, Exhibit 7) permitting us to electronically debit your designated bank account for payment of all fees payable to us and/or our affiliates. You must deposit all receipts and Gross Sales of your Training Center into the designated bank accounts that are subject to our ACH authorization. You must install and use, at your expense, the pre-authorized payment, point of sale, credit card processing, automatic payment, automated banking, electronic debit and/or electronic funds transfer systems that we designate and require in the operation of your Training Center. You must pay all fees charged by your bank in connection with our ability to debit your bank account.

Note 2: Royalty Fees – The royalty fee is a continuing monthly fee equal to 7.5% (the "Royalty Rate") of your monthly Gross Sales (the "Royalty Fee"). If any federal, state or local tax other than an income tax is imposed on the Royalty Fee which we cannot directly and, dollar for dollar, offset against taxes required to be paid under any applicable federal or state laws, you must compensate us in the manner prescribed by us so that the net amount or net effective Royalty Fees received by us is not less than 7.5% of your Gross Sales.

Note 3: Gross Sales – "Gross Sales" means the total dollar sales from all business and customers of your Training Center and includes the total gross amount of revenues, receipts, and sales from whatever source derived, whether in form of cash, credit, agreements to pay or other consideration including the actual retail value of any goods or services traded, borrowed, or received by you in exchange for any form of non-money consideration (whether or not payment is received at the time of the sale), from or derived by you or any other person or Corporate Entity from business conducted or which started in, on, from or through your Training Center and/or your Training Center Location, whether such business is conducted in compliance with or in violation of the terms of the Franchise Agreement. Gross Sales include the total gross amount of revenues, receipts, and sales from whatever source derived from and/or derived by you (including any person and/or Corporate Entity acting on your behalf) from business conducted within and/or outside your designated territory that is related to your Training Center and/or a competitive business located and/or operated at your Training Center Location, within your designated territory, outside your designated territory, and/or otherwise. Gross Sales does not include sales taxes that you collect and remit to the proper taxing authority or promotional discounts that are authorized by us in writing and provided by you to customers of the Franchised Business.

Note 4: Brand Development Fund Fee – The brand development fund fee is a continuing monthly fee equal to an amount of up to 1.5% of your monthly Gross Sales (the "Brand Development Fund Fee").

Note 5: Franchisee Directed Local Marketing – On an on-going monthly basis, during months 4 to 12 following the opening of your Franchised Business, you must spend not less than $1,500 per month on the local marketing of your Training Center within your designated territory. During the second year following the opening of your Franchised Business, on an on-going monthly basis, you must spend not less than $1,000 per month on the local marketing of your Training Center within your designated territory. During the third year following the opening of your Franchised Business and each year thereafter for the remainder of the term of your Franchise Agreement, on an on-going monthly basis, you must spend not less than $500 per month on the local marketing of your Training Center within your designated territory. All local

marketing of your Training Center within your designated territory must be done in accordance with our standards and specifications.

On an on-going basis throughout the term of your Franchise Agreement, you are required to maintain the following minimum active youth member enrollments (the "Minimum Member Enrollment and Retention Requirements"): not less than 150 active youth member enrollments in the first year of operating the Franchised Business; not less than 250 active youth member enrollments in the second year; and not less than 300 active youth member enrollments in the third year and each year thereafter, of operating the Franchised Business. Commencing at the end of month 24 of the second year of operating your Franchised Business, we will assess your compliance with the Minimum Member Enrollment and Retention Requirements on a month to month basis such that at the conclusion of each calendar month following month 24, we will evaluate whether you satisfied the Minimum Member Enrollment and Retention Requirements during that month. If, at the conclusion of any given calendar month following month 24, you satisfied the Minimum Member Enrollment and Retention Requirements for that month, your minimum monthly local marketing obligation shall be waived for the immediately succeeding calendar month only. Any such waiver applies solely to the immediately succeeding monthly period and does not carry forward automatically to any subsequent month. Your eligibility for a waiver in each month is contingent upon your satisfaction of the Minimum Member Enrollment and Retention Requirements in the immediately preceding month, and you bear the continuing obligation to satisfy the Minimum Member Enrollment and Retention Requirements each and every month for the remainder of the term of your Franchise Agreement. If, in any calendar month following month 24, you fail to retain the minimum number of active youth member enrollments required to satisfy the Minimum Member Enrollment and Retention Requirements (regardless of whether your minimum monthly local marketing obligation was waived in the prior month) your minimum monthly local marketing obligation shall be automatically reinstated in full and shall apply commencing with the immediately succeeding calendar month. Your minimum monthly local marketing obligation shall remain in full force and effect for each succeeding calendar month until such time you again satisfy the Minimum Member Enrollment and Retention Requirements for a given month, at which point you may again become eligible for a waiver of your minimum monthly local marketing obligation for the immediately succeeding month only, subject to our discretion as described above.

If, on an ongoing basis, you fail to satisfy the Minimum Member Enrollment and Retention Requirements, meaning you have failed to satisfy the Minimum Member Enrollment and Retention Requirements for three or more consecutive calendar months following month 24 of the second year of operating your Franchised Business, we may, in our sole discretion, require you to immediately discontinue your independent local marketing efforts and enroll in the local marketing program directed by us, pursuant to which we will manage and direct the local marketing of your Franchised Business on your behalf. Upon such enrollment (whether required by us or voluntarily elected by you in writing) your obligation to pay the applicable Franchisor Directed Local Marketing Fee (as described in Note 6 below) shall apply in lieu of, and shall fully satisfy, your independent minimum monthly local marketing obligation set forth above. Upon our written notice to you of such requirement, you must cease all independent local marketing efforts and enroll in the local marketing program directed by us within 10 days of receipt of such notice. Your failure to timely do so shall constitute a material default of your Franchise Agreement.

Note 6: Franchisor Directed Local Marketing Fee – The franchisor directed local marketing fee is a continuing monthly fee equal to an amount of: (i) not less than $1,500 per month during months 4 to 12 following the opening of your Franchised Business; (ii) not less than $1,000 per month during the second year following the opening of your Franchised Business; and (iii) not less than $500 per month during the third year following the opening of your Franchised Business and each year thereafter (the "Franchisor Directed Local Marketing Fee"). We will use these funds for local marketing initiatives directed towards and within the market comprising your designated territory, which we may deploy directly through us, an

affiliate or third party vendor that we designate. The Franchisor Directed Local Marketing Fee is payable to us only in the following circumstances: (i) we, in our sole discretion, determine your enrollment with our directed local marketing program is required as a result of your ongoing failure to satisfy the Minimum Member Enrollment and Retention Requirements; or (ii) you voluntarily elect, by written notice to us, to opt-in to our directed local marketing program in lieu of conducting independent local marketing of your Franchised Business. Upon your enrollment in our directed local marketing program – whether required by us or voluntarily elected by you – your obligation to pay the Franchisor Directed Local Marketing Fee shall replace and fully satisfy your independent minimum monthly local marketing obligation as set forth under "Franchisee Directed Local Marketing" and Note 5 above. You will not be required to satisfy both the Franchisor Directed Local Marketing Fee and your independent minimum monthly local marketing obligation simultaneously. Commencing at the end of month 24 of the second year of operating your Franchised Business, we will assess your compliance with the Minimum Member Enrollment and Retention Requirements on a month-to-month basis. If, at the conclusion of any given calendar month, you have satisfied the Minimum Member Enrollment and Retention Requirements for that month, the Franchisor Directed Local Marketing Fee shall be waived for the immediately succeeding calendar month only. Any such waiver applies solely to the immediately succeeding monthly period. If, in any subsequent calendar month, you fail to retain the minimum number of active youth member enrollments required to satisfy the Minimum Member Enrollment and Retention Requirements, the Franchisor Directed Local Marketing Fee shall be automatically reinstated in full commencing with the immediately succeeding calendar month and shall remain in effect for each succeeding calendar month until you again satisfy the Minimum Member Enrollment and Retention Requirements for a given month. Notwithstanding the foregoing, in the event you satisfy the Minimum Member Enrollment and Retention Requirements for an individual or multiple succeeding monthly periods and the Franchisor Directed Local Marketing Fee is waived, we retain the right to maintain your enrollment in our directed local marketing program and payment of the Franchisor Directed Local Marketing Fee and any transition back to you independently conducting the local marketing for your Franchised Business shall require our prior written consent.

Note 7: Franchisor Directed Local Marketing Management Fee – The franchisor directed local marketing management fee is a continuing monthly fee equal to an amount of $750 per month (the "Franchisor Directed Local Marketing Management Fee"). The Franchisor Directed Local Marketing Management Fee is payable to us or our affiliate, in addition to the Franchisor Directed Local Marketing Fee, if we, in our sole discretion, determine that your enrollment in our directed local marketing program is required, or if you, in a written notice to us, voluntarily elect to opt-in and participate in our directed local marketing program. The Franchisor Directed Local Marketing Management Fee is used to defray our administrative and marketing management services costs in connection with conducting the local marketing for your Franchised Business. We reserve the right to increase the Franchisor Directed Local Marketing Management Fee at any time in the future provided that the Franchisor Directed Local Marketing Management Fee shall not increase by more than 20% per year.

Note 8: POS System Fee – You must maintain and utilize the point of sale systems that we designate from time to time, currently iClassPro. The POS system fee is the current monthly license fee to access the point of sale systems that we designate (the "POS System Fee"). Currently, the POS System Fee is an amount equal to $299 per month. The POS system fee does not include other fees associated with point of sale systems such as credit card processing fees and other integrations such as online ordering, customer rewards, and gift cards.

Note 9: Online Ordering, Customer Rewards, and Gift Cards – As designated by us, you must pay to us, our affiliate or our designated vendors, monthly, weekly, and/or per transaction fees related to online, point of sale integrated, web based, and/or app based, ordering, customer rewards, and/or gift card systems. Currently we have not implemented a fee for these systems but require that you access and purchase these

services as point of sale integrations from our currently designated point of sale vendor. See, Item 11 for additional details.

Note 10: Technology Fee – The continuing monthly technology fee is an administrative fee and is not associated with any particular service but is used, at our discretion, to defray some of our costs related to system website, intranet, and other technology related expenses that we may designate, including, but not limited to, point of sale system software, skill tracking software system, analytics and customer relationship management software systems (the "Technology Fee"). We or our affiliate may collect the Technology Fee. Currently we charge a monthly Technology Fee in an amount equal to $150 per month but reserve the right to increase the Technology Fee at any time in the future provided that the monthly Technology Fee shall not exceed $750 per month.

Note 11: Local and Regional Advertising Cooperatives – If two or more Training Centers are operating within a geographic area, region, or market designated by us (a "designated market"), we reserve the right to establish and require your participation in a local or regional advertising cooperative within the designated market. If a local or regional advertising cooperative is established within a designated market that includes your Training Center(s), you will be required to participate in the cooperative and make on-going payments to the cooperative in such amounts and subject to such caps as established by the cooperative members. We anticipate that each Training Center franchisee will have one vote for each Training Center located within the cooperative market and that cooperative decisions shall be made based on approval of a simple majority vote with a quorum of not less than 25% of the designated cooperative members. Contributions to a local or regional cooperative that we designate will count to the satisfaction of your minimum local marketing requirements and shall not exceed the local marketing requirement.

Note 12: Annual Conference Attendance Fee – If we offer a franchisee annual conference in a given year you will be required to attend the conference on the dates and at the location that we designate. You will be responsible for all travel and lodging expenses. We may charge you an annual conference fee in an amount not exceeding $1,500 per attendee. We reserve the right to charge the annual conference fee to those franchisees that do not attend. We will not require your attendance at an annual conference for more than three days during any calendar year.

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ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

A. Franchise Agreement

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee (Note 1)	$60,000 – $60,000	Lump sum	When Franchise Agreement is signed	Us
Construction and Leasehold Improvements (Note 2)	$50,000 – $200,000	As arranged	As incurred	Contractors, suppliers, and/or landlord
Project Management (Note 3)	$20,000 – $20,000	As arranged	As incurred	Suppliers
Lease Deposits and Rent – Three Months (Note 4)	$6,000 – $12,000	As arranged	As incurred	Landlord
Furniture and Fixtures (Note 5)	$2,000 – $3,000	As arranged	As incurred	Suppliers
Equipment Package Fee (Note 6)	$150,000 – $170,000	As arranged	Prior to opening the Franchised Business	Us
Estimated Shipping (Note 6)	$8,000 – $16,000	As arranged	Prior to opening the Franchised Business	Us
Equipment Installation Fee (Note 7)	$40,000 – $40,000	As arranged	Prior to opening the Franchised Business	Us
Signage (Note 8)	$8,000 – $17,000	As arranged	As incurred	Suppliers
Computer, Software, and Point of Sale System (Note 9)	$1,500 – $2,500	As arranged	As incurred	Suppliers
Website Set-Up Fee (Note 10)	$2,500 – $2,500	As arranged	As incurred	Us
Market Introduction and Launch Advertising Fee (Note 11)	$19,800 – $34,800	As arranged	As incurred	Us, suppliers
Launch Marketing Management Services Fee (Note 12)	$5,200 – $5,200	As arranged	As incurred	Us
Initial Inventory (Note 13)	$3,000 – $3,500	As arranged	As incurred	Us

Printing, Stationery, and Office Supplies (Note 14)	$400 – $500	As arranged	As incurred	Suppliers
Utility Deposits (Note 15)	$400 – $800	As arranged	As incurred	Suppliers
Insurance Deposits – 12 Months (Note 16)	$4,500 – $5,500	As arranged	As incurred	Insurers
Dues and Subscriptions (Note 17)	$500 – $1,500	As arranged	As incurred	Suppliers
Travel for Initial Training (Note 18)	$6,000 – $10,000	As arranged	As incurred	Airlines, hotels, restaurants
Professional Fees (Note 19)	$2,500 – $3,500	As arranged	As incurred	Attorneys, accountants, advisors
Licenses and Permits (Note 20)	$1,000 – $2,000	As arranged	As incurred	Government
Additional Funds – Three Months (Note 21)	$45,000 – $60,000	As arranged	As incurred	Us, employees, suppliers, landlord
Total Estimate (Note 22)	$436,300 – $670,300			

Explanatory Notes to Item 7 - for a Franchise Agreement

Note 1: Initial Franchise Fee – The Initial Franchise Fee for a single franchise under a Franchise Agreement is $60,000. All fees are non-refundable. We do not finance any portion of your initial fees.

Note 2: Construction and Leasehold Improvements – This estimate is for the cost of construction, construction management and build-out of a USA Ninja Challenge Training Center location but does not include costs associated with furniture, fixtures and equipment which are separately disclosed in this Item 7. This estimate assumes that the typical square footage for a Training Center ranges from 3,600 to 6,000 square feet and that the site of the training center that you select is delivered to you in an enhanced shell condition with pre-installed improvements including installed and functional HVAC systems, essential lighting, electrical switches and outlets, lavatories, a finished ceiling, walls prepared for painting and a concrete slab floor. You will be required to hire an architect to develop plans that meet our standards and specifications and comply with applicable laws, rules and regulations for the development and operation of your Training Center. This estimate includes architectural fees incurred in connection with hiring an architect to develop the plans for your Training Center. This estimate does not include architectural fees or other fees charged by licensed professionals other than general contractors and licensed tradesmen and does not include any special heating cooling or ductwork required by a training center. The costs for developing your Training Center may be higher or lower than the estimates provided.

Note 3: Project Management – This estimate is the cost of project management services and assistance provided by our designated vendor during the site selection and construction of your USA Ninja Challenge Training Center.

Note 4: Lease Deposits – Three Months – You must operate your USA Ninja Challenge Training Center from a Training Center Location that we approve and that complies with state and local law. If you do not

already own or lease a suitable location, you will be required to lease a location that has been approved by us as meeting our brand standards. This estimate assumes that you will be leasing your Training Center Location and is limited to the estimated amount of your initial lease deposit and initial three months of rent. The typical square footage of a USA Ninja Challenge Training Center ranges from 3,600 to 6,000 square feet. The amount of your lease deposit and rent is highly variable and is something that you will directly negotiate with your landlord. This estimate does not include the purchase of real property.

Note 5: Furniture and Fixtures – Subject to our brand standards and specifications you will be required to purchase certain types of furniture and fixtures and equipment for your Training Center. The costs for furniture and fixtures may differ depending on the material quality and on other factors. Significant factors that will influence and will increase the cost of furniture and fixtures will depend on the size of your Training Center. The costs listed here do not include any transportation or set up costs. Third party financing may be available for qualified candidates for some of the furniture and fixtures costs, however, with such financing comes associated costs and fees which will cause the cost to exceed what is indicated in this table.

Note 6: Equipment Package Fee; Estimated Shipping – You are required to purchase all or substantially all of the equipment for your Franchised Business from us. You will pay to us the Equipment Package Fee which shall include the necessary equipment for your Training Center including, but not limited to, obstacles equipment, cargo netting, gym flooring, floor beams, climbing ropes, rock wall holds, truss system, safety mats, and other select equipment items. The size of your Training Center will influence the cost of the Equipment Package Fee. The Equipment Package Fee is non-refundable and fully earned by us upon payment. You will also be responsible for transportation costs incurred in by us in connection with shipping the items comprising the equipment package to your Franchised Business as well as taxes. The shipping costs set forth in the above table are estimates. Third party financing may be available for qualified candidates for some of the equipment costs, however, with such financing comes associated costs and fees which will cause the cost to exceed what is indicated in this table.

Note 7: Equipment Installation Fee – You will pay to us or our affiliate the Equipment Installation Fee in an amount equal to $40,000 in connection with the installation of the equipment at your Franchised Business. The Equipment Installation Fee is non-refundable and fully earned by us upon payment.

Note 8: Signage – You are required to purchase, subject to our design and construction specifications and approval, interior and exterior signs and displays that we designate. This estimate is for the cost to produce wall signage to be mounted to the outside of the building as well as all interior signage. This estimate includes other elements of brand identification within the Training Center such as wall graphics.

Note 9: Computer, Software and Point of Sale System – You will be required to purchase, license and use the point of sale systems, software applications, computers, monitors, battery backups, printers, security cameras, smart boards and other equipment that we designate. Information about the point of sale and computer systems is disclosed in Item 11 of this Disclosure Document.

Note 10: Website Set-Up Fee – You must pay us or affiliate the Website Set-Up Fee in an amount equal to $2,500. The Website Set-Up Fee is used to cover the expenses incurred by us in connection with setting up your website. The Website Set-Up Fee is fully earned by us upon payment and non-refundable.

Note 11: Market Introduction and Launch Advertising Fee – During the Launch Marketing Phase commencing 90 days prior to the opening of your USA Ninja Challenge Training Center and continuing for 90 days after the opening of your USA Ninja Challenge Training Center, you must pay to us or our approved third party suppliers the Market Introduction and Launch Advertising Fee for defray the costs and expenses incurred in connection with deploying marketing initiatives to promote the opening of your USA

Ninja Challenge Training Center. The Market Introduction and Launch Advertising Fee will range between $19,800 to $34,800. The Market Introduction and Launch Advertising Fee is fully earned upon payment and non-refundable.

Note 12: Launch Marketing Management Services Fee –You must pay to us the Launch Marketing Management Services Fee in an amount equal to $5,200. The Launch Marketing Management Services is used to defray our costs in connection with the marketing and management services we provide in connection with the opening of your USA Ninja Challenge Training Center during the Launch Marketing Phase commencing 90 days prior to the opening of your USA Ninja Challenge Training Center and continuing for 90 days following the opening of your USA Ninja Challenge Training Center.

Note 13: Initial Inventory – Your initial inventory comprised of t-shirts, sweatshirts, shorts, hats, water bottles, and other on-going inventory and supplies (including System Supplies) that you are required to obtain from us, our affiliate or from our designated suppliers are paid for at standard prices and terms and your ongoing inventory must be purchased from either us or our approved vendors.

Note 14: Printing, Stationery, and Office Supplies – You must purchase printing, stationery, and office supplies including, but not limited to, business cards and materials bearing the Licensed Marks.

Note 15: Utility Deposits – To secure the appropriate utilities required for the operation of your Training Center, including gas, electric, water, sewer and internet access, you will be required to pay upfront deposits to each applicable utility company.

Note 16: Insurance Deposits – 12 Months – This estimate is for the first 12 months of payments paid to insurance providers to secure and maintain minimum insurance coverage requirements designated by us. Your actual payments for insurance and the timing of those payments will be determined based on your agreement with your insurance company and agent.

Note 17: Dues and Subscriptions – You must invest in dues and subscription fees related to associations, networking groups and related industry groups in the market of your designated territory. These groups will provide exposure for your Franchised Business and allow you to interact with other professionals in your industry. These costs are typically non-refundable.

Note 18: Travel for Initial Training – You must complete our pre-opening training program before opening your Training Center. We do not charge a fee for our pre-opening initial training. This estimate is for estimated travel and lodging expenses that you will incur to attend our pre-opening initial training program.

Note 19: Professional Fees – This estimate is for costs associated with the engagement of professionals such as attorneys, accountants and advisors for advisories consistent with the start-up of a Training Center. We recommend that you seek the assistance of professional advisors when evaluating this franchise opportunity, this Disclosure Document, the Franchise Agreement and, if applicable the Multi-Unit Development Agreement. It is also advisable to consult with these professionals to review any lease and other contracts that you will enter into as part of the development and operation of your Training Center.

Note 20: Licenses and Permits – You must apply for, obtain and maintain all required permits and licenses necessary to operate a Training Center. The licenses will vary depending on local, municipal, county and state regulations. All licensing fees are paid directly to the governmental authorities when incurred and are due prior to opening the Franchised Business. State and local government agencies typically charge fees for occupancy permits, operating licenses and business registrations. This estimate does not include the cost of building permits associated with building or remodeling of your location.

Note 21: Additional Funds – This is an estimate of the minimum recommended levels of additional funds that may be required to cover operating expenses such as employee salaries, inventory, rent, and utilities only for the initial three-month period following the opening of your Training Center. This estimate does not include compensation to you or your owners and does not include interest, finance charges, or payments that may be incurred by you if you financed the development of your Training Center. In making this estimate, we have relied on the experiences of our affiliate and franchisees in developing and operating a USA Ninja Challenge Training Center. This is only an estimate for your initial three months of operations and more working capital and additional funds may be required depending on the sales and performance of your Training Center.

Note 22: About Your Estimated Initial Investment – This is an estimate of the initial start-up expenses for a USA Ninja Challenge Training Center. We have based these estimates on the experiences of our affiliate and franchisees in developing a USA Ninja Challenge Training Center. These are only estimates and your costs and, the range of those costs, may vary. These estimates do not include interest and financing charges that you may incur, and they do not include management level compensation payable to you or your owners. These estimates are for one Training Center only. If you sign a Multi-Unit Development Agreement, the estimated amount will be required for each Training Center that you develop.

YOUR ESTIMATED INITIAL INVESTMENT

B. Multi-Unit Development Agreement

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is Made
Development Area Fee (Note 1)	$48,000 – $156,000	Lump sum	When Franchise Agreement and Multi-Unit Development Agreement are signed	Us
Estimated Initial Investment to open one Training Center (Note 2)	$436,300 – $670,300	Estimated Initial Investment is based on estimate contained in Table A, above, of this Item 7, for a Franchise Agreement. See, Table A		
Total Estimate (Note 3)	$484,300 – $826,300			

Explanatory Notes to Item 7 - For a Franchise Agreement with a Multi-Unit Development Agreement

Note 1: Development Area Fee and Franchise Fees – When you sign a Multi-Unit Development Agreement you must also sign a Franchise Agreement for the first Training Center to be developed by you. When you sign our Multi-Unit Development Agreement, in addition to paying the Initial Franchise Fee for your first Training Center, you will also pay to us a Development Area Fee for each Training Center over and above your first Training Center that is authorized for development within the Development Area. For the second Training Center authorized for development under the Multi-Unit Development Agreement you will pay a Development Area Fee in an amount equal to $48,000 and for each of the third, fourth and fifth Training Center you will pay a Development Area Fee in amount equal to $36,000. The minimum number of Training Centers that you may be authorized to develop under a Multi-Unit Development Agreement is two

and the maximum number is five. You will not be required to pay to us an Initial Franchise Fee at the time of signing the Franchise Agreement for each additional Training Center.

Note 2: Estimated Initial Investment – This is the estimated initial investment for the development of one USA Ninja Challenge Training Center under a Franchise Agreement as reflected in Table A of this Item 7.

Note 3: Total Estimate – This estimate is only for the development of one USA Ninja Challenge Training Center and, except for your first USA Ninja Challenge Training Center, this estimate does not include the estimated initial investment that you will incur each and every time you develop a Training Center as may be authorized under your Multi-Unit Development Agreement and pursuant to the terms of each respective USA Ninja Challenge Franchise Agreement.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You may only offer and sell the Approved Products and Services. You may only use those products, supplies, equipment, technology systems, and services that we authorize and designate in writing. To ensure that our standards and specifications of quality, service and System development are maintained, you must operate your Training Center in strict conformity with the Franchise Agreement and the methods, standards, specifications, and sources of supply that we designate and prescribe in the Operations Manual.

Source Restricted Purchases and Leases – Generally

We require that you purchase or lease certain source restricted goods and services for the development and operation of your Training Center. Source restricted goods and services are goods and services that must meet our specifications and/or that must be purchased from an approved or designated supplier that may include us or our affiliates. We may designate a supplier, including ourselves or our affiliates, as the exclusive supplier for the System. Our specifications and list of approved and designated suppliers is contained in our Operations Manual. We will notify you of any changes to our specifications or list of approved or designated suppliers. We may notify you of these changes in various ways, including written or electronic correspondence, amendments and updates to our Operations Manual, and other forms of communication. We formulate and modify our standards and specifications for products and services based on our industry experience and our management decisions as to the overall operation and expansion of the System. If we have previously approved a supplier, and their standards fall below our designated standards, we will revoke our approval. We will notify you in writing of us revoking our approval.

Suppliers and Supplier Criteria

We may designate ourselves and our affiliates as exclusive suppliers of source restricted goods and services. We may designate ourselves or a third party as the sole and exclusive supplier irrespective of the existence of competing suppliers. If, in the Operations Manual, we do not designate a supplier for a particular item, you will purchase all such products, supplies and services from suppliers who meet our specifications and standards.

We are currently designated as the approved supplier of equipment, initial inventory items, grand opening marketing, and other select System Supplies. Except for equipment, mats and other select System Supplies, currently, we are not, and our affiliates are not approved suppliers of the source restricted goods and services identified below. Except as to us, no officer of ours currently owns an interest in any of our designated third party suppliers.

If you want to purchase or lease a source restricted item from a supplier that has not been previously approved or designated by us in writing, you must send us a written request for approval and submit

additional information, samples, and testing data that we may request. We may charge you a fee equal to the costs and expenses that we incur in reviewing and evaluating an alternate supplier, product, and/or service requested by you. We may request that you send us samples from the supplier for testing and documentation from the supplier for evaluation. We may also require, subject to our discretion, that we be allowed to inspect the supplier's facilities. We will notify you of our approval or disapproval within a reasonable time not exceeding 60 days after we receive your written request and all additional information and samples that we request. We may, in our sole discretion, withhold our approval. We do not make our procedures or criteria for approving suppliers available to our System franchisees, except that when evaluating the approval of a particular supplier, among other things, we consider: whether the supplier can demonstrate to our reasonable satisfaction the ability to meet our standards, specifications and production requirements, the suppliers quality control, whether or not we are the exclusive supplier of the particular item, whether or not our affiliate or affiliates are the exclusive supplier of the particular item, and whether or not the suppliers approval, in our sole determination, will allow us to advance the overall interests of the System and our company.

We estimate that your purchase of goods and services from us or our approved suppliers, or that must conform to our specifications, will represent approximately 50% to 70% of your total purchases in establishing your Training Center and approximately 40% to 60% of your total purchases in the continuing operations of your Training Center. We currently require that you purchase or lease the following source-restricted goods and services:

1. Lease – We do not review the terms of the lease for your Training Center Location but require that your landlord acknowledge our rights as set forth in the lease agreement rider attached as Exhibit 4 to the Franchise Agreement (the "Lease Agreement Rider") and that you collaterally assign the lease to us as set forth in the collateral assignment of lease attached as Exhibit 5 to the Franchise Agreement (the "Collateral Assignment of Lease"). We possess the right to disapprove of a proposed lease if the landlord refuses to sign the Lease Agreement Rider in substantially the form set forth in Exhibit 4 to the Franchise Agreement. The Lease Agreement Rider grants certain rights to us, including our right to be notified in the event of a lease default and, potentially, for us to enter the premises of your Training Center.

2. System Supplies – Your Training Center must maintain an initial and ongoing inventory of System Supplies. You must purchase the System Supplies, as designated by us, from us, our affiliates, and/or our designated suppliers.

3. Furniture and Fixtures – Your Training Center must be equipped with branded and unbranded furniture and fixtures that we designate and that meet our standards and specifications. You may purchase unbranded furniture and fixtures from any supplier of your choosing, provided that the furniture and fixtures meet our specifications and standards, which may also include specified manufacturers, brands and models. If the furniture and fixtures that we designate are specified to be branded with the Licensed Marks, then you may only purchase them from our designated exclusive suppliers.

4. Equipment – The equipment for your Training Center must meet our standards and specifications and must be purchased from us and/or our designated suppliers. You will pay us the Equipment Package Fee for all the initial equipment necessary for you to open and commence operation of the Franchised Business plus taxes and transportation costs incurred by us in connection with shipping the items comprising the equipment package to your Training Center Location. You will also be required to pay us the Equipment Installation Fee to cover the expenses we incur in connection with the installation of the equipment at your Training Center Location. Your purchase, receipt, use, and maintenance of all equipment comprising the Equipment Package and the installation of all equipment at your Training Center Location shall be subject to the terms and conditions of the Equipment Liability and

Indemnification Agreement attached as Exhibit 9 to the Franchise Agreement, which Franchisee is required to execute simultaneously with this Agreement

5. Signage – The signage for your Training Center must meet our standards and specifications and must be purchased from our designated suppliers.
6. Point of Sale System and Computer Equipment – Currently you are required to purchase, license and utilize an iClassPro point of sale system. Additionally, you must purchase and maintain a computer system on-site at your Training Center Location. In general, you will be required to obtain a computer system that will consist of certain hardware, software, and peripheral devices such as printers. You will be required to meet our requirements involving back office and point of sale systems, security systems, printers, back-up systems, and high-speed internet access. We reserve the right to designate us or our affiliate as the designated supplier of the point of sale system and other software systems that we designate and require you to utilize in connection with the operation of the Franchised Business.

7. Credit Card Processing – You must use our designated supplier and vendor for credit card processing which may be integrated with the point of sale system that we designate. Credit card processing fees will, generally, be based on a percentage of all credit card processed Gross Sales.

8. Online Ordering, Customer Rewards, and Gift Cards – You must use our designated supplier and vendor for the ability to access and use online, point of sale integrated, web based, and/or app based, ordering, customer rewards, and/or gift card systems. We do not currently designate a supplier or vendor for these systems but reserve the right to designate one at any time in the future. As you access and utilize these systems you will pay usage fees based on a percentage of your processed Gross Sales.

9. Branded Items and Marketing Materials – All materials bearing the Licensed Marks (including, but not limited to, stationary, business cards, brochures, apparel, signs and displays) must meet our standards and specifications and must be purchased from either us directly or our designated suppliers. All of your marketing materials must comply with our standards and specifications and must be approved by us before you use them. You may market your Training Center through approved digital media and social media platforms provided that you do so in accordance with our digital media and social media policies. You must purchase all branded marketing materials from either us or our designated exclusive supplier. We may require that you exclusively use, at your cost, our designated supplier for social and digital media marketing services and exclusively use, at your cost, our social media platforms, vendors and marketing channels.

10. Insurance – You must obtain the insurance coverage that we require from time to time as presently disclosed in the Operations Manual and insurance guide and as we may modify. All insurance policies required under your Franchise Agreement and as set forth in the Franchise Agreement must be written by a responsible carrier, reasonably acceptable to us and all insurance (excluding workers' compensation) must name us, our officers, directors, shareholders, partners, agents, representatives and independent contractors as additional insureds. The insurance policies must include a provision that the insurance carrier must provide us with no less than 30 days' prior written notice in the event of a material alteration to, or cancellation of, any insurance policy. A certificate of insurance must be furnished by you to use at the earlier of 90 days after the Effective Date of the Franchise Agreement or prior to the commencement of our initial training program. Insurance coverage must be at least as comprehensive as the minimum requirements set forth in the chart below and in the Franchise Agreement (Franchise Agreement, Article 8). You must consult your carrier representative to determine the level of coverage necessary for the Franchised Business. Higher exposures may require higher limits.

Insurance Requirements

a) Coverage against direct physical loss or damage to real and personal property, including improvements and betterments, written on a special form peril basis, including flood and earthquake, if the relevant property is situated in a flood or earthquake zone, in an amount equal to 100% of the Franchised Business' property value;

b) Comprehensive general liability insurance, written on an occurrence basis, extended to include contractual liability, products and completed operations, and personal and advertising injury, with a combined bodily injury and property damage limit of at least $1,000,000 per occurrence and $2,000,000 in the aggregate;

c) Statutory workers' compensation insurance and employers' liability insurance as required by the law of the state in which the Franchised Business is located, including statutory workers' compensation limits and employers' liability limits of at least $1,000,000;

d) Business interruption insurance equal to 12 months of your net income and continuing expenses, including Royalty Fees;

e) Commercial umbrella liability insurance with total liability limit of at least $1,000,000; and

f) All other insurance that we require in the Manual or that is required by law or by the lease or sublease for the Franchised Business.

Purchase Agreements and Cooperatives

We may, in our discretion, negotiate purchase agreements, including price terms, with designated suppliers for source restricted goods and services on behalf of the System. We may establish preferred vendor programs with suppliers on behalf of some or all of the Training Centers under the System. We may limit the number of approved vendors and/or suppliers that you may purchase from, and we may designate one vendor as your sole supplier. Presently, there are no purchase or supply agreements in effect for source restricted products or services and there are no purchasing or distribution cooperatives that you must join. You will not receive any material benefits for using our designated or approved suppliers.

Our Right to Receive Compensation and Our Revenue from Source Restricted Purchases

We and/or our affiliates may receive rebates, payments and other material benefits from suppliers based on your purchases and we reserve the right to institute and expand rebate programs in the future. During the fiscal year ending December 31, 2025, we earned $1,987,521 in revenue from franchisee purchases. This represents 50% of our total revenue of $3,921,490. We do not provide our franchisees with any material benefits based on a franchisee's purchase of particular products or services or use of particular suppliers.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Table Abbreviations: "FA" – Franchise Agreement; "DA"– Multi-Unit Development Agreement

Obligation	Articles in Agreement	Disclosure Document Item

a.	Site selection and acquisition/lease	FA: 2.A., 3.A. and 3.B. DA: 2, 5.5 and 5.6	7 and 11
b.	Pre-opening purchases and leases	FA: 3 and 8 DA: Not Applicable	7 and 8
c.	Site development and other pre-opening requirements	FA: 3, 4, 7.F., 7.G., 7.I., 7.J., 8 and 9 DA: 2, 5.5, 5.6	6, 7 and 11
d.	Initial and ongoing training	FA: 4, 7.J., 14.C. and 14.D. DA: Not Applicable	11
e.	Opening	FA: 2, 3, 4 and 9.B. DA: 2 3, 4.1, 4.4, 4.5	11
f.	Fees	FA: 3, 4.A., 5, 9, 10, 12, 13, 14, 15, 16 and 18.N. DA: 4, 5.2 and 7.13	5, 6, and 7
g.	Compliance with standards and policies/manual	FA: 3, 4, 5, 7, 8, 9, 11, 12 and 13 DA: 4, 5.2 and 7.13	8 and 11
h.	Trademarks and proprietary information	FA: 6, 7 and 11 DA: 2, 5 and 7.3	13 and 14
i.	Restrictions on products and services offered	FA: 3, 4.C. and 7 DA: 2 and 5	8, 11, and 16
j.	Warranty and customer service requirements	FA: 7 DA: Not Applicable	16
k.	Territorial development and sales quotas	FA: 2 and 3 DA: 4	12
l.	Ongoing product and service purchases	FA: 3, 4.C., 5 and 7 DA: Not Applicable	8
m.	Maintenance, appearance and remodeling requirements	FA: 3 and 7 DA: 5	7 and 17
n.	Insurance	FA: 8 DA: Not Applicable	7 and 8
o.	Advertising	FA: 3.G., 4.B., 7.I., 9 and 11 DA: Not Applicable	6 and 11
p.	Indemnification	FA: 10 and 11.E. DA: Not Applicable	6
q.	Owner's participation, management, and staffing	FA: 4, 6 and 7 DA: 2.5 and 6.2	11 and 15
r.	Records and reports	FA: 5, 9, 12 and 13 DA: Not Applicable	6
s.	Inspections and audits	FA: 5, 7.K. and 13 DA: Not Applicable	6 and 11
t.	Transfer	FA: 14 DA: 6	17
u.	Renewal	FA: 15 DA: 3	17
v.	Post-termination obligations	FA: 6, 10, 11, 17 and 18 DA: Not Applicable	17
w.	Non-competition covenants	FA: 6, 17 and 18 DA: Not Applicable	17
x.	Dispute resolution	FA: 18.F. and 18.G. DA: 7	17

y.	Individual guarantee of franchisee obligations	FA: 2.C., 6, 7.J., 14.C., 14.D., 14.E. and 17.C. DA: 2.5 and 6.2	9

ITEM 10
FINANCING

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

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

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

Pre-Opening Obligations

1. Grant of Franchise – We will grant you the right to operate a Training Center at a single Training Center Location within a designated territory. (Franchise Agreement, Article 2);

2. Franchise Agreement Designated Territory – Once you secure a Training Center Location that we approve, we will define the Designated Territory for your Training Center and include the geographic boundaries and/or a description of your Designated Territory within Schedule 1 of the Franchise Agreement. (Franchise Agreement, Article 2 and Schedule 1);

3. Multi-Unit Development Agreement Development Area – If you have entered into a Multi-Unit Development Agreement, we will designate your Development Area. The Training Centers to be developed by you must be located within the Development Area. Once you select a Training Center Location that we approve within the Development Area, within the Franchise Agreement for each respective Training Center we will define the Designated Territory and include the geographic boundaries and/or a description of your Designated Territory for each respective Training Center. (Multi-Unit Development Agreement, Article 2). Our approval or disapproval of future Training Center locations that may be developed under a Multi-Unit Development Agreement will be based on our then current site selection criteria;

4. Operations Manual – We will provide you with access to our confidential and proprietary Operations Manual. You must operate the Franchised Business in accordance with the Operations Manual and all applicable laws, rules and regulations. At all times, we reserve the right to supplement, modify and update the Operations Manual. (Franchise Agreement, Article 4.C.). As of the Issuance Date of this Disclosure Document, the operations manual consists of 93 pages and the table of contents to the operations manual is attached as Exhibit C to this Disclosure Document (Franchise Agreement, Article 4). The major subjects contained in the operations manual consists of establishing, developing, marketing and operating the Franchised Business;

5. Site Review, Approval and Designated Territory – We will review the proposed site that you select for your Training Center and will notify you of our approval or disapproval. Once you select a site that we approve for the location of your Training Center we will designate your Designated Territory. However, if you negotiate and we agree to designate and grant to you a Designated Territory prior to your selection of a Training Center, then you must locate your Training Center within the Designated Territory and at a site that we approve. You must obtain our approval of your Training Center Location. Additional information about site selection is discussed in more detail below in this Item 11;

6. Approved Suppliers and Distributors – We will provide you with a list of our approved suppliers and distributors, either as part of the Operations Manual or otherwise in writing. (Franchise Agreement, Articles 3 and 4);

7. Signs, Equipment, Furniture, and Fixtures – We will provide you with a list of our approved signage, equipment, furniture and fixtures, either as part of the Operations Manual or otherwise in writing and we will review and approve, in our discretion, your proposed signage, equipment, furniture and fixtures. We do not provide assistance in delivering or installing signs, equipment, furniture, or fixtures. (Franchise Agreement, Articles 3 and 4);
8. Website and Digital Media – We will identify your Training Center on our website. You may not use any websites, web-based media or digital media unless expressly approved by us in writing. We strictly control how you may or may not use websites and digital media and you must assign all website media and digital media accounts to us. (Franchise Agreement, Articles 3.G. and 9); and

9. Initial Training – No more than seven weeks but no less than three weeks prior to the opening of your Training Center you, or if you are a Corporate Entity, your Managing Owner and up to two management level employees (your Operating Manager and/or designated Lead Instructor) must attend and complete our initial training program. We will provide you, and up to two of your designated management level employees comprised of your Operating Manager and/or designated Lead Instructor, with training in accordance with our initial training program. (Franchise Agreement, Article 4). Our current training program is to be attended by you, or if you are a Corporate Entity, your Managing Owner and up to two designated management level employees comprised of your Operating Manager or designated Lead Instructor at one of our designated training facilities located in Concord, New Hampshire or Katy, Texas or as otherwise designated by us. The training program takes place over an approximate two-week period and is described below in this Item 11 in more detail.

Site Selection

Although you are responsible for selecting a site for your Training Center Location you must obtain our approval of your Training Center Location. We do not typically own or lease the real property that will serve as your Training Center Location and you are responsible for all costs and expenses in locating and evaluating proposed sites and the demographic data associated with your proposed sites. Before you enter into a lease or other agreement for your Training Center Location you must obtain our approval. We will provide you with site selection guidelines. If your Franchise Agreement specifies and designates a Designated Territory, your Training Center Location must be located within your Designated Territory at a site that we approve. If you sign a Multi-Unit Development Agreement then each Training Center Location must be located within the Development Area designated in the Multi-Unit Development Agreement and, as applicable, at sites that we approve within the Development Area. Your rights in your Training Center Location must be subordinate to our rights as set forth in the Lease Agreement Rider attached as Exhibit 4 to the Franchise Agreement and the Collateral Assignment of Lease attached as Exhibit 5 to the Franchise Agreement.

Although there is no specified time limit for us to review the proposed site for your Training Center Location, we will do so within a reasonable time period, not exceeding 30 days of our receipt of your written request for our review of a proposed site and your submission to us of the information and documentation that we may request. In determining whether to approve or disapprove a proposed site for your Training Center Location, factors that we take into consideration include: (a) demographic factors, traffic patterns, parking, building structures, visibility and available sign locations; (b) characteristics of the proposed site; (c) the location of your proposed site relative to your overall Designated Territory and proximity to other Training Centers, if your Designated Territory was previously designated; (d) the location of your proposed

site relative to your overall Development Area and proximity to other Training Centers, if you signed a Multi-Unit Development Agreement and your Development Area was previously designated; and (e) whether or not the landlord for the Training Center Location approves of our Lease Agreement Rider in substantially the same form as contained in Exhibit 4 of the Franchise Agreement.

Within 12 months of signing your Franchise Agreement you must secure a Training Center Location and lease that we approve (Franchise Agreement, Article 3.A.). If you do not meet this requirement for any reason, including our disapproval of a proposed training center location and/or your failure to find a suitable training center location that we approve during the 12 month period, we may terminate your Franchise Agreement without refunding any fees to you if you do not cure this default within 30 days of notice from us. It is your obligation to consult with government agencies, architects and legal professionals to evaluate and determine that your Training Center Location permits the establishment and operation of the Franchised Business and that you possess the necessary licenses and authority to operate a training center that offers and provides the Approved Products and Services. (Franchise Agreement, Articles 2, 3, 7 and 16).

Time to Open

You may not open your Training Center until you have completed our initial training requirements, obtained the necessary licensing and authorization from state and regulatory agencies within your Designated Territory, obtained and provided us with written proof of the required insurance, and have timely secured a Training Center Location that we approved.

We estimate that the length of time between the signing of your Franchise Agreement and opening your Training Center to be approximately 12 to 18 months. Factors that may affect this estimated time period include: (a) evaluating and selecting a suitable site for your Training Center Location; (b) timeliness of your submission to us of information and documentation that we may request in determining whether or not to approve of the site for your proposed Training Center Location; (c) length of time taken by you to successfully complete our initial training program; (d) negotiating and obtaining a suitable lease for your Training Center Location that is approved by us; (e) obtaining third party lender financing, if necessary; and (f) obtaining the necessary licenses for the operation of your Training Center. Other factors that may affect this time period include availability of equipment, delays associated with equipment installation and the construction and/or installation of your leasehold improvements and fixtures. You must open your Training Center within 18 months from the effective date of your Franchise Agreement, otherwise we may terminate your Franchise Agreement without refunding any fees to you. (Franchise Agreement, Article 3.C.).

Post-Opening Obligations

1. Supplemental Training – We may require that you and your Operating Manager participate in supplemental on-site training that we may designate and require in our discretion. We may provide, in our discretion, supplemental training on-site at your Training Center Location. You will be required to pay our then current supplemental training fee, currently $500 per on-site trainer per day, plus travel expenses, meals and accommodation expenses incurred by us. (Franchise Agreement, Article 4.A.);

2. Initial Training for Replacement Operating Manager(s) and/or Lead Instructors – Your Operating Manager and designated Lead Instructor must complete, to our satisfaction, our initial training program. We will offer and make available to your replacement Operating Manager or Lead Instructor our initial training program which must be complete to our satisfaction. The initial training program will be provided by us at the facilities that we designate that, presently, is comprised of our Training Center located in Concord, New Hampshire and at the certified training facility that we designate in Katy, Texas. You will be required to pay our then current supplemental training fee for your replacement Operating Managers or

Lead Instructors, currently $500 per manager per day for each replacement manager or Lead Instructor attending our initial training. You will also be responsible for all costs incurred by your Operating Manager or Lead Instructor in attending our initial training. (Franchise Agreement, Articles 4.A. and 7.J.);

3. Communication of Operating Standards – We may establish, update and provide you with consultations and communications as to the standards, procedures and System requirements as to the operation of your Training Center including, but not limited to, Approved Products and Services, System Supplies, marketing and promotion standards, and as we may, in our discretion, designate, modify, supplement and amend from time to time and as set forth in the Operations Manual which we may, in our discretion, modify from time to time. (Franchise Agreement, Articles 4.B. and 4.C.);

4. Marketing Standards and Approval – We may establish, update and communicate to you our standards for the marketing and promotion of the Franchised Business including, but not limited to, the marketing materials and mediums that you may utilize. We will respond to your request respecting the communication of our approval or disapproval of marketing materials and mediums that may be requested by you for use in the marketing and promotion of the Franchised Business. We maintain full discretion as to the marketing standards and the marketing materials and media that you may use in the marketing and promotion of the Franchised Business (Franchise Agreement, Article 4.B.);

5. Approved Vendors – We will provide the names and addresses of approved vendors and suppliers for the Approved Products and Services and the System Supplies. (Franchise Agreement, Articles 4.B. and 4.C.);

6. Annual System Conference – We may, in our discretion, coordinate an annual conference to be attended by franchisees of the System that are in good standing. We may charge an annual conference fee not exceeding $1,500 per attendee. You will be responsible for all travel and accommodation expenses associated with your attendance at the conference. (Franchise Agreement, Article 5.C.);

7. Administration of Marketing Funds – We may administer and manage System-wide marketing funds comprised of a Brand Development Fund. (Franchise Agreement, Articles 9.A. and 9.F.);

8. Hiring and Training of Employees – We do not provide assistance with the hiring and training of your employees. You will be directly responsible for the management and supervision of your employees. For the protection of the System, you must ensure that all employees wear and maintain the proper uniforms with our approved System branded apparel and uniforms including, but not limited to, the apparel and uniforms comprising System Supplies. You must monitor and ensure that all System Supplies and Approved Products and Services are prepared, maintained, and served in accordance with the System standards and Operations Manual;

9. Pricing – As permitted by law, we reserve the right to designate the maximum, minimum, promotional, and other prices and promotions that you may charge and offer for Approved Products and Services (Franchise Agreement, Articles 3.D. and 3.E.). Our designation of pricing is not a guarantee that you will achieve a specific level of sales or profitability; and

10. Hours of Operation – You must maintain openings and operating hours in conformity with our then current standards and requirements, as designated by us, related to, among other things, days, hours, and times of your Training Center operations and services offered to the public, and days, times, and holidays for opening and closing.

Advertising

1. Generally – All advertising, marketing, marketing materials and all marketing mediums used by you in the marketing and promotion of your Training Center must be pre-approved by us in writing and conform to our standards and specifications. You may only utilize those advertising and marketing materials and mediums that we designate and approve in writing. In our discretion, we may make available to you approved marketing templates comprised of pre-approved ads, ad copy and digital media that you may utilize at your own expense. If you wish to utilize marketing materials and/or marketing mediums that are not currently approved by us in writing, you may submit a written request requesting permission and we will approve or disapprove of your request within 15 days of your submission of the written request and sample marketing materials. We are not required to spend any amount on your behalf on advertising in your designated territory and we are not required to conduct any advertising on behalf of the franchise System or on your behalf. (Franchise Agreement, Article 9);
2. Local Marketing – You are not authorized to engage in any marketing unless it is pre-approved by us in our discretion (Franchise Agreement, Article 9.B.). On an on-going monthly basis, during months 4 to 12 following the opening of your Franchised Business, you must spend not less than $1,500 per month on the local marketing of your Training Center within your designated territory. During the second year following the opening of your Franchised Business, on an on-going monthly basis, you must spend not less than $1,000 per month on the local marketing of your Training Center within your designated territory. During the third year following the opening of your Franchised Business and each year thereafter for the remainder of the term of your Franchise Agreement, on an on-going monthly basis, you must spend not less than $500 per month on the local marketing of your Training Center within your designated territory. All local marketing of your Training Center within your designated territory must be done in accordance with our standards and specifications. We will review your local marketing programs and notify you if we approve of them. We will make available to you and provide you with access, in the form of a source document, to our approved marketing campaigns, media, and messaging that may be used by you. In those instances where we provide you with access to our marketing campaigns, we provide you with the source designs, copy, and design specifications. However, you will incur the direct costs associated with customizing, duplicating and using such marketing campaigns and in having them distributed and/or placed with media sources. At the conclusion of each calendar month following month 24 of the opening of your USA Ninja Challenge Training Center, we will assess whether you satisfied the Minimum Member Enrollment Retention Requirements during that month. If, at the conclusion of any given calendar month following month 24, you satisfied the Minimum Member Enrollment and Retention Requirements for that month, your minimum monthly local marketing obligation shall be waived for the immediately succeeding calendar month only. Any such waiver applies solely to the immediately succeeding monthly period and does not carry forward automatically to any subsequent month. Your eligibility for a waiver in each month is contingent upon your satisfaction of the Minimum Member Enrollment and Retention Requirements in the immediately preceding month, and you bear the continuing obligation to satisfy the Minimum Member Enrollment and Retention Requirements each and every month for the remainder of the term of your Franchise Agreement. If, in any calendar month following month 24, you fail to retain the minimum number of active youth member enrollments required to satisfy the Minimum Member Enrollment and Retention Requirements (regardless of whether your minimum monthly local marketing obligation was waived in the prior month) your minimum monthly local marketing obligation shall be automatically reinstated in full and shall apply commencing with the immediately succeeding calendar month. Your minimum monthly local marketing obligation shall remain in full force and effect for each succeeding calendar month until such time you again satisfy the Minimum Member Enrollment and Retention Requirements for a given month, at which point you may again become eligible for a waiver of your minimum monthly local marketing obligation for the immediately succeeding month only, subject to our discretion as described above.

If, following month 24 of the opening of your USA Ninja Challenge Training Center, you fail to satisfy the Minimum Member Enrollment Retention Requirements for three or more consecutive calendar months, we may, in our sole discretion, require you to immediately discontinue your independent local marketing efforts and enroll in the local marketing program directed by us, pursuant to which we or our affiliate will manage and direct the local marketing of your Franchised Business on your behalf. Upon such enrollment (whether required by us or voluntarily elected by you in writing) your obligation to pay the applicable Franchisor Directed Local Marketing Fee and the Franchisor Directed Local Marketing Management Fee to us or our affiliate shall apply in lieu of, and shall fully satisfy, your independent minimum monthly local marketing obligation. We will use the funds collected for the Franchisor Directed Local Marketing Fee for local marketing initiatives directed towards and within the market comprising your designated territory, which we may deploy directly through us, an affiliate or third party vendor that we designate. The Franchisor Directed Local Marketing Fee is payable to us only in the following circumstances: (i) we, in our sole discretion, determine your enrollment with our directed local marketing program is required as a result of your ongoing failure to satisfy the Minimum Member Enrollment and Retention Requirements; or (ii) you voluntarily elect, by written notice to us, to opt-in to our directed local marketing program in lieu of conducting independent local marketing of your Franchised Business. At the conclusion of each calendar month following month 24 of the opening of your USA Ninja Challenge Training Center, we will assess whether you satisfied the Minimum Member Enrollment Retention Requirements during that month. If, at the conclusion of any given calendar month following month 24, you satisfied the Minimum Member Enrollment and Retention Requirements for that month, the Franchisor Directed Local Marketing Fee shall be waived for the immediately succeeding calendar month only. Any such waiver applies solely to the immediately succeeding monthly period. If, in any subsequent calendar month, you fail to retain the minimum number of active youth member enrollments required to satisfy the Minimum Member Enrollment and Retention Requirements, the Franchisor Directed Local Marketing Fee shall be automatically reinstated in full commencing with the immediately succeeding calendar month and shall remain in effect for each succeeding calendar month until you again satisfy the Minimum Member Enrollment and Retention Requirements for a given month. For the avoidance of doubt, in the event you satisfy the Minimum Member Enrollment and Retention Requirements for an individual or multiple succeeding monthly periods and the Franchisor Directed Local Marketing Fee is waived, we retain the right to maintain your enrollment in our directed local marketing program and payment of the Franchisor Directed Local Marketing Fee and any transition back to you independently conducting the local marketing for your Franchised Business shall require our prior written consent. (Franchise Agreement, Article 9);

3. Digital Media and Website – All digital media and marketing must be approved by us. We will designate for your Designated Territory information about your Training Center on the www.usaninjachallenge.com webpage or such other websites as we may designate for the System. (Franchise Agreement, Article 9);

4. Brand Development Fund – We may control and administer a brand development fund (the "Brand Development Fund") (Franchise Agreement, Article 9.A.). As disclosed in Item 6 of this Disclosure Document, you must contribute a monthly sum not to exceed 1.5% of monthly Gross Sales to the Brand Development Fund. We may use the Brand Development Fund for market studies, research, service development, product development, testing, research studies, technology development, advertising and public relations studies or services, creative production and printing of advertising and marketing materials, advertising copy and commercials, tracking costs, agency fees, administrative costs, which may include reimbursement for direct administrative and personnel costs associated with advertising and public relations, and any other costs associated with the development, marketing and testing of advertising, marketing and public relations materials, and the purchase of media placement, advertising time and public relations materials in national, regional or other advertising and public relations media in a manner determined by us, in our discretion, to be in the best interest of the franchisees and the System. Our company

and/or affiliate owned Training Centers may but are not required to contribute to the Brand Development Fund. The Brand Development Fund will maintain unaudited financial records detailing its expenditures and will make available to you, no more frequently than one time in any 12-month period, an unaudited accounting of how monies contributed to the Brand Development Fund were spent each year. We are not required to segregate the Brand Development Fund from our general operating funds and we are not a fiduciary or trustee of the Brand Development Fund. The Brand Development Fund will not be used to directly promote your Training Center or the marketing area in which your Training Center will be located. (Franchise Agreement, Article 9.A.). We may use the Brand Development Fund to develop and test various media and technologies for potential use and/or improvement of the operations of Training Centers and the marketing of Training Centers. These technological developments and/or improvements may relate, among other things, to our website and to the interaction and potential enhancement of web offerings that may or may not be implemented on behalf of Training Centers. You may or may not benefit from these technology developments and improvements. The Brand Development Fund will be uniformly imposed upon all franchisees. (Franchise Agreement, Article 9.A.).
We may use the Brand Development Fund to compensate ourselves for administrative fees associated with managing the Brand Development Fund and for our internal employee salaries, expenses and overhead associated with or reasonably allocated to managing the activities of the Brand Development Fund and performing services on behalf of the Brand Development Fund including, but not limited to, directing, developing and managing media of the Brand Development Fund. We will not use the Brand Development Fund to directly market the sale of Training Center franchises but we may do so indirectly by requiring and including information as to the availability of Training Center franchises for sale and contact information for franchise inquiries on and within advertising, marketing and brand development materials, including the System website, developed with the Brand Development Fund.

As of December 31, 2025, we have collected $273,316 towards the Brand Development Fund. Of the $273,316 collected, we have spent 50% towards PR and social media placement and 6% towards internal marketing. $45,493 was rolled over into 2026;

5. Local and Regional Advertising Cooperative – We possess the exclusive right to authorize, establish, designate and de-authorize a local or regional advertising cooperative within those markets that we designate. We will exclusively determine the geographic and other boundaries constituting each respective cooperative and factors that we will consider include media markets including print, television and digital. If we establish a cooperative within a market that includes your Training Center you must contribute to the cooperative in such amounts and frequency as determined by the cooperative. Members of the cooperative will be responsible for administering the cooperative, including determining the amount of contributions, marketing expenditures and allocations. However, we may require that cooperative decisions be made based on approval of a simple majority of franchisee members based on one vote per Training Center located and a quorum of not less than 25% of the designated franchisee cooperative members. If a cooperative exceeds nine franchisee members, we may require that the cooperative establish formal governing documents. Each cooperative must prepare annual unaudited financial statements that must be provided to each cooperative member for review. We reserve the right to form, change, dissolve, or merge any advertising cooperative. If we elect to form a local or regional cooperative or if a cooperative already exists as to the area of your Training Center, you will be required to participate in the cooperative in accordance with the provisions of our operations manual which we may supplement and modify from time to time. You will not be required to make contributions to a local or regional advertising cooperative in amounts exceeding the local marketing requirement.

As of the Issuance Date of this Disclosure Document we have not established any local or regional advertising cooperatives but reserve the right to do so in the future; and

6. Advertising Council – We have not established an advertising council but reserve the right to do so in the future. (Franchise Agreement, Article 9.A.).

Computer System

You must purchase, license and use the computer, point of sale, business management, and ordering systems that we designate. Currently, the designated point of sale system that you must license and use is iClassPro and as otherwise designated by us in the Operations Manual. You must purchase and maintain a computer system on-site at your Training Center Location. Generally, you will be required to obtain a computer system that will consist of certain hardware and software and, among other things, you will be required to meet our requirements for: (a) back office and point of sale systems; (b) printers and other peripheral devices; (c) archive and back-up systems; and (d) high speed internet access. The initial upfront cost of the point of sale and computer system that you will be required to purchase ranges from $1,500 to $2,500. You are obligated to install and/or access all required point of sale and software upgrades as recommended by the manufacturer of the computer and the licensor of point of sale system. You are responsible for hardware repairs or replacement of systems that are no longer covered under warranty. Your estimated costs for the maintenance, repair and updates for the computer and point of sale systems is estimated to not exceed $1,500 per year. There are no contractual obligations imposed on us to maintain, repair, update, or upgrade your computer systems. We will have independent access to all of the information and data that is electronically transmitted on your point of sale system and will have access to all data related to the financial performance of your Training Center. There are no contractual limitations on our right to access your point of sale system.

Initial Training

If this is your first Training Center we will provide initial training for you, or if you are a Corporate Entity, your Managing Owner, plus up to two designated management level employees (your Operating Manager and/or designated Lead Instructor). You or your Managing Owner and up to two of your designated management level employees (your Operating Manager and/or designated Lead Instructor) must successfully attend and complete the initial training program to our satisfaction no later than 15 days before the opening of your Training Center. The initial training program takes place over an approximate two week period. If more than three individuals attend initial training you will be charged an additional fee per additional persons attending initial training. Although we provide you and up to two designated management level employees with initial training at no additional fee or charge, you will be responsible for paying for all travel expenses and employee wages that you incur in your initial training attendance and participation. (Franchise Agreement, Article 4). Currently, we provide our initial training program no less frequently than monthly and on an as-needed basis.

TRAINING PROGRAM

The following chart summarizes the subjects covered in our initial training program:

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Introduction to the Curriculum - Programming - Overview of Brand - Who we are	5	5	Concord, New Hampshire, your Training Center Location or via conference call
Marketing the Services - Generating Awareness - Attracting Customers - Driving Repeat Business	30	15	Concord, New Hampshire, your Training Center Location or via conference call

- Competition - Advertising - Selling the Services - Sales Scripts			
Management and Operations - Technology - Staffing - Payroll - Operations - Administrative	10	10	Concord, New Hampshire, your Training Center Location or via conference call
Program Instruction - Lesson Planning - Progressive Program - Class Management - Coaching Techniques - Supervision	50	15	Concord, New Hampshire, your Training Center Location or via conference call
Business Training - Business Basics and Finances - Leadership - Pro Shop and Equipment - Ordering - Planning and Goal Setting	15	10	Online via conference call
Subtotal Hours	110	55	
Total Hours	165		

Instructional materials that will be used in the initial training process include our Operations Manual, instructor training manuals, marketing training guides, live instruction, and handouts. Initial training will be conducted under the direction and supervision of our Business Analytics and Supply Manager, Curtis Crow, our Head of Training, Skye Fierros, our Field Marketing Manager, Emma Biedrzycki, and/or our Onboarding and Launch Managers, Roman Madrid and Ben Powell. CJ has served as our Business Analytics and Supply Manager since February 1, 2026. From September 2018 to January 31, 2026, CJ served as our Vice President of Operations. CJ has seven years of experience in the industry. Skye Fierros is our Head of Training and Skye has served in this role since February 1, 2026. From January 1, 2021 to February 1, 2026, Skye served as our Director of Training. Since January 1, 2022 and continuing to date, Skye serve as an Owner of White Mountain CrossFit, LLC located in Concord, New Hampshire. Skye Fierros has 14 years of experience in the industry and 10 years of experience with us or our affiliates. Emma Biedrzycki has served as our Field Marketing Manager since March 31, 2025. Emma has six years of experience in the marketing field. Roman Madrid is our Onboarding and Launch Manager and Roman has served in this role since January 2, 2025. Since September 1, 2018 and continuing to date, Roman serves as Manager at a USA Ninja Challenge located in Katy, Texas. Roman Madrid has seven years of experience in the industry and seven years of experience with us or our affiliates. Ben Powell has served as our Head of Onboarding and Launch since February 1, 2026. From September 1, 2022 to January 31, 2026, Ben served as our Support Specialist. Ben has 10 years of experience in the industry and has held positions within the USA Ninja Challenge organization of Instructor, Lead Instructor and Location Manager. The level of experience of our trainers will, at a minimum, include each trainer's satisfactory completion of our initial training program. In addition to initial training, you will also be required to participate in and satisfy all other training programs that we may designate respecting the Franchised Business. (Franchise Agreement, Articles 4 and 7.J.).

After the opening of your Training Center we reserve the right to require that you (or your Managing Owner if you are a Corporate Entity) attend a system-wide training program (the "System-Wide Training Program") that we may establish in our discretion. If we establish a System-Wide Training Program, the program will be offered from our headquarters in Concord, New Hampshire, our training facility in Katy, Texas or other location designated by us and you will be responsible for all travel and expenses, lodging, food, automobile rental expenses and employee wages that you incur in connection with your attendance. We will not require your attendance at a System-Wide Training Program for more than a total of five days in any calendar year.

ITEM 12
TERRITORY

Your Location

Under the Franchise Agreement, we will grant to you the right to develop and operate one Training Center at a specific Training Center Location. If the location is not known at the time you sign a Franchise Agreement, then your Training Center Location is subject to our approval.

If we enter into a Multi-Unit Development Agreement with you, we will grant to you the right to develop a mutually agreed upon number of USA Ninja Challenge Training Centers within a specified Development Area and subject to the agreed upon Development Schedule. The first Restaurant that you develop under your Multi-Unit Development Agreement will be governed by the Franchise Agreement. Based on your Development Schedule obligations, you must sign our then current Franchise Agreement for all other Training Centers authorized by your Multi-Unit Development Agreement.

Grant of Territory

Under the Franchise Agreement, once you identify a site that we approve for your Training Center Location we will designate an area around your site as your designated territory (the "Designated Territory"). While there is no minimum size for a designated territory, the scope and size of the area comprising your Designated Territory will, generally, be a geographic area encompassing a population of approximately 60,000 to 100,000 people as of the date of the Franchise Agreement. Depending on the demographics and geography we may designate your Designated Territory where your Training Center is located at the center of the Designated Territory or where your Training Center is located elsewhere within the Designated Territory. We may identify your Designated Territory by zip code, boundary streets, highways, county lines, designated market area, and/or other recognizable demarcations.

If we enter into a Multi-Unit Development Agreement, under the Multi-Unit Development Agreement, we will grant to you a Development Area. The size of your Development Area will vary significantly from other franchisees, will be negotiated at the time of signing your Multi-Unit Development Agreement, will depend on your agreed upon Development Schedule, and other factors, including our System development plans, and the nature of the market and demographics in which your Development Area is located.

Relocation

Your right to relocate your Training Center is not guaranteed and approval of a request by you to relocate your Training Center is completely at our discretion. We evaluate relocation requests on a case-by-case basis and consider factors such as operational history, the location of other Training Centers, our expansion plans, the designated territory, demographics and other factors that, at the time of a relocation request, are relevant to us. If you sign a Multi-Unit Development Agreement, you will not be granted the right to relocate your Development Area.

Establishment of Additional Training Centers

You do not have the right to establish additional Training Centers unless you sign a Multi-Unit Development Agreement. If we enter into and sign a Multi-Unit Development Agreement you will have the right to develop a mutually agreed upon number of additional Training Centers within a specified Development Area. The size of your Development Area will vary significantly from other franchisees and your right to develop additional Training Centers under a Multi-Unit Development Agreement will be subject to your timely compliance with the agreed upon development schedule, your compliance with the terms of your Multi-Unit Development Agreement, and your compliance with all other agreements with us and our affiliates, including all Franchise Agreements. Our approval of future Training Center Locations and their respective designated territories will be based on our then current site and territory criteria. Our designation of a particular Development Area is not an assurance or warranty that there are a sufficient number of suitable sites for Training Centers in the Development Area for you to meet your Minimum Performance Schedule.

Options and Rights of First Refusal to Acquire Additional Franchises

You are not granted any options, rights of first refusal, or similar rights to acquire additional franchises.

Territory Rights

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. However, during the term of the Franchise Agreement, provided that you are not in default of your obligations to us or our affiliates and except as to our Reserved Rights set forth below, we will not open, and we will not grant another franchisee the right to open a USA Ninja Challenge Training Center at a Training Center Location within your Designated Territory.

We and our affiliates reserve to ourselves the exclusive right on any and all terms and conditions that we deem advisable and, without any compensation or consideration to you (Franchise Agreement, Article 2.D. and Multi-Unit Development Agreement, Section 2.3), to engage in the following activities (our "Reserved Rights"): (a) operate and grant to others the right to develop and operate Training Centers and Franchised Businesses using the System and Licensed Marks at locations outside your Designated Territory and, if applicable, Development Area, as we deem appropriate and irrespective of the proximity to your Designated Territory and, if applicable, Development Area; (b) acquire, be acquired, merge with or otherwise affiliate with one or more businesses of any kind, including businesses that offer and sell products and services that are the same as, or similar to, the Franchised Business, and after such acquisition, merger or affiliation to own and operate and to franchise, or license others to own and operate and to continue to own and operate such businesses of any kind, even if such businesses offer and sell products and services that are the same as or similar to a the Franchised Business but, not using the Licensed Marks, within your Designated Territory and, if applicable, within your Development Area; (c) operate and grant to others the right to develop and operate Training Centers and Franchised Businesses using the System and Licensed Marks within your Designated Territory and, if applicable, the Development Area, at captive market locations including airports, transportation stations, hotels, resorts, shopping malls, facilities, institutions, and venues;(d) use the Licensed Marks and System to sell, distribute, and deliver the Approved Products and Services or products and services similar to the Approved Products and Services to and through retail stores and other outlets located within and/or outside your Designated Territory and, if applicable, Development Area, provided that such retail stores and outlets do not use the Licensed Marks in the tradename of the retail store or outlet; (e) use the Licensed Marks and System to sell, distribute, and deliver the Approved Products and Services offered and sold by the Franchised Business or products and services similar to the Approved Products and Services offered and sold by the Franchised Business through website based and/or e-commerce based channels of sale, distribution, or delivery that includes direct to consumer sales within

or outside your Designated Territory and, if applicable, your Development Area; (f) use the Licensed Marks and System to sell, distribute, and deliver the Approved Products and Services offered and sold by the Franchised Business or products and services similar to the Approved Products and Services offered and sold by the Franchised Business in alternative channels of distribution including wholesale outlets, fitness training center locations, and through similar distribution and delivery channels within or outside your Designated Territory and, if applicable, your Development Area; and (g) use the Licensed Marks and System and to license others to use the Licensed Marks and System, to engage in all other activities not expressly prohibited by the Franchise Agreement.

Restrictions on Us from Soliciting or Accepting Orders in Your Territory

There are no restrictions on us from soliciting or accepting orders from customers inside your territory. We reserve the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory using our principal trademarks or using trademarks different from the ones you will use under the Franchise Agreement. We do not pay any compensation to you for soliciting or accepting orders from inside your territory.

Soliciting by You Outside Your Territory

You are required to target and direct the marketing of your Training Center to customers located within your territory. You are not authorized to solicit customers outside of your Designated Territory. You may only offer and sell Approved Products and Services, at retail, from your Training Center Location and delivery to customers located within your Designated Territory. Provided that you do not violate our rules related to the targeting of your marketing outside of your Designated Territory or the solicitation of customers outside your Designated Territory, you will be permitted to deliver Approved Products and Services outside your Designated Territory for the purpose of fulfilling retail customer orders that originated from an on-site and in-person customer visit to your Training Center Location.

Competition by Us Under Different Trademarks

We do not have plans to operate or franchise a business under trademarks different from the Licensed Marks that sells or will sell goods or services similar to those that will be offered by you through the Franchised Business.

ITEM 13
TRADEMARKS

Under the terms of the Franchise Agreement, you will be granted a license to use the "USA Ninja Challenge" trademark and those other marks that we designate. We are the owner of the Licensed Marks. We reserve the right to supplement and modify the marks that you may or may not use in connection with the operations of your Training Center. You may only use the Licensed Marks as authorized by us in writing and under the terms of your Franchise Agreement. You may not use the Licensed Marks in the name of any Corporate Entity that you establish.

Principal Trademarks Registered with the United States Patent and Trademark Office

The principal trademarks identified in the schedule below are a part of the Licensed Marks, our System, are registered with the United States Patent and Trademark Office (the "USPTO") and, unless otherwise designated by us, will be used by you in the operations of the Franchised Business. As to these marks all required affidavits have been filed with the USPTO.

Mark	USPTO Registration Number	Registration Type	Registration Date

	7364144	Principal	April 23, 2024

Principal Trademarks Not Registered with the United States Patent and Trademark Office

The following principal trademarks identified in the schedule below are a part of the Licensed Marks, our System, and will be used by you in the operations of the Franchised Business but are not registered with the USPTO. As to each of these principal trademarks:

We do not have a federal registration for each of these principal trademarks. Therefore, the trademarks identified below do not have many legal benefits and rights that are afforded to federally registered trademarks. If our right to use the trademarks (identified below) is challenged, you may have to change to an alternative trademark, which may increase your expenses.

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Mark	Serial Number for Registration Application Filed with USPTO Application	Application Type	Application Date
USA Ninja Challenge	99746152	Principal	April 6, 2026

As to our principal trademarks there are no currently effective material determinations by the USPTO, the Trademark Trial and Appeal Board, any court, or the trademark administrator of any state. There are no pending infringement, opposition or cancellation proceedings and no pending litigation involving our principal marks. We know of no superior rights or infringing uses that could materially affect your use of our principal marks or other related rights in any state.

You are required to provide us with written notice of any claims that you may become aware of respecting the Licensed Marks, including your use of the Licensed Marks and/or any claim associated with a third party's use of a trademark that is identical or confusingly similar to the Licensed Marks. We maintain the exclusive discretion to take any and all actions, or to refrain from any action, that we believe to be appropriate in response to any trademark infringement, challenge or claim. As between us, we possess the sole right to exclusively control any and all litigation, legal proceedings, administrative proceedings and/or settlement(s) involving any actual or alleged infringement, challenge or claim relating to the Licensed Marks. You must sign all documents, instruments and agreements and undertake the actions that we, with the advice of our legal counsel, determine to be necessary or advisable for the protection and/or maintenance of our interests in the Licensed Marks in any legal proceeding, administrative proceeding or as may be otherwise determined by us. As to the foregoing, we will reimburse you for the reasonable out-of-pocket administrative expenses that you incur and pay in complying with our written instructions.

We will protect your right to use the Licensed Marks and other related rights and to protect you against claims of infringement and unfair competition related to the Licensed Marks, provided that you use the Licensed Marks in accordance with the terms of your Franchise Agreement, as designated by us in the

Operations Manual, and, otherwise, as we instruct you. We will indemnify you against direct damages for trademark infringement in a proceeding arising out of your use of the Licensed Marks, provided your use of the Licensed Marks comply with the terms of your Franchise Agreement, the Operations Manual, our written instructions and, that you have timely notified us of the claim, have given us sole control of the defense and settlement of the claim, and you are in compliance with your Franchise Agreement and, if applicable, Multi-Unit Development Agreement. If we defend the claim, we have no obligation to indemnify or reimburse you with respect to any fees or disbursements of any attorney that you retain.

If any third party establishes, to our satisfaction and in our discretion that its rights to the Licensed Marks are, for any legal reason, superior to any of our rights or of a nature that we believe, in our discretion, that it is advisable to discontinue and/or modify the Licensed Marks, then we will modify and/or replace the Licensed Marks and you must use the substitutions, replacements and/or variations of and/or to the Licensed Marks and use those trademarks, service marks, logos and trade names required and designated by us. In such event, our sole liability and obligation will be to reimburse you for the direct out-of-pocket costs of complying with this obligation, which you must document to our satisfaction, including, by way of example, alterations in signage and replacement of marketing materials.

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ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any rights to, or licenses in any patent or copyrights material to the franchise System. We may copyright advertising materials and design specifications, our Operations Manual and other written materials and items. We have not applied to the USPTO for the issuance of any patents.

You must keep as confidential our Operations Manual and any supplements to the Operations Manual. Our Operations Manual may take the form of written materials and/or digitally distributed and stored materials and made available to you for use in connection with the Franchised Business. The Operations Manual contain information about our System, Approved Products and Services, System Supplies, proprietary products, marketing systems, training, and confidential methods of operation. You must use all reasonable and prudent means to maintain the Operations Manual and the information maintained in the Operations Manual as confidential and prevent any unauthorized copies, recordings, reproduction, or distribution of the Operations Manual or the information contained in the Operations Manual. You must also restrict access to the Operations Manual to management level employees who sign a confidentiality agreement with you and are required by you to maintain the confidentiality of the Operations Manual and refrain from distributing or disclosing the Operations Manual and the information contained in the Operations Manual. You must provide us with immediate notice if you learn of any unauthorized use of the Operations Manual or of the information contained in the Operations Manual, or any infringement or challenge to the proprietary or confidentiality of the information contained in the Operations Manual. We will take any and all action(s) or, refrain from taking action, that we determine, in our discretion, to be appropriate. We may control any action or legal proceeding we choose to bring. We need not participate in your defense or indemnify you for damages or expenses in a proceeding involving a copyright or patent. If any third party establishes to our satisfaction, in our discretion, that it possesses rights superior to ours, then you must modify or discontinue your use of these materials in accordance with our written instructions.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

The Franchise Agreement requires that you or, if you are a Corporate Entity, your designated managing shareholder, member or partner (your "Managing Owner") be personally responsible for the management and overall supervision of your Training Center. Your Managing Owner must complete, to our satisfaction, our initial training program and be approved by us. While we recommend that your Managing Owner personally participate in the day-to-day management and on-site supervision and operations of your Training Center, you may hire an operating manager to supervise and manage the day-to-day on-site operations of your Training Center provided that your operating manager: (a) meets all of our minimum standards and criteria for managers; (b) completes our initial training program; and (c) signs our confidentiality agreements (an "Operating Manager"). At all times, your Training Center must be managed and supervised on-site by either a Managing Owner or Operating Manager. If you own and operate multiple Training Centers then each Training Center must be managed and supervised on-site by an Operating Manager. If you or your Managing Owner separately designates your lead instructor, meaning an employee of yours who has successfully completed our initial training program and is certified to oversee and conduct classes, camps, and parties at your Training Center as well as train other instructors of the Franchised Business in the delivery of the Approved Products and Services (a "Lead Instructor"), to perform administrative functions of the Franchised Business, your Lead Instructor must also satisfy all requirements applicable to the role of an Operating Manager.

You and, if you are a Corporate Entity, each of your members, shareholders and/or partners (collectively, "Owners"), must personally guarantee all of your obligations to us under the Franchise Agreement. Each Owner and the spouse of each Owner must personally guarantee your obligations to us under the Franchise Agreement. You and each Owner and spouse must also promise in writing that, among other things, during the term of the Franchise Agreement you will not participate in any business that in any way competes with the Franchised Business, and that for 24 months after the expiration of termination of the Franchise Agreement (with said period being tolled during any periods of non-compliance), neither you nor your Owners and their spouses will participate in any competitive business located within and/or servicing customers located within your Designated Territory and a 25 mile radius surrounding your Designated Territory. Further you will not participate in any competitive business located within and/or servicing customers located within a 10 mile radius of any other USA Ninja Challenge Training Center and/or the designated territory of any other USA Ninja Challenge Training Center. Your managers and all other employees and agents with access to our confidential information will be required by us to sign a confidentiality agreement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may only sell the Approved Products and Services as specified in the Operations Manual or otherwise approved by us in writing and may only sell the products and services required by us. We can change the products and services that you must offer. There is no limitation on our right to change the products and services offered sold by USA Ninja Challenge Training Centers. You are not limited to whom you may sell products and services of your USA Ninja Challenge Training Center, provided you do so exclusively from your Training Center Location and as otherwise required by and in compliance with the standards we determine for the System.

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ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

The Franchise Relationship Under a Single Unit Franchise Agreement

THE FRANCHISE RELATIONSHIP

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

Provision	Article in Franchise Agreement	Summary
a. Length of the franchise term	2.B.	The term of your Franchise Agreement is 10 years.
b. Renewal or extension of the term	15	If you meet our conditions for renewal you may renew your franchise for two additional 10-year terms, for a maximum total of 20 years in addition to your initial 10-year term.
c. Requirements for franchisee to renew or extend	15	To renew your franchise you must be in compliance with the terms of your Franchise Agreement, provide us 270 days and no more than a maximum of 365 days with prior written notice of your request to renew, sign our then current form of Franchise Agreement and related agreements for the renewal term, sign a general release in our favor, pay a renewal fee, remodel and upgrade your Training Center to meet our standards and specifications, secure and possess the legal right to continue to occupy the premises of your Training Center location, and meet all other renewal requirements contained in the Franchise Agreement. Your Owners must be in compliance with their agreements with us, including the Franchise Owner and Spouse Agreement and Guaranty, and they must personally guarantee the terms of your renewal Franchise Agreement which may contain terms materially different from your current Franchise Agreement.
d. Termination by franchisee	16.B.	You may terminate the Franchise Agreement if you are in compliance with its terms, we are in material breach of the Franchise Agreement, and we fail to cure the material breach within 30 days of receiving written notice or, if the breach cannot be cured within 30 days, such period of time that is reasonable to cure the material breach. In addition, Franchisee may also terminate the agreement for any reasons allowed by applicable law.
e. Termination by franchisor without cause	Not applicable	Not applicable.
f. Termination by franchisor with “cause”	16.A.	We can terminate if you are in default of the terms of the Franchise Agreement. Including but not limited to non-

		payment by franchisee with 10 days to cure; or a violation of the Franchise Agreement other than a non-curable default with 30 days to cure.
g. "Cause" defined – curable defaults	16.A.(3), 16.A.(4)	You have 10 days to cure a default where you fail to pay any fees and/or obligations due to us and/or to an affiliate of ours, or if you fail to pay a supplier without, as determined by us, a legal justification, provided that the foregoing defaults were not intentionally and knowingly in violation of the Franchise Agreement. You will have 30 days to cure a default where you, fail to: timely lease a location that we approve for your Training Center; timely develop and open your Training Center; operate your Training Center in accordance with the specifications, standards, and requirements set forth in our Operations Manual; develop or operate your Training Center in compliance with all federal, state, and local laws, rules, and regulations, unless, such violation poses a threat to public health or safety; maintain insurance coverage that we require; comply with our standards, systems or specifications as we may designate or as otherwise designated in the operations manual; fail to operate your Training Center in conformity with our System or otherwise violate the Franchise Agreement, except as to events of default that are not curable.
h. "Cause" defined – non-curable defaults	16.A(1), 16.A(2)	The following are defaults that cannot be cured: three or more instances where you commit a curable default, whether or not you timely cured such default in each instance; you intentionally and knowingly refuse to comply with the terms of the Franchise Agreement, and/or the standards specifications, and/or requirements set forth in the Operations Manual and/or as communicated to you by us from time to time; you intentionally, knowingly, or negligently operate the Franchised Business in violation of applicable laws, rules, and regulations and, in doing so, create a foreseeable, imminent, and/or immediate threat to the health and safety of others; you abandon the Franchised Business or fail to maintain the required leasehold and/or ownership interests in your Training Center Locations; you or your Owners intentionally made a material statement or omission in questionnaires submitted to us; the data, information, and/or records that you record and/or submit to us are intentionally misleading or false; you transfer or attempt to transfer the Franchised Business or the ownership interests in your franchise company without our approval; you disclose or permit the disclosure of information contained in the operations manual and/or of confidential information; you or your Owners engage in intentionally dishonest or unethical conduct that impacts our System; you and/or your Owners breach and, if such breach is capable of a cure, fail to timely cure another agreement with us including the Owner and Spouse Agreement and Guaranty; you and your Owners and managers fail to complete, to our satisfaction, our initial and on-going training programs; you fail to notify us of the misuse

		of confidential information and you fail to protect same; you misappropriate or misuse the Licensed Marks; you are deemed insolvent, make an assignment for the benefit of creditors, admit in writing your inability to pay debts; are adjudicated bankrupt, file a voluntary bankruptcy petition or have one filed against you, and/or you acquiesce to the appointment of a trustee or receiver, or a court orders one; execution is levied against the Franchised Business; a final judgment is entered against the Franchised Business and is not satisfied within 30 days; you are dissolved; a lawsuit or action is commenced against the Franchised Business to foreclose on a lien on equipment of the Franchised Business and such action is not dismissed after 60 days; and/or real or personal property used by the Franchised Business is sold or levied by a sheriff or other law enforcement officer; and/or you abandon or fail to continuously own and operate the Franchised Business.
i. Franchisee's obligations on termination/non-renewal	6, 17	You must: pay all sums that you owe to us under the Franchise Agreement and all other agreements with us; cease owning and operating the Franchised Business; cease representing yourself as a franchisee of ours; permanently cease using and/or accessing the System, the Licensed Marks, our confidential information, the operations manual, the Business Management System, the Business Management System Data, and the System Supplies; return the operations manual and all confidential information to us in the original form provided to you and document the destruction of all electronic files related to same; completely de-identify the location and/or facility associated with the Franchised Business; as requested by us, transfer to us all data, telephone listings, digital media, accounts, web listings and websites associated with the Franchised Business; and abide by the post-termination non-competition covenants and restrictions.
j. Assignment of the contract by franchisor	14.A.	No restriction on our right to assign.
k. "Transfer" by franchisee - definition	14.B.	A transfer means and includes, whether voluntary or involuntary, conditional or unconditional, direct or indirect: (a) an assignment, sale, gift, transfer, pledge or sub-franchise; (b) the grant of a mortgage, charge, lien or security interest, including, without limitation, the grant of a collateral assignment; (c) a merger, consolidation, exchange of shares or other ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or redemption of ownership interests; and (d) a sale or exchange of voting interests or securities convertible to voting interests, or an agreement granting the right to exercise or control the exercise of the voting rights of any holder of ownership interests or to control the operations or affairs of Franchisee.

l. Franchisor's approval of transfer by franchisee	14.B.	Transfers require our prior written consent, which may be granted or withheld in our discretion.
m. Conditions for franchisor's approval of transfer	14.C.	For approval of your transfer, you must provide us with 30 days prior written notice of the proposed transfer; you and your Owners must not have defaulted in your obligations under the Franchise Agreement and all other agreements with us; you and your Owners must be in compliance with your obligations under the Franchise Agreement and all other agreements with us; the transferee must agree to be bound by all of the terms and provisions of the Franchise Agreement; the transferee's owners and their spouses must personally guarantee all of the terms and provisions of the Franchise Agreement; you and your Owners and their spouses must sign a general release in favor of us; the transfer must provide for the assignment and/or ownership of the approved location for the Franchised Business, and the transferees continued use and occupancy of such location throughout the term of the Franchise Agreement; the assets of the Franchised Business must be transferred to the transferee; the transferee and the transferee's owners and managers, at the transferee's expense must complete our training programs; we waive our right of first refusal; we approve of the transfer and transferee in writing and subject to our discretion; and you pay the Transfer Fee (subject to applicable state laws).
n. Franchisor's right of first refusal to acquire franchisee's business	14.F.	We have the right to match any offer to purchase your Training Center or the Corporate Entity operating your Training Center.
o. Franchisor's option to purchase franchisee's business	Not applicable	Not applicable.
p. Death or disability of franchisee	14.D.	If you are an individual, within 30 days of the death or permanent disability of Franchisee, your executor and/or legal representative must appoint an Operating Manager approved by us and within 60 days of such appointment the Operating Manager must complete, to our satisfaction, our initial training program. Within 12 months of the date of death or disability, the Franchise Agreement must be transferred to a transferee approved by us and otherwise transferred in accordance with the terms of the Franchise Agreement. If the franchisee is a Corporate Entity, within 30 days of the death or permanent disability of your Managing Owner, if there are other Owners, must appoint a replacement Operating Manager approved by us and within 60 days of such appointment the replacement Operating Manager must complete, to our satisfaction, our initial training program.
q. Non-competition covenants during the term of the franchise	6	No involvement in any competitive business and must comply with confidentiality, non-disclosure and non-solicitation covenants.

r. Non-competition covenants after the franchise is terminated or expires	6, 17.C.	No involvement, ownership or interest whatsoever for 24 months in any competing business in: your Designated Territory; a 25-mile radius of your Designated Territory; a 10-mile radius of the Designated Territory of any other Training Center; and you must comply with confidentiality, non-disclosure and non-solicitation covenants.
s. Modification of the agreement	18.L.	Requires writing signed by you and us, except for unilateral changes that we may make to the Operations Manual or our unilateral reduction of the scope of a restrictive covenant that we may make in our discretion.
t. Integration/merger clauses	18.M.	Only the terms of the Franchise Agreement and schedules to the Franchise Agreement and the respective signed exhibits to the Franchise Agreement are binding, subject to state law. Nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	18.G.	Except for certain claims for injunctive relief, all disputes must first be submitted to non-binding mediation within Merrimack County, New Hampshire or the nearest suitable location to our corporate headquarters at the time such mediation is conducted as chosen by the mediator and, if mediation is unsuccessful, then to binding arbitration in Merrimack County, New Hampshire or the nearest suitable location to our corporate headquarters at the time such arbitration is conducted as chosen by the arbitrator. This provision is subject to applicable state law.
v. Choice of forum	18.G.	Except for certain claims for injunctive relief, all litigation proceedings must be conducted in the appropriate State or Federal Court within or closest to either Merrimack County, New Hampshire or the State or Federal Court nearest to our corporate headquarters at the time such action is commenced. This provision is subject to applicable state law.
w. Choice of law	18.F.	New Hampshire law will govern. However, this provision is subject to state law and as otherwise disclosed in Exhibit I to this Disclosure Document.

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The Franchise Relationship Under a Multi-Unit Development Agreement

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

	Provision	Sections in Multi-Unit Development Agreement	Summary
a.	Length of the franchise term	3	Varies depending on the number of Training Centers to be developed and the Development Area. The agreement commences on the effective date and the term automatically expires at the earlier of the opening of the final Training Center required for development, or the last day of the calendar month in which the final Training Center was required to be open under the Multi-Unit Development Agreement.
b.	Renewal or extension of the term	Not applicable	There is no renewal of the Multi-Unit Development Agreement.
c.	Requirements for franchisee to renew or extend	Not applicable	There is no renewal of the Multi-Unit Development Agreement.
d.	Termination by franchisee	Not applicable	There is no option for your termination of the Multi-Unit Development Agreement.
e.	Termination by franchisor without cause	Not applicable	We can terminate without cause only if you and we mutually agree, in writing, to terminate.
f.	Termination by franchisor with "cause"	3.2	We may terminate your Multi-Unit Development Agreement with cause. Your Multi-Unit Development Agreement can be terminated by us if: (a) you abandon your obligations under the Multi-Unit Development Agreement; (b) if you for four consecutive months, or any shorter period that indicates an intent by you to discontinue your development of Training Centers within the Development Area; (c) if you become insolvent or you are adjudicated bankrupt, or if any action is taken by you, or by others against you, under any insolvency, bankruptcy or reorganization act, or if you make an assignment for the benefit or creditors or a receiver is appointed by you; (d) if you fail to meet your development obligations under the

			Development Schedule for any single Development Period including, but not limited to, your failure to establish, open and/or maintain the cumulative number of Training Centers in accordance with Development Schedule; and/or (e) in the event that any one Franchise Agreement is terminated respecting any Training Center and/or any other Franchise Agreement between you and us.
g.	"Cause" defined – curable defaults	Not applicable	Not applicable.
h.	"Cause" defined – non-curable defaults	3.2	Your Multi-Unit Development Agreement can be terminated by us if: (a) you abandon your obligations under the Multi-Unit Development Agreement; (b) if you for four consecutive months, or any shorter period that indicates an intent by you to discontinue your development of Training Centers within the Development Area; (c) if you become insolvent or you are adjudicated bankrupt, or if any action is taken by you, or by others against you, under any insolvency, bankruptcy or reorganization act, or if you make an assignment for the benefit or creditors or a receiver is appointed by you; (d) if you fail to meet your development obligations under the Development Schedule for any single Development Period including, but not limited to, your failure to establish, open and/or maintain the cumulative number of Training Centers in accordance with Development Schedule; and/or (e) in the event that any one Franchise Agreement is terminated respecting any Training Center and/or any other Franchise Agreement with us.
i.	Franchisee's obligations on termination/non-renewal	Not applicable	You lose all rights under the Multi-Unit Development Agreement. There are no renewal rights respecting the Multi-Unit Development Agreement.
j.	Assignment of the contract by franchisor	6	There are no restrictions on our right to assign.
k.	"Transfer" by franchisee-definition	6	You have no right to transfer the Multi-Unit Development Agreement.
l.	Franchisor's approval of transfer by franchisee	6	You have no right to transfer the Multi-Unit Development Agreement.
m.	Conditions for franchisor's approval of transfer	6	You have no right to transfer the Multi-Unit Development Agreement.
n.	Franchisor's right of first refusal to acquire franchisee's business	Not applicable	Not applicable.

o.	Franchisor's option to purchase franchisee's business	Not applicable	Not applicable.
p.	Death or disability of franchisee	Not applicable	Not applicable.
q.	Non-competition covenants during the term of the franchise	Not applicable	Not applicable as to Multi-Unit Development Agreement. However, each Training Center developed pursuant to Multi-Unit Development Agreement will be subject to non-competition covenants set forth in each respective Franchise Agreement.
r.	Non-competition covenants after the franchise is terminated or expires	Not applicable	Not applicable as to Multi-Unit Development Agreement. However, each Training Center developed pursuant to Multi-Unit Development Agreement will be subject to non-competition covenants set forth in each respective Franchise Agreement.
s.	Modification of the agreement	5.3, 7.11	Only by written agreement between you and us or if governing law requires a modification. We can change the form of the Franchise Agreement for future Training Centers which will not alter your obligations under the Multi-Unit Development Agreement.
t.	Integration/merger clauses	7.12	The Multi-Unit Development Agreement is the entire agreement between you and us relating to the development of the Exclusive Territory. Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u.	Dispute resolution by arbitration or mediation	7.5, 7.6	Except for certain claims for injunctive relief, all disputes must first be submitted to non-binding mediation within Merrimack County, New Hampshire or the nearest suitable location to our corporate headquarters at the time such mediation is conducted as chosen by the mediator and, if mediation is unsuccessful, then to binding arbitration in Merrimack County, New Hampshire or the nearest suitable location to our corporate headquarters at the time such arbitration is conducted as chosen by the arbitrator. This provision is subject to applicable state law.
v.	Choice of forum	7.5, 7.6	Except for certain claims for injunctive relief, all litigation proceedings must be conducted in the appropriate State or Federal Court within or closest to either Merrimack County, New Hampshire or the State or Federal Court nearest to our corporate headquarters at the time such action is commenced. This provision is subject to applicable state law.

w. Choice of law	7.5, 7.6	New Hampshire law will govern. However, this provision is subject to state law and as otherwise disclosed in Exhibit I to this Disclosure Document.

ITEM 18
PUBLIC FIGURES

We do not currently use any public figure to promote our franchise. No public figure is currently involved in our management.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) 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.

DEFINITIONS

(a) Average – means the sum of all data points in a set, divided by the number of data points in that set.

(b) Calendar Year – means, as to each respective year, the 12-month period commencing on January 1 and ending on December 31.

(c) Company Owned Outlet – means an Outlet owned either directly or indirectly by us, our affiliate, or any person identified in Item 2 of this Disclosure Document. A Company Owned Outlet also includes any Outlet that is operated as a joint venture owned in part by us, our affiliate, or any person identified in Item 2 of this Disclosure Document, or that is managed by us, our affiliate, or any person identified in Item 2.

(d) Direct Cost of Goods Sold – means the cost of acquiring merchandise sold to customers, and all materials and supplies directly used by an Outlet in directly providing the Approved Products and Services. Also included in Direct Cost of Goods Sold is any amount of shrink arising from damages, and adjustments to the carrying value of inventory resulting from physical inventory counts. Direct Cost of Goods Sold does not include Direct Labor Cost, marketing expenses, insurance expenses, operating expenses, or general expenses including, but not limited to interest, taxes, depreciation, amortization, and Franchise Related Expenses.

(e) Direct Gross Profit – means Gross Sales less Direct Cost of Goods Sold and Direct Labor Cost. Direct Gross Profit is not net profit or income and, except as to Direct Cost of Goods Sold and Direct Labor Cost, does not include the deduction of all other expenses incurred by a USA Ninja Challenge Training Center including, but not limited to, marketing expenses, insurance expenses, operating expenses, or general expenses including, but not limited to interest, taxes, depreciation, amortization, and Franchise Related Expenses.

(f) Direct Labor Cost – means the direct salary paid to employees that offer and sell products comprising

the Approved Products and Services and resulting in Gross Sales, comprised of wages, payroll taxes, and paid employee benefits, if any. Direct Labor Cost does not include compensation paid to an owner operator of either a Franchise Outlet or Company Owned Outlet.

(g) Franchise Outlet – refers to a USA Ninja Challenge Training Center operated under a Franchise Agreement that is not a Company Owned Outlet.

(h) Franchise Related Expenses – means the following select fees currently required under the Franchise Agreements: Royalty Fees, Brand Development Fund Fees, POS System Fees, Technology Fees, and local marketing expenditures. Franchise Related Expenses do not include all fee and payment obligations required under a Franchise Agreement.

(i) Gross Sales – means the total revenue derived by each USA Ninja Challenge Training Center less sales tax, discounts, allowances, and returns.

(j) Median – means the data point that is in the center of all data points used. That number is found by examining the total number of data points and finding the middle number in that set. In the event the number of data points is an odd number, the median will be the center number. If the dataset contains an even number of data points, the median is reached by taking the two numbers in the middle, adding them together, and dividing by two.

(k) New Company Owned Outlet – means, as to a particular Calendar Year, a Company Owned Outlet that for the first time opened and commenced operations during the Calendar Year. For example, if a Company Owned Outlet first opened for business in February 2024, as to the 2024 Calendar Year, the Company Owned Outlet would qualify as a New Company Owned Outlet and not as an Operational Company Owned Outlet, see definition below. If this Company Owned Outlet remained in operation throughout the 2025 Calendar Year, it would qualify as an Operational Company Owned Outlet during the 2025 Calendar Year.

(l) New Franchise Outlet – means, as to a particular Calendar Year, a Franchise Outlet that for the first time opened and commenced operations during the Calendar Year. For example, if a Franchise Outlet first opened for business in February 2024, as to the 2024 Calendar Year, the Franchise Outlet would qualify as a New Franchise Outlet and not as an Operational Franchise Outlet, see definition below. If this Franchise Outlet remained in operation throughout the 2025 Calendar Year, it would qualify as an Operational Franchise Outlet during the 2025 Calendar Year.

(m) Operational Company Owned Outlet – means, as to a particular Calendar Year, a Company Owned Outlet that was open and in operation on or prior to the commencement of the Calendar Year. For example, if a Company Owned Outlet first opened for business in February 2024, as to the 2024 Calendar Year, the Company Owned Outlet would qualify as a New Company Owned Outlet, see definition above, and not as an Operational Company Owned Outlet. If this Company Owned Outlet remained in operation throughout the 2025 Calendar Year, it would qualify as an Operational Company Owned Outlet during the 2025 Calendar Year.

(n) Operational Franchise Outlet – means, as to a particular Calendar Year, a Franchise Outlet that was open and in operation prior to the commencement of the Calendar Year. For example, if a Franchise Outlet first opened for business in February 2024, as to the 2024 Calendar Year, the Franchise Outlet would qualify as a New Franchise Outlet, see definition above, and not as an Operational Franchise Outlet. If this Franchise Outlet remained in operation throughout the 2025 Calendar Year, it would qualify as an Operational Franchise Outlet during the 2025 Calendar Year.

(o) Outlet – refers to a USA Ninja Challenge Training Center that is either a Company Owned Outlet or a Franchise Outlet, as the context requires.

BASES AND ASSUMPTIONS

The financial information was not prepared on a basis consistent with generally accepted accounting principles. Data for our Operational Company Owned Outlet is based on information reported to us by our affiliate. Data for the Operational Franchise Outlets is based on financial information reported to us by our franchisees. The information in this analysis has not been audited, is based on historical financial data, and is not a forecast or projection of future financial performance.

ANALYSIS OF RESULTS OF COMPANY OWNED OUTLET

During the 2023 Calendar Year we did not have any Company Owned Outlets. During the 2024 Calendar Year we had one Company Owned Outlet that we acquired from a franchisee in February 2024. In this Item 19, we do not report data for this Outlet as to the 2024 Calendar Year since it was not open and operational as a Company Owned Outlet for the entire 2024 Calendar Year. During the 2025 Calendar Year we had one Company Owned Outlet. Of our one Company Owned Outlet, this Outlet was an Operational Company Owned Outlet and there were no New Company Owned Outlets. Material financial and operational characteristics that are reasonably anticipated to differ from future operational franchise outlets include: (a) managerial skill and efficiency experienced by our Company Owned Outlet as a result of our extensively experienced management team; (b) brand recognition within the local market in which our Company Owned Outlet operates; and (c) no obligation to pay ongoing fees that a franchisee will pay to us, such as Royalty Fees and Brand Development Fund Fees. The table below provides a summary of our Company Owned Outlet.

Company Owned Outlet Summary	
Outlet	Outlet Description
Manchester, NH	Our Manchester, NH Outlet is located at 444 E Industrial Park Drive, #4, Manchester, New Hampshire 03109. This Outlet opened in March 2015 and operated as a Company Owned Outlet until October 2018 when it was sold to a franchisee and operated as a Franchise Outlet until February 2024 when it was acquired by our affiliate and now operates as a Company Owned Outlet. This Outlet operates in a Training Center Location that is approximately 5,000 square feet, with approximately 1,600 square feet dedicated to front end lobby space and approximately 4,200 square feet dedicated to gym floor space. This Outlet is representative of the Franchised Business and constitutes an Operational Company Owned Outlet for the 2025 Calendar Year.

Table 1

Company Owned Outlet: Manchester, NH Gross Sales and Direct Gross Profit Information		
	2025 Calendar Year	
	Total	%[1]
Gross Sales	**$334,649**	100.0%
Less:		
Direct Cost of Goods Sold	($6,076)	1.8%
Direct Labor Cost	($130,968)	39.1%
Direct Gross Profit	**$197,605**	59.0%
Less: Adjustments for Select Franchise Related Expenses		
Royalty Fee[2]	($25,099)	7.5%

Brand Development Fund Fee[3]	($5,020)	1.5%
Local Marketing[4]	($6,000)	1.8%
POS System Fee[5]	($3,588)	1.1%
Technology Fee[5]	($1,800)	0.5%
Direct Gross Profit Less Disclosed Expenses and Select Franchise Related Expenses	**$156,098**	46.6%

Notes to Table:
[1] "%" represents the percentage of total Gross Sales.
[2] The Royalty Fee is equal to 7.5% of Gross Sales.
[3] The Brand Development Fund Fee is currently 1.5% of Gross Sales.
[4] On an on-going monthly basis, during months 4 to 12 following the opening of your USA Ninja Challenge Training Center, you must spend not less than $1,500 per month on the local marketing of your USA Ninja Challenge Training Center. During the second year following the opening of your USA Ninja Challenge Training Center, you must spend not less than $1,000 per month on the local marketing of your USA Ninja Challenge Training Center and, during the third year following the opening of your USA Ninja Challenge Training Center and each year thereafter, you must spend no less than $500 per month on the local marketing of your USA Ninja Challenge Training Center. Commencing at the end of month 24 of the second full year of operating your USA Ninja Challenge Training Center, your independently directed minimum local marketing obligation is subject to satisfaction on-going satisfaction of the Minimum Member Enrollment and Retention Requirements. The local marketing adjustment above is based on $500 per month.
[5] The POS System Fee is currently $299 per month.
[6] The Technology Fee is currently $150 per month.

ANALYSIS OF RESULTS OF OPERATIONAL FRANCHISE OUTLETS

During the 2023 Calendar Year we had a total of 24 Franchise Outlets. Of the 24 Franchise Outlets, 21 Outlets were Operational Franchise Outlets and 3 Outlets were New Franchise Outlets. We exclude the data for 3 Outlets that are in-business satellite locations wherein the existing business offers the Approved Products and Services on a limited basis and not representative of the Franchised Business. During the 2024 Calendar Year we had a total of 31 Franchise Outlets. Of the 31 Franchise Outlets, 23 Outlets were Operational Franchise Outlets and 8 Outlets were New Franchise Outlets. We exclude the data for 3 Outlets that are in-business satellite locations wherein the existing business offers the Approved Products and Services on a limited basis and not representative of the Franchised Business. During the 2025 Calendar Year we had a total of 44 Franchise Outlets. Of the 44 Franchise Outlets, 31 Outlets were Operational Franchise Outlets and 13 Outlets were New Franchise Outlets. We exclude the data for 3 Outlets that are in-business satellite locations wherein the existing business offers the Approved Products and Services on a limited basis and not representative of the Franchised Business. In the tables below, we report data related to our Operational Franchise Outlets. We do not include data for New Franchise Outlets that were not open for the full 2023, 2024 and 2025 Calendar Years, respectively.

Below we report select financial performance data for our Operational Franchise Outlets.

Table 2

Operational Franchise Outlets **Gross Sales Data[1]**			
	Calendar Year		
Gross Sales	**2023**	**2024**	**2025**
Average	$296,214[2]	$283,237[4]	$271,006[6]
Median	$260,863[3]	$246,100[5]	$254,490[7]
High	$596,605	$663,826	$946,773

Low	$105,847	$68,287	$72,219

[1] Data Overview – The data provided in this Table 2 is for Operational Franchise Outlets that were open for each of the respective Calendar Years reported in this Table 2. For the 2023 Calendar Year, data compiled in this Table 2 is based on 18 Operational Franchise Outlets that were open for the full 2023 Calendar Year. For the 2024 Calendar Year, data compiled in this Table 2 is based on 20 Operational Franchise Outlets that were open for the full 2024 Calendar Year. For the 2025 Calendar Year, data compiled in this Table 2 is based on 30 Operational Franchise Outlets that were open for the full 2025 Calendar Year.

[2] Average 2023 – There were 7 Franchise Outlets above the Average and 11 below the Average.

[3] Median 2023 – There were 9 Franchise Outlets above the Median and 9 below the Median.

[4] Average 2024 – There were 8 Franchise Outlets above the Average and 12 below the Average.

[5] Median 2024 – There were 10 Franchise Outlets above the Median and 10 below the Median.

[6] Average 2025 – There were 11 Franchise Outlets above the Average and 19 below the Average.

[7] Median 2025 – There were 15 Franchise Outlets above the Median and 15 below the Median.

Table 3

Operational Franchise Outlets for Two or More Years **Gross Sales Data**[1]			
	Calendar Year		
Gross Sales	**2023**	**2024**	**2025**
Average	$309,780[2]	$303,008[4]	$303,749[6]
Median	$279,268[3]	$246571[5]	$262866[7]
High	$596,605	$663,826	$946,773
Low	$105,847	$97,587	$72,219

[1] Data Overview – The data provided in this Table 3 is for Operational Franchise Outlets that were open for at least two full Calendar Years. For the 2023 Calendar Year, data compiled in this Table 3 is based on 14 Operational Franchise Outlets that were open for two or more full Calendar Years. As to the 2023 Calendar Year, we exclude 7 Operational Franchise Outlets that were open for less than two full Calendar Years. For the 2024 Calendar Year, data compiled in this Table 3 is based on 17 Operational Franchise Outlets that were open for two or more full Calendar years. As to the 2024 Calendar Year, we exclude 10 Operational Franchise Outlets that were open for less than two full Calendar Years. For the 2025 Calendar Year, data compiled in this Table 3 is based on 20 Operational Franchise Outlets that were open for two or more full Calendar Years. As to the 2025 Calendar Year, we exclude 21 Operational Franchise Outlets that were open for less than two full Calendar Years.

[2] Average 2023 – There were 5 Franchise Outlets above the Average and 9 below the Average.

[3] Median 2023 – There were 7 Franchise Outlets above the Median and 7 below the Median.

[4] Average 2024 – There were 7 Franchise Outlets above the Average and 10 below the Average.

[5] Median 2024 – There were 8 Franchise Outlets above the Median and 9 below the Median.

[6] Average 2025 – There were 8 Franchise Outlets above the Average and 12 below the Average.

[7] Median 2025 – There were 10 Franchise Outlets above the Median and 10 below the Median.

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

Written substantiation of the data used in preparing these sales figures will be made available to you upon reasonable request.

Other than the preceding financial performance representations, Ninja Franchising, Inc. does not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Richard Knight, Ninja Franchising, Inc. at 14 Chenell Drive, Concord, New Hampshire 03301 and 603-566-9560, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2023 to 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	21	24	+3
	2024	24	31	+7
	2025	31	44	+13
Company Owned	2023	0	0	0
	2024	0	1	+1
	2025	1	1	0
Total Outlets	2023	21	24	+3
	2024	24	32	+8
	2025	32	45	+13

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TABLE NO. 2
TRANSFER OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR YEARS 2023 to 2025

State	Year	Number of Transfers
Connecticut	2023	0
	2024	1
	2025	0
Massachusetts	2023	0
	2024	1
	2025	0
New York	2023	0
	2024	0
	2025	1
North Carolina	2023	0
	2024	1
	2025	0
Ohio	2023	0
	2024	0
	2025	1
Texas	2023	0
	2024	1
	2025	1
Utah	2023	0
	2024	1
	2025	0
Totals	2023	0
	2024	5
	2025	3

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TABLE NO. 3
STATUS OF FRANCHISED OUTLETS
FOR YEARS 2023 to 2025

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
California	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	4	0	0	0	0	4
Colorado	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Connecticut	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Florida	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	0
	2025	1	0	0	0	0	0	1
Georgia	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	2	0	0	0	0	2
Illinois	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Massachusetts	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	1	0	0	0	0	3
Missouri	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1

New Hampshire	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	1	0	3
	2025	3	0	0	0	0	0	3
New York	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	0
	2025	1	0	0	0	0	0	1
North Carolina	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
Ohio	2023	3	1	0	0	0	0	4
	2024	4	1	0	0	0	0	5
	2025	5	0	0	0	0	0	5
Pennsylvania	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	1	0	0	0	0	3
Tennessee	2023	0	1	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Texas	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	2	0	0	0	0	7
Utah	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Virginia	2023	1	1	0	0	0	0	2
	2024	2	2	0	0	0	0	4
	2025	4	0	0	0	0	0	4
Wisconsin	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Totals	2023	21	3	0	0	0	0	24
	2024	24	8	0	0	1	0	31
	2025	31	13	0	0	0	0	44

TABLE NO. 4
STATUS OF COMPANY OWNED OUTLETS
FOR YEARS 2023 to 2025

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired by Franchisor	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
	2023	0	0	0	0	0	0
	2024	0	0	1	0	0	1

New Hampshire	2025	1	0	0	0	0	1
Totals	2023	0	0	0	0	0	0
	2024	0	0	1	0	0	1
	2025	1	0	0	0	0	1

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TABLE NO. 5
PROJECTED OPENINGS
AS OF DECEMBER 31, 2025

State	Franchise Agreement Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company Owned Outlets in the Next Fiscal Year
California	2	2	0
Florida	2	2	0
Georgia	0	1	0
Idaho	1	1	0
Illinois	0	1	0
Maryland	2	2	0
New Jersey	2	2	0
Tennessee	1	1	0
Texas	3	3	0
Virginia	0	1	0
Wisconsin	1	1	0
Totals	14	17	0

Notes to Tables:

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

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses with us that restrict them from discussing with you their experiences as a franchisee in our franchise system. There are no trademark-specific franchisee organizations associated with the franchise system being offered in this Franchise Disclosure Document.

Exhibit G to this Disclosure Document contains a list of our then current franchisees as of the end of the Issuance Date of this Disclosure Document.

(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 obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000.00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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:

State of Michigan
Department of Attorney General
CONSUMER PROTECTION DIVISION
Attention: Antitrust & Franchise
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48909
Telephone Number: (517) 373-7117

Exhibit H to this Disclosure Document contains a list of franchisees that had an outlet terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under our Franchise Agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the Issuance Date of this Disclosure Document.

ITEM 21
FINANCIAL STATEMENTS

Attached as Exhibit D are our audited financial statements as of December 31, 2025, December 31, 2024, and December 31, 2023. We were established on August 21, 2015 and our fiscal year ends on December 31.

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ITEM 22
CONTRACTS

Attached to this Disclosure Document or to the Exhibits attached to and comprising the Franchise Agreement attached to this Disclosure Document are copies of the following franchise and other contracts and agreements in use or proposed for use:

Exhibits to this Disclosure Document

Exhibit E	Franchise Agreement
Exhibit F	Multi-Unit Development Agreement
Exhibit I	State Specific Addenda

Schedules and Exhibits to the Franchise Agreement

Schedule 1	Location and Designated Territory Acknowledgment
Schedule 2	Statement of Franchise Owners
Exhibit 1	Franchise Owner and Spouse Agreement and Guaranty
Exhibit 2	Confidentiality Agreement
Exhibit 3	Site Selection Acknowledgment
Exhibit 4	Lease Agreement Rider
Exhibit 5	Collateral Assignment of Lease
Exhibit 6	Assignment of Telephone Numbers and Digital Media Accounts
Exhibit 7	ACH Authorization Form
Exhibit 8	General Release
Exhibit 9	Equipment Liability and Indemnification Agreement

Schedules and Exhibits to the Multi-Unit Development Agreement

Schedule A	Development Information Term Sheet

Individual state law may supersede the provisions contained in your Franchise Agreement and, if applicable, your Multi-Unit Development Agreement respecting the requirement that you execute a general release as a condition to assignment, sale or transfer. See, the state specific addendums contained in Exhibit I of this Disclosure Document.

ITEM 23
RECEIPTS

Two copies of a detachable receipt in Exhibit K are located at the very end of this Disclosure Document. Please sign one copy of the receipt and return it to us at the following address Richard Knight, Ninja Franchising, Inc., 14 Chenell Drive, Concord, New Hampshire 03301. The duplicate is for your records.

[THE DISCLOSURE DOCUMENT ENDS HERE]

FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT A
STATE ADMINISTRATORS

List of State Administrators

California
Department of Financial Protection and Innovation
320 West 4th Street Suite 750
Los Angeles, CA 90013

2101 Arena Boulevard
Sacramento, CA 95834
1-866-275-2677

Connecticut
Connecticut Banking Commissioner
Department of Banking
Securities & Business Investments Division
260 Constitution Plaza
Hartford, CT 06103

Florida
Division of Consumer Services
Attn: Business Opportunities
2005 Apalachee Parkway
Tallahassee, FL 32399

Hawaii
Commissioner of Securities
Dept. of Commerce & Consumer Affairs
Business Registration Division
335 Merchant St., Room 203
Honolulu, HI 96813

Illinois
Office of the Attorney General
Franchise Bureau
500 South Second Street
Springfield, IL 62706

Indiana
Indiana Secretary of State
Indiana Securities Division
Franchise Section
302 W. Washington Street Room E-111
Indianapolis, IN 46204

Kentucky
Office of the Attorney General
Consumer Protection Division
Attn: Business Opportunity
1024 Capital Center Drive
Frankfort, KY 40601

Maine
Department of Professional and Financial Regulations
Bureau of Banking
Securities Division
121 Statehouse Station
Augusta, ME 04333

Maryland
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, MD 21202

Michigan
Michigan Department of the Attorney General
Consumer Protection Division
Antitrust and Franchise Unit
670 Law Building
PO Box 30213
Lansing, MI 48909

Minnesota
Minnesota Department of Commerce
Securities Division
85 7th Place East, Suite 280
St. Paul, MN 55101

Nebraska
Nebraska Department of Banking and Finance
Commerce Court
1230 O Street, Suite 400
Lincoln, NE 68509

New York
NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
212-416-8222

North Carolina
Secretary of State
Securities Division
300 North Salisbury Street, Suite 100
Raleigh, NC 27603

List of State Administrators (continued)

North Dakota
Securities Department
600 East Boulevard Avenue, State Capitol
Fourteenth Floor, Department 414
Bismarck, ND 58505-0510
701-328-4712

Rhode Island
Department of Business Registration
Division of Securities
233 Richmond Street Suite 232
Providence, RI 02903

South Carolina
Office of the Secretary of State
1205 Pendleton Street
Edgar Brown Building, Suite 525
Columbia, SC 29201

South Dakota
Franchise Office
Division of Securities
910 E. Sioux Avenue
Pierre, SD 57501

Texas
Office of the Secretary of State
Statutory Document Section
1019 Brazos Street
Austin, TX 78701

Utah
Utah Department of Commerce
Division of Consumer Protection
160 East Three Hundred South
PO Box 146704
Salt Lake City, UT 84114

Virginia
State Corporation Commission
Division of Securities and Retail Franchising
1300 E. Main Street, 9th Floor
Richmond, VA 23219

Washington
Department of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, WA 98507
360-902-8700

Wisconsin
Franchise Office
Wisconsin Securities Commission
PO Box 1768
Madison, WI 53701

FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT B
AGENTS FOR SERVICE OF PROCESS

Agents for Service of Process

Ninja Franchising, Inc.,
14 Chenell Drive. Concord, New Hampshire 03301
Attn: Mr. Richard Knight, Managing Member

California
Department of Financial Protection and Innovation
320 West 4th Street Suite 750
Los Angeles, CA 90013

2101 Arena Boulevard
Sacramento, CA 95834
1-866-275-2677

Connecticut
Banking Commissioner
Department of Banking
Securities and Business Investment Division
260 Constitution Plaza
Hartford, CT 06103

Hawaii
Commissioner of Securities
Dept. of Commerce & Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, HI 96813

Illinois
Illinois Attorney General
500 South Second Street
Springfield, IL 62706

Maryland
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, MD 21202

Michigan
Michigan Department of Commerce
Corporation and Securities Bureau
6546 Mercantile Way
Lansing, MI 48910

Minnesota
Commissioner of Commerce of Minnesota
Department of Commerce
85 7th Place East, Suite 280
St. Paul, MN 55101

New York
Secretary of the State of New York
99 Washington Avenue
Albany, NY 12231

North Dakota
North Dakota Securities Department
Securities Commissioner
600 East Boulevard Avenue, State Capitol
Fifth Floor, Dept 414
Bismarck, ND 58505
Phone 701-328-4712

Rhode Island
Director of Department of Business Regulation
233 Richmond Street, Suite 232
Providence, RI 02903

South Dakota
Director, Division of Securities
Department of Commerce and Regulation
445 East Capitol Avenue
Pierre, SD 57501

Virginia
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, VA 23219

Washington
Securities Administrator
Washington Department of Financial Institutions
150 Israel Road SW
Tumwater, WA 98501

Wisconsin
Wisconsin Commissioner of Securities
345 W Washington Avenue
Madison, WI 53703

FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT C
OPERATIONS MANUAL TABLE OF CONTENTS

NINJA FRANCHISING, INC.
Operations Manual for USA Ninja Challenge

Manual Section	Number of Pages
Preface & Introduction	4
Establishing Your Franchise Business	18
Responsible Franchise Ownership	16
Personnel	45
Administrative Procedures	10
Total Number of Pages	**93**

FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT D
FINANCIAL STATEMENTS

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

CONSENT

Kezos & Dunlavy, LLC consents to the use in the Franchise Disclosure Document issued by USA Ninja challenge Franchising, LLC ("Franchisor") on April 7, 2026, as it may be amended, of our report dated March 27, 2026, relating to the financial statements of Franchisor for the period ending December 31, 2025.

Kezos & Dunlavy

Date: April 7, 2026



NINJA FRANCHISING, INC.

FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT

AS OF DECEMBER 31, 2025, 2024 AND 2023



NINJA FRANCHISING, INC.

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KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

Independent Auditor's Report

To the Shareholders
Ninja Franchising, Inc.
Concord, NH

Opinion

We have audited the accompanying financial statements of Ninja Franchising, Inc. which comprise the balance sheets as of December 31, 2025, 2024 and 2023 and the related statement of operations, changes in shareholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ninja Franchising, Inc. as of December 31, 2025, 2024 and 2023 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company 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 the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 generally accepted auditing standards will

always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company'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.

Kezas & Dunlavy

St. George, Utah
March 27, 2026

NINJA FRANCHISING, INC.

BALANCE SHEETS

As of December 31, 2025 , 2024 and 2023

Assets	**2025 (C-Corp)**	**2024 (LLC)**	**2023 (LLC)**
Current assets			
Cash and cash equivalents	$ 2,262,110	$ 747,888	$ 563,767
Investment in debt securities	54,000	50,000	-
Accounts receivable	112,867	179,663	196,090
Inventory	25,411	21,732	21,732
Deferred commissions - current	178,650	124,500	378,100
Deferred equipment costs	136,974	-	-
Prepaid expenses	147,874	9,000	-
Total current assets	2,917,886	1,132,783	1,159,689
Non-current assets			
Property & equipment, net	-	9,666	9,666
Deferred commissions - non-current	177,750	377,000	-
Deferred tax asset	297,985	-	-
Other assets	-	2,900	2,900
Total non-current assets	475,735	389,566	12,566
Total assets	$ 3,393,621	$ 1,522,349	$ 1,172,255
Liabilities and Stockholders' Equity			
Current liabilities			
Accounts payable	17,564	$ 17,888	$ 8,158
Accrued expenses	23,911	6,524	6,524
Deferred revenue, current	300,100	451,000	257,380
Total current liabilities	341,575	475,412	272,062
Non-current liabilities			
Deferred revenue, non-current	810,700	1,188,000	1,006,620
Total non-current liabilities	810,700	1,188,000	1,006,620
Total liabilities	1,152,275	1,663,412	1,278,682
Stockholders' equity			
Common stock, $.0001 par value; 1,000,000 shares authorized, 619,178 shares issued and outstanding as of December 31, 2025	62	-	-
Preferred stock, $.0001 par value; 451,265 shares authorized, issued and outstanding	45	-	-
Additional paid-in capital	1,918,830	-	-
Retained earnings	322,409	-	-
Members' deficit	-	(141,063)	(106,427)
Total liabilities and stockholders' equity	$ 3,393,621	$ 1,522,349	$ 1,172,255

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

NINJA FRANCHISING, INC.

STATEMENTS OF OPERATIONS

For the years ended December 31, 2025, 2024 and 2023

	2025 (C-Corp)	2024 (LLC)	2023 (LLC)
Operating revenue			
Equipment sales	$ 2,159,354	$ 1,428,415	$ 701,629
Initial franchise fees	1,034,000	507,000	170,000
Royalties	577,596	394,765	334,433
Marketing and technology fees	347,084	274,698	188,099
Other sales	97,853	138,464	81,130
Total operating revenue	4,215,887	2,743,342	1,475,291
Cost of goods sold	1,755,829	1,154,751	673,995
Gross margin	2,460,058	1,588,591	801,296
Operating expenses			
Advertising and marketing expense	231,294	157,165	93,686
General and administrative expense	808,262	684,443	564,348
Salaries and wages	1,257,900	481,801	357,638
Professional fees	145,879	61,488	29,801
Total operating expenses	2,443,335	1,384,897	1,045,473
Non-operating income			
Other income	(7,701)	-	-
Total non-operating income	(7,701)	-	-
Net income before income taxes	24,424	203,694	(244,177)
Income tax benefit	(297,985)	-	-
Net income (loss)	$ 322,409	$ 203,694	$ (244,177)

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

USA NINJA CHALLENGE FRANCHISING, LLC
STATEMENTS OF MEMBERS' EQUITY (DEFICIT)
For the years ended December 31, 2024 and 2023

Balance at January 1, 2023	$	352,321
Distributions to members		(214,571)
Net loss		(244,177)
Balance at December 31, 2023		(106,427)
Distributions to members		(238,330)
Net loss		203,694
Balance at December 31, 2024		(141,063)

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

NINJA FRANCHISING, INC.

STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)

For the year ended December 31, 2025

	Common Stock		Preferred Stock		Additional Paid-in Capital	Retained Earnings	Members' Deficit	Total
	Shares	**Amount**	**Shares**	**Amount**				
Balance as of January 1, 2025	-	-	-	-	-	-	(141,063)	(141,063)
Issuance of common stock	808,080	81	-	-	(141,144)	-	141,063	-
Issuance of preferred stock	-	-	451,265	45	4,299,955	-	-	4,300,000
Redemption of common stock	(188,902)	(19)	-	-	(2,239,981)	-	-	(2,240,000)
Net loss	-	-	-	-	-	322,409	-	322,409
Balance as of December 31, 2025	619,178	$ 62	451,265	$ 45	$ 1,918,830	$ 322,409	$ -	$ 2,241,346

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

NINJA FRANCHISING, INC.
STATEMENTS OF CASH FLOWS
For the years ended December 31, 2025, 2024 and 2023

	2025 (C-Corp)	2024 (LLC)	2023 (LLC)
Cash flows from operating activities:			
Net income (loss)	$ 322,409	$ 203,694	$ (244,177)
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation expense	-	-	1,789
Deferred income taxes	(297,985)	-	-
Loss on disposal of property & equipment	9,666	-	-
Changes in operating assets and liabilities			
Accounts receivable	66,796	16,427	(196,090)
Inventory	(4,000)	-	6,933
Accounts payable and accrued expenses	17,063	9,730	(6,350)
Deferred commissions	11,026	(123,400)	(218,100)
Deferred revenue	(528,200)	375,000	930,000
Prepaid expenses	(142,553)	(59,000)	(2,900)
Net cash provided by operating activities	(545,778)	422,451	271,105
Cash flows from investing activities:			
Purchase of property & equipment	-	-	(6,508)
Net cash used in investing activities	-	-	(6,508)
Cash flows from financing activities:			
Issuance of preferred stock	4,300,000	-	-
Redemption of common stock	(2,240,000)	-	-
Member's distributions	-	(238,330)	(214,571)
Cash flows used in financing activities	2,060,000	(238,330)	(214,571)
Net change in cash and cash equivalents	1,514,222	184,121	50,026
Cash and cash equivalents at beginning of period	747,888	563,767	513,741
Cash and cash equivalents at end of period	$ 2,262,110	$ 747,888	$ 563,767
Supplemental disclosures of cash flow:			
Cash paid for interest and taxes	$ 138,780	$ 7,394	$ 3,727

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

(1) Nature of Business and Summary of Significant Accounting Policies

(a) Nature of Business

USA Ninja Challenge Franchising, LLC was organized under the laws of the state of New Hampshire on August 21, 2015 as a limited liability company. On January 1, 2025, the USA Ninja Challenge Franchising, LLC executed Articles of Merger with the State of Delaware and State of New Hampshire thereby merging the USA Ninja Challenge Franchising, LLC into a new corporation, Ninja Franchising, Inc. (the "Company"). On September 16, 2025, the Company entered into a Securities Purchase Agreement with a third-party investor and Stock Redemption Agreements with the existing shareholders ("Recapitalization"). See Note 2 where the Recapitalization is described.

The Company sells franchises that operate children's fitness centers under the USA Ninja Challenge name and system.

The Company uses the accrual basis of accounting, and their accounting period is the 12-month period ending December 31 of each year. The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the Unites States of America.

(b) Accounting Standards Codification

The Financial Accounting Standards Board ("FASB") has issued the FASB Accounting Standards Codification ("ASC") that became the single official source of authoritative U.S. generally accepted accounting principles ("GAAP"), other than guidance issued by the Securities and Exchange Commission ("SEC"), superseding existing FASB, American Institute of Certified Public Accountants, Emerging Issues Task Force and related literature. All other literature is not considered authoritative. The ASC does not change GAAP; it introduces a new structure that is organized in an accessible online research system.

(c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

(d) Reclassification

Certain items in prior years have been reclassified to conform to the current year's presentation.

(a) Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase.

(b) Concentration of Risk

The Company maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risks on cash or cash equivalents.

(c) Accounts Receivable

Accounts receivable are recorded for amounts due based on the terms of executed franchise agreements for franchise sales, royalties and other sales transactions. These accounts receivable are carried at original invoice amount less an estimate made for doubtful receivables based on a review of outstanding amounts.

When determining the allowance for doubtful receivable, the Company has adopted ASC 326, Financial Instruments—Credit Losses. This standard requires that management utilize the Current Expected Credit Losses ("CECL") model to recognize the appropriate allowance for doubtful receivables. This model requires entities to estimate and recognize expected credit losses over the life of the financial instrument. For trade receivables, management has elected to apply a simplified approach, based on historical loss experience and adjustments for current and forecasted economic conditions. Management regularly evaluates individual customer receivables, considering their financial condition, credit history and current economic conditions. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received. As of December 31, 2025, 2024 and 2023, the Company had no allowance for doubtful accounts.

(d) Investments in Debt Securities

The Company classifies its investments in debt securities as Held-to-Maturity Securities in accordance with ASC 320 – Investments – Debt Securities. The Company determines the appropriate classification of its investments at the time of purchase and reevaluates such designation at each reporting date.

(e) Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. For certain of the Company's financial instruments, including cash and cash equivalents and accounts receivable, the carrying amounts approximate fair value due to their short maturities.

(f) Income Taxes

The Company has adopted the liability method of accounting for income taxes ASC 740, Income Taxes. Under ASC 740, deferred income taxes are recorded to reflect tax consequences on future years for the differences between the tax basis of assets and liabilities and their financial reporting amounts at each year-end. Deferred tax assets, including tax loss and credit carryforwards, and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Deferred income tax expense represents the change during the period in the deferred tax assets and deferred tax liabilities. The components of the deferred tax assets and liabilities are individually classified as current and non-current based on their characteristics. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

Based on its evaluation, the Company has concluded that there are no significant uncertain tax positions requiring recognition in its financial statements. The Company's evaluation was performed for the tax years ended December 31, 2025, 2024, and 2023 for U.S. federal income tax and income tax for the State of New Hampshire.

The Company's policy is to recognize interest and penalties related to income tax issues as components of income tax expense. The Company did not recognize or incur any accrual for interest and penalties relating to income taxes for the years ended December 31, 2025.

(g) Revenue Recognition

The Company has adopted ASC 606, *Revenue from Contracts with Customers*. ASC 606 provides that revenues are to be recognized when control of promised goods or services is transferred to a customer in an amount that reflects the considerations expected to be received for those goods or services. In implementing ASC 606, the Company evaluated all revenue sources using the five-step approach: identify the contract, identify the performance obligations, determine the transaction price, allocate the transaction price, and recognize revenue. For each franchised location, the Company enters into a formal franchise agreement that clearly outlines the various components of the transaction price and the Company's performance obligations.

The Company's revenues consist of initial franchise fees, royalties and marketing fees based on a percentage of gross revenues, and equipment and retail shop sales.

Royalties, marketing and technology fees

Upon evaluation of the five-step process, the Company has determined that royalties and marketing fees are to be recognized in the same period as the underlying sales.

The Company also charges the franchisee for website setup and other support services. Services are billed monthly as provided.

Initial franchise fees

The Company is required to allocate the transaction price associated with initial franchise fees between the franchise license and associated performance obligations. In identifying the associated performance obligations, the Company has elected to adopt the practical expedient for private company franchisors outlined in ASC 952-606, *Franchisors—Revenue from Contracts with Customers*. In addition, the practical expedient allows franchisors to account for pre-opening services as a single distinct performance obligation, which the Company has elected to adopt.

These pre-opening services include the following services (which the Company may or may not provide all of):

- Assistance in the selection of a site
- Assistance in obtaining facilities and preparing the facilities for their intended use, including related financing, architectural, and engineering services, and lease negotiation
- Training of the franchisee's personnel or the franchisee

- Preparation and distribution of manuals and similar material concerning operations, administration, and record keeping
- Bookkeeping, information technology, and advisory services, including setting up the franchisee's records and advising the franchisee about income, real estate, and other taxes about local regulations affecting the franchisee's business
- Inspection, testing, and other quality control programs

In determining the allocation of transaction price (the initial franchise fee) to either the license or to the pre-opening services, the Company has determined that the standalone selling price of it's pre-opening services exceeds the initial franchise fee received; as such, the Company allocates the entire initial franchise fees to those pre-opening services. The franchise fees are then recognized as revenue when those pre-opening services have been completed (which generally occurs upon commencement of the associated franchised location's operations).

(h) Advertising Costs

The Company expenses advertising costs as incurred.

(i) Recently Issued Accounting Pronouncements

The Company reviewed recently issued accounting pronouncements and concluded that they were either not applicable or not expected to have a significant impact to the financial statements.

(2) Recapitalization

On January 1, 2025, the Company filed its Articles of Merger with the State of New Hampshire and the State of Delaware. Effective with the merger, the Company authorized 1,000,000 shares of .0001 par value Common Stock and issued 808,080 shares to its shareholders. On September 16, 2025, the Company authorized the issuance of 451,265 shares of Preferred Stock at a par value of .0001 to the third-party investors for $4,300,000 and redeemed 188,902 shares of Common Stock from its shareholders for $2,240,000.

(3) Investments in Debt Securities

Held-to-maturity securities are carried at amortized cost. The Company has the positive intent and ability to hold these securities to maturity. As of December 31, 2025 and 2024, amortized cost of the investments in debt securities was $54,000 and $50,000 respectively. The fair value was $54,373 and $50,044 as of December 31, 2025 and 2024, respectively. No credit losses were recognized during the year ended December 31, 2025 or 2024.

(4) Deferred equipment costs

The Company orders equipment on behalf of the franchisee due to the length of time to produce the custom equipment. As the equipment has not yet been shipped, the Company records deferred equipment costs and a liability.

(5) Franchise Agreements

The Company's franchise agreements generally provide for a payment of initial flat franchise fee as well as continuing royalties paid to the Company based on a percentage of sales. Under the franchise agreement, franchisees are granted the right to operate a location for a period of 10 years. Under the Company's revenue recognition policy, the Company allocated the initial franchise fee to certain pre-opening services, which is recognized generally when the franchisee begins operations. In addition, the Company recognizes related contract costs such as broker commissions and referral fees pro-rata with the franchise fees, resulting in the deferral of contract costs (contract assets) to match the deferral of franchise revenue.

The Company's deferred commissions activity is as follows for the years ended December 31:

	2025	2024	2023
Beginning deferred commissions	$ 510,500	$ 378,100	$ 160,000
Additions	161,500	167,500	301,100
Expenses recognized	(315,600)	(44,100)	(83,000)
Ending deferred commissions	$ 356,400	$ 501,500	$ 378,100
Deferred commissions, current	$ 178,650	$ 124,500	$ 378,100
Deferred commissions, non-current	177,750	377,000	-
	$ 356,400	$ 501,500	$ 378,100

The Company's deferred revenue activity is as follows for the years ended December 31:

	2025	2024	2023
Beginning deferred revenue	$ 1,639,000	$ 1,264,000	$ 334,000
Additions	505,800	1,582,000	1,100,000
Revenue recognized from beginning deferred revenue	(1,019,000)	(447,000)	(119,000)
Revenue recognized from contracts executed in the current year	(15,000)	(60,000)	(51,000)
Ending deferred revenue	$ 1,110,800	$ 2,339,000	$ 1,264,000
Deferred revenue, current	$ 300,100	$ 451,000	$ 257,380
Deferred revenue, non-current	810,700	1,888,000	1,006,620
	$ 1,110,800	$ 2,339,000	$ 1,264,000

(6) Income Taxes

Effective January 1, 2025, the Company converted from a limited liability company treated as a partnership for income tax purposes to a C corporation. As a result, the Company became subject to federal and state income taxes and began accounting for income taxes under ASC 740.

Upon conversion, the Company recognized deferred tax assets and liabilities for temporary differences between the financial statement carrying amounts and the tax bases of assets and liabilities. This resulted

in the recognition of a net deferred tax asset and corresponding income tax benefit of $297,985, which is included in the income tax benefit in the statement of operations for the year ended December 31, 2025 As of December 31, 2025, the components of the deferred income tax asset are as follows:

	2025
Deferred tax asset	
Deferred commissions	$ (95,961)
Deferred equipment costs	(36,880)
Net operating loss	131,743
Deferred revenue	299,083
Net deferred tax asset	$ 297,985

For the year ended December 31, 2025, the current and deferred portions of the Company's income tax provision (benefit) are as follows:

	2025
Current tax provision	$ -
Deferred tax provision	(297,985)
Total income tax provision	$ (297,985)

(7) Related Party Transactions

The Company paid a related party vendor $15,020 and $1,326 as the year ended December 31, 2025 and 2024, respectively.

(8) Commitments and Contingencies

The Company may be subject to various claims, legal actions and complaints arising in the ordinary course of business. In accounting for legal matters and other contingencies, the Company follows the guidance in ASC 450, *Contingencies*, under which loss contingencies are accounted for based upon the likelihood of incurrence of a liability. If a loss contingency is "probable" and the amount of loss can be reasonably estimated, it is accrued. If a loss contingency is "probable" but the amount of loss cannot be reasonably estimated, disclosure is made. If a loss contingency is "reasonably possible," disclosure is made, including the potential range of loss, if determinable. Loss contingencies that are "remote" are neither accounted for nor disclosed.

In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

(1) Subsequent Events

Management has reviewed and evaluated subsequent events through March 27, 2026, the date on which the financial statements were issued.

FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT E
FRANCHISE AGREEMENT

USA NINJA CHALLENGE
FRANCHISE AGREEMENT

FRANCHISEE:

USA Ninja Challenge
FRANCHISE AGREEMENT

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USA Ninja Challenge
FRANCHISE AGREEMENT

This Franchise Agreement (the "Agreement") is entered into on _____ ("Effective Date"), by and between Ninja Franchising Inc., a Delaware corporation with a principal place of business located at 14 Chenell Drive, Concord, New Hampshire 03301, (the "Franchisor") and _____(the "Franchisee").

RECITALS

WHEREAS, Franchisor has developed a distinctive and proprietary system (the "System") for the development and operation of a USA Ninja Challenge, a training center featuring youth fitness-based programs utilizing obstacle course equipment, progressive training, and other related products and services that Franchisor authorizes (the "Approved Products and Services") under the Licensed Marks (defined below) (each, a "Franchised Business" or "Training Center");

WHEREAS, the System and, therefore, each Training Center, is identified by the Licensed Marks and distinctive trade dress, service offerings, business formats, equipment, products, supplies, operating procedures, programs, methods, procedures, and marketing and advertising standards, all of which are part of the System and all of which Franchisor may modify from time to time; and

WHEREAS, Franchisee desires to obtain the non-exclusive license and right to use the System in the development and operation of one Training Center from a single fixed location within a designated territory and pursuant to the terms of this Agreement.

NOW THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties do hereby agree, as follows:

ARTICLE 1
DEFINITIONS

Supplementing the terms and definitions contained in the foregoing "Recitals":

"**Accounting Period**" means the period of time selected and determined by Franchisor for the required measurement and reporting of financial information and payment of financial obligations by Franchisee. The applicable measurement period will be determined by Franchisor from time to time with respect to Franchisee's obligations to report financial information and data to Franchisor and Franchisee's payment of all fees and other obligations under this Agreement. The respective "Accounting Period" shall be those Franchisor designated times, whether, weekly, monthly, or otherwise, as designated by Franchisor, with all such Accounting Periods automatically commencing on the earlier of the (a) Scheduled Business Commencement Date, or (b) the Actual Business Commencement Date of the Franchised Business and, continuing, throughout the Term of this Agreement. Unless otherwise designated by Franchisor at any time, unless otherwise specified in this Agreement, the Accounting Period shall be a monthly period for each and every month throughout the Term of this Agreement.

"**Actual Business Commencement Date**" means the date of the grand opening of the Franchised Business and/or the date upon which the Franchised Business is open to the public.

"**Additional Initial Training Fee**" shall have the meaning defined and set forth in Article 4.A. of this Agreement.

"**Advertising Contributions**" means any and all obligations of Franchisee to contribute to or pay fees to Franchisor, Franchisor's affiliate and/or designees as set forth in this Agreement including, but not limited to, the Brand Development Fund Fee (Article 9.A.).

"**Advertising Cooperative**" shall have the meaning defined and set forth in Article 9.F. of this Agreement.

"**Alternative Channels of Distribution**" means outlets that do not include training centers but do include retail stores, and/or internet / web based sales and similar outlets that sells products and services similar to the Approved Products and Services, and/or related branded products or services to the public.

"**Ancillary Agreements**" means, individually and collectively, each and every agreement between: (a) Franchisor and Franchisee, but not including this Agreement; (b) Franchisor and each of Franchisee's Owners, whether individually and/or collectively; and (c) Franchisor and each Spouse of Franchisee's Owners, whether individually and/or collectively. Without limitation to the foregoing, the term Ancillary Agreements includes the Franchise Owner and Spouse Agreement and Guaranty, Lease Agreement Rider, Collateral Assignment of Lease, the Assignment of Telephone Numbers and Digital Media Accounts, and the Equipment Liability and Indemnification Agreement, as said agreements, individually and/or collectively, may have been entered into between the foregoing parties.

"**Annual Conference Attendance Fee**" means an annual conference attendance fee to be paid by Franchisee to Franchisor in an amount determined by Franchisor but not to exceed $1,500 per attendee annually.

"**Annual System Conference**" means a conference that may be established and organized by Franchisor for the purpose of facilitating networking among USA Ninja Challenge Training Center franchisees, and general education. Franchisor shall designate and determine whether or not an Annual System Conference shall occur and, if one is established in any particular year, the dates, content and location of the Annual System Conference. The Annual System Conference shall be for a duration of not more than three consecutive days per calendar year. Franchisee is responsible for all costs and expenses associated with Franchisee's travel to and attendance at the Annual System Conference.

"**Approved Products and Services**" shall have the meaning defined in the "Recitals" section of this Agreement and shall further refer to and mean those products and services that Franchisor authorizes for sale by USA Ninja Challenge Training Centers. Franchisor shall exclusively designate and determine the Approved Products and Services and Franchisor, in Franchisor's Reasonable Business Judgment, may change, modify, reduce or supplement the Approved Products and Services that must be offered and sold by the Franchised Business and those products and services that may not be sold by the Franchised Business. The Operations Manual, subject to changes that Franchisor may make from time to time and Franchisor's right to change and modify the Approved Products and Services, shall designate the Approved Products and Services that must be offered and sold by the Franchised Business. The Franchised Business may only offer and sell the Approved Products and Services.

"**Assignment of Telephone Numbers and Digital Media Accounts**" means the Assignment of Telephone Numbers and Digital Media Accounts agreement attached to this Agreement as Exhibit 6.

"**Brand Development Fund**" shall have the meaning defined and set forth in Article 9.A. of this Agreement.

"**Brand Development Fund Fee**" shall have the meaning defined and set forth in Article 9.A. of this Agreement.

"**Business Management System**" means the software, internet, web based and/or cloud-based system or systems, point of sale system or systems and customer relationship management system or systems as same may be individually, or collectively, designated by Franchisor, in Franchisor's Reasonable Business Judgment, as being required for use by the Franchised Business.

"**Business Management System Data**" means the forms, data, tools, customer information, inventory, sales, and other information that: (a) is pre-populated or entered into the Business Management System; (b) is entered by Franchisor or Franchisee into the Business Management System; and/or (c) is recorded, stored and/or maintained in connection with the Franchised Business.

"**Captive Market**" means any and all facilities, venues, and/or institutions with captive audiences or consumers, workers, members and/or participants. Without limitation to the foregoing, the term Captive Market shall further refer to and include, among other things: airports, transportation stations, government facilities, military bases, hotels, resorts, recreational parks and facilities, and shopping malls.

"**Closed Market**" means any and all Captive Markets that are presently or, in the future, located within Franchisee's Designated Territory.

"**Collateral Assignment of Lease**" means the Collateral Assignment of Lease agreement attached to this Agreement as Exhibit 5.

"**Competitive Business**" means any business that (i) is the same as or similar to a USA Ninja Challenge Training Center including fitness studios, training centers, gyms, and child entertainment programs through physical activities; and/or (ii) offers, sells, and/or provides fitness-based programs utilizing obstacle course equipment, climbing equipment, and/or child entertainment through physical engagement challenges.

"**Confidential Information**" means all of Franchisor's and Franchisor's affiliates trade secrets, methods, standards, techniques, procedures, data and information, as same may exist as of the Effective Date of this Agreement and as same may be developed, modified and supplemented in the future, constituting and comprising: (a) Approved Product and Services methods, specifications, product offerings, service offerings, supply, and distribution information; (b) standards, concepts, programs and systems relating to the Approved Products and Services and the development, establishment, marketing, promotion and operation of USA Ninja Challenge Training Centers; (c) information concerning consumer preferences for services, products, materials and supplies used or sold by USA Ninja Challenge Training Centers, and specifications for and knowledge of suppliers of inventory, equipment, products, supplies and procedures used or sold by USA Ninja Challenge Training Centers; (d) information concerning customers, customer lists, email lists, database lists, product sales, operating results, financial performance and other financial data of USA Ninja Challenge Training Centers; (e) Business Management System Data; (f) current and future information contained in the Operations Manual; and (g) Know-How.

"**Confidentiality Agreement**" means the sample form of "Confidentiality Agreement" attached to this Agreement as Exhibit 2.

"**Controlling Interest**" shall exist for the following individuals, Owners, partners and/or entities: (a) (If Franchisee is a corporation) a controlling interest shall exist for such shareholders and Owners of the voting shares of stock of Franchisee as (i) shall permit voting control of Franchisee on any issue and/or (ii) shall prevent any other person, group, combination, or entity from blocking voting control on any issue or exercising any veto power; (b) (If Franchisee is a general partnership) a controlling interest shall exist for such partners and Owners that possess a managing partnership interest or such percentage of the

general partnership interests in Franchisee as (i) shall permit determination of the outcome on any issue, and (ii) shall prevent any other person, group, combination, or entity from blocking voting control on any issue or exercising any veto power; (c) (If Franchisee is a limited partnership) a controlling interest shall exist for such partners and Owners that possess a general partnership interest; and (d) (If Franchisee is a limited liability company) a controlling interest shall exist for such members and Owners that possess a percentage of the membership interests as (i) shall permit determination of the outcome on any issue, and (ii) shall prevent any other person, group, combination or entity from blocking voting control on any issue or exercising any veto power.

"**Copyrights**" means all works and materials for which Franchisor or any affiliate of Franchisor has secured common law or registered copyright protection and Franchisor uses and/or allows USA Ninja Challenge Training Center franchisees to use in the operation of a USA Ninja Challenge Training Center, whether as of the Effective Date of this Agreement or any time in the future.

"**Corporate Entity**" means a corporation, limited liability company, partnership or other corporate legal entity that is not an individual person.

"**Designated Territory**" means the territory identified and described in Schedule 1 attached to and made a part of this Agreement or, if Schedule 1 is not completed at the time of signing this Agreement, as Schedule 1 is otherwise completed in accordance with this Agreement. Franchisor, in Franchisor's Reasonable Business Judgment and discretion, shall determine the Designated Territory. If Schedule 1 is not completed and/or is not signed by Franchisor there shall be no Designated Territory.

"**Digital Media**" means any interactive or static digital document, application or media that is connected to and/or in a network of computers and/or other devices linked by communications software, part of the world wide web, linked by the internet or part of a web based application, software application, smart phone application or social media platform such as Facebook, LinkedIn, Twitter / X, Pinterest, Instagram, SnapChat, and YouTube, and internet based directories and local directories that refers, references, identifies, reviews, promotes and/or relates, in any way, to USA Ninja Challenge Training Centers, the Franchised Business, the Licensed Marks, the System and/or Franchisor. Digital Media further includes the System Website, and all other media and/or publications relating to the System that is displayed and/or transmitted digitally.

"**Due Date**" shall have the meaning defined and set forth in Article 5.B. of this Agreement.

"**E-Commerce**" means the sale, distribution, and/or delivery of products and services including, but not limited to the Approved Products and Services, through channels of distribution that originate from and include, among other things, the System Website, websites, web based portals, e-commerce platforms, online marketplaces, and other platforms related to the marketing, sale, and/or distribution of Approved Products and Services and/or other products and/or services other than the direct in-person and on-site at Franchisee's USA Ninja Challenge Training Center retail sale of Approved Products and Services that are delivered to the in-person and on-site customer at Franchisee's USA Ninja Challenge Training Center or delivered to the customer's home located within Franchisee's Designated Territory.

"**Effective Date**" shall be the date set forth, defined and referred to in the first paragraph of this Agreement.

"**Equipment Installation Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Equipment Liability and Indemnification Agreement**" means the Equipment Liability and Indemnification Agreement attached to this Agreement as Exhibit 9, which Franchisee is required to execute simultaneously with this Agreement.

"**Equipment Package Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**First Renewal Term**" refers to and means the 10-year period that commences on the expiration of the Term and continues for the 10-year period thereafter. The First Renewal Term shall apply only if Franchisee is entitled to invoke and does invoke Franchisee's renewal rights in accordance with the terms and conditions of this Agreement.

"**Franchise Owner and Spouse Agreement and Guaranty**" means the form of "Franchise Owner and Spouse Agreement and Guaranty" attached to this Agreement as Exhibit 1.

"**Franchised Business**" means the USA Ninja Challenge Training Center that Franchisee is required to develop, maintain and operate as part of the System and in accordance with the terms, conditions and obligations set forth in this Agreement and the Operations Manual.

"**Franchisee's Training Center Facility**" means the Training Center Facility from which Franchisee develops, operates and manages the Franchised Business. Franchisee's Training Center Facility must be located at a Training Center Location that has been approved by Franchisor.

"**Franchisee's Training Center Location**" shall have the meaning defined and set forth in Article 2.A. of this Agreement. Franchisee's Training Center Location must be designated in accordance with Schedule 1 of this Agreement and must be approved by Franchisor, in Franchisor's Reasonable Business Judgment.

"**Franchisor Directed Local Marketing Fee**" shall have the meaning defined and set forth in Article 9.B. of this Agreement.

"**Franchisor Directed Local Marketing Management Fee**" shall have the meaning defined and set forth in Article 9.B. of this Agreement.

"**Franchisor's Reasonable Business Judgment**" refers to, means, and relates to any and all decisions, actions and choices made by Franchisor concerning or relating to this Agreement, the System generally, USA Ninja Challenge Training Centers and/or the Franchised Business where Franchisor undertakes or makes such decision with the intention of benefitting or acting in a way that could benefit the System. When making decisions and/or taking actions in Franchisor's Reasonable Business Judgment, Franchisor may, in addition to all other rights afforded to Franchisor under this Agreement, consider factors, in whole or in part, that include: Franchisor's profits, enhancing the value of the Licensed Marks; increasing customer satisfaction, minimizing potential customer confusion as to the Licensed Marks, determining designated territory markets, minimizing potential customer confusion as to the location of USA Ninja Challenge Training Centers, expanding brand awareness of the Licensed Marks, implementing marketing and accounting control systems, approving products, services, supplies and equipment. Franchisee agrees that when a decision, determination, action and/or choice is made by Franchisor in Franchisor's Reasonable Business Judgment that such decision, determination, action or choice shall take precedence and prevail, even if other alternatives, determinations, actions and/or choices are reasonable or arguably available and/or preferable. Franchisee agrees that in connection with any decision, determination, action and/or choice made by Franchisor in Franchisor's Reasonable Business Judgment that: (a) Franchisor possesses a legitimate interest in seeking to maximize Franchisor's profits; (b) Franchisor shall not be

required to consider Franchisee's individual economic or business interests as compared to the overall System; and (c) should Franchisor economically benefit from such decision, determination, action and/or choice that such economic benefit to Franchisor shall not be relevant to demonstrating that Franchisor did not exercise reasonable business judgment with regard to Franchisor's obligations under this Agreement and/or with regard to the System. Franchisee agrees that neither Franchisee and/or any third party, including, but not limited to, any third party acting as a trier of fact, shall substitute Franchisee's or such third party's judgment for Franchisor's Reasonable Business Judgment. Franchisee further agrees that should Franchisee challenge Franchisor's Reasonable Business Judgment in any legal proceeding that Franchisee possesses the burden of demonstrating, by clear and convincing evidence, that Franchisor failed to exercise Franchisor's Reasonable Business Judgment.

"**GAAP**" means United States Generally Accepted Accounting Principles.

"**Gift Cards**" means any and all gift cards, vouchers, receipts, cards and other evidence of a pre-paid purchase transaction or credit that Franchisor authorizes concerning a USA Ninja Challenge Training Center.

"**Gross Sales**" means the total dollar sales from all business and customers of the Franchised Business and includes the total gross amount of revenues, receipts, and sales from whatever source derived, whether in form of cash, credit, agreements to pay or other consideration including the actual retail value of any goods or services traded, borrowed, or received by Franchisee in exchange for any form of non-money consideration (whether or not payment is received at the time of the sale), from or derived by Franchisee or any other person or Corporate Entity from business conducted or which started in, on, from or through the Franchised Business, Franchisee's Training Center Location, and/or Franchisee's Training Center Facility whether such business is/was conducted in compliance with or in violation of the terms of this Agreement. Supplementing the foregoing, Gross Sales further includes the total gross amount of revenues, receipts, and sales from whatever source derived from and/or derived by Franchisee (including any person and/or Corporate Entity acting on behalf of Franchisee) from business conducted within and/or outside the Designated Territory that is related to the Franchised Business and/or a Competitive Business located and/or operated at Franchisee's Training Center Location, at Franchisee's Training Center Facility, within the Designated Territory, outside the Designated Territory, and/or otherwise (the foregoing does not constitute approval for Franchisee's operation of a Competitive Business and/or the operation of a USA Ninja Challenge Training Center outside of the Designated Territory). Gross Sales does not include sales taxes that Franchisee collects and remits to the proper taxing authority or promotional discounts that are authorized by Franchisor in writing.

"**Immediate Family Member**" means the spouse of a person and any other member of the household of such person, including, without limitation, children, and grandchildren of such person. Immediate Family Member shall further refer to and mean the spouse, children, grandchildren, and other members of the household of each Franchisee, if Franchisee is an individual, or each Owner of Franchisee if Franchisee is a Corporate Entity.

"**IP Claim**" shall have the meaning defined and set forth in Article 11.E. of this Agreement.

"**Know-How**" means Franchisor's trade secrets and proprietary information relating to the development, establishment, marketing, promotion and/or operation of a USA Ninja Challenge Training Center including, but not limited to, methods, techniques, inventory, products and services standards and specifications and information reflected in, included in, comprising and/or constituting a part of the System. Without limitation to the foregoing, Know-How includes information contained in the Operations Manual and the Confidential Information.

"**Launch Marketing Management Services Fee**" shall have the meaning defined and set forth in Article 9.B. of this Agreement.

"**Launch Marketing Phase**" shall have the meaning defined and set forth in Article 9.B. of this Agreement.

"**Lead Instructor**" means an employee of Franchisee who has successfully completed Franchisor's initial Training Program and has been certified to oversee and conduct classes, camps, and parties at the Franchised Business and to train other instructors of the Franchised Business in the delivery of the Approved Products and Services. A Lead Instructor is not required to possess an ownership interest in Franchisee and is not required to perform administrative or managerial functions, unless otherwise designated by Franchisee or Franchisee's Managing Owner. For purposes of this Agreement, the term "Lead Instructor" encompasses both a Managing Lead Instructor, who oversees class, camp, and party operations at the Franchised Business and is also responsible for administrative functions of the Franchised Business, and a Lead Instructor who oversees class, camp, and party operations at the Franchised Business only. For training and certification purposes, both are referred to as certified Lead Instructors. A Lead Instructor is not the same as, and shall not be construed to be synonymous with, a Managing Owner or an Operating Manager.

"**Lease Agreement Rider**" means the form Lease Agreement Rider attached to this Agreement as Exhibit 4.

"**Licensed Marks**" means the trademarks, service marks, indicia of origin, including the "USA Ninja Challenge" trademark, the USA Ninja Challenge logo, Trade Dress, and other trademarks, service marks, logos, slogans and designs authorized by Franchisor in connection with the identification of USA Ninja Challenge Training Centers and the Approved Products and Services, provided that such trade names, trademarks, service marks, logos and designs are subject to modification, replacement and discontinuance by Franchisor at any time in Franchisor's Reasonable Business Judgment.

"**Management Service Fees**" shall have the meaning defined and set forth in Articles 7.J. and 14.D. of this Agreement.

"**Managers**" means the Managing Owner plus all assistant managers of the Franchised Business and all other employees, independent contractors, consultants, directors, officers and board members who may possess access to the Confidential Information.

"**Managing Owner**" means, if Franchisee is a partnership or Corporate Entity, the Managing Owner shall be the Owner responsible for the day-to-day oversight, management and operation of the Franchised Business. The Managing Owner must possess, maintain and own not less than 25% of the equity and ownership interests in Franchisee. At all times, the Managing Owner must manage the operations of the Franchised Business.

"**Market Introduction and Launch Advertising Fee**" shall have the meaning defined and set forth in Article 9.B. of this Agreement.

"**Minimum Member Enrollment and Retention Requirements**" shall have the meaning defined and set forth in Article 9.B. of this Agreement.

"**Operating Manager**" means the Manager designated by Franchisee or Franchisee's Managing Owner, that is charged with the obligation and responsibility to supervise and manage (on-site at Franchisee's Training Center Facility) the day-to-day operations of the Franchised Business. At all times, the Operating

Manager must: (a) meet all of Franchisor's minimum training and brand quality control standards and criteria for managers as may be set forth in the Operations Manual; (b) successfully complete Franchisor's initial training program; (c) sign the Confidentiality Agreement; and (d) agree, in writing, to assume responsibility for the on-site management and supervision of the Franchised Business. For the avoidance of doubt, an Operating Manager is distinct from a Lead Instructor; a Lead Instructor is not required to perform the managerial and supervisory functions required of an Operating Manager unless Franchisee separately designates such Lead Instructor to also serve as an Operating Manager, in which case such individual must satisfy all requirements applicable to both roles.

"**Operations Manual**" means, individually and collectively, the manual(s) designated by Franchisor and relating to the development and/or operations of USA Ninja Challenge Training Centers including, but not limited to, the policies, procedures and requirements for the development and operation of USA Ninja Challenge Training Centers. The Operations Manual may consist of one or more volumes, handbooks, manuals, written materials, videos, electronic media files, cloud/internet based list-service, intranet, internet based and accessed databases, computer media, email, webinars and other materials as may be modified, added to, replaced or supplemented by Franchisor from time to time in Franchisor's Reasonable Business Judgment, whether by way of supplements, replacement pages, franchise bulletins, or other official pronouncements or means. Subject to Franchisor's modification from time to time and, based on Franchisor's Reasonable Business Judgment, the Operations Manual may, among other things, designate the Approved Products and Services that must be exclusively offered and sold by the Franchised Business and, the System Supplies and designated vendors that must be exclusively used by Franchisee.

"**Operations Non-Compliance Fee**" shall have the meaning defined and set forth in Article 7.K. of this Agreement.

"**Operations Violation**" shall have the meaning defined and set forth in Article 7.K. of this Agreement.

"**Owner**" means collectively, individually and jointly: (a) the officers and directors of Franchisee (including the officers and directors of any general partner of Franchisee) who hold an ownership interest in Franchisee; (b) the managing member or manager of Franchisee, if franchisee is a limited liability company; (c) all holders of a 5% or more direct or indirect ownership interest in Franchisee and/or of any entity directly or indirectly controlling Franchisee; and (d) the Managing Owner(s). Franchisee's Owners are identified in Schedule 2 to this Agreement.

"**Payment Non-Compliance Fee**" shall have the meaning defined and set forth in Article 5.D. of this Agreement.

"**Post-Term Restricted Period**" means the 24-month period after the earliest to occur of the following: (a) the expiration or termination of this Agreement for any reason; or (b) the date on which Franchisee, in compliance with the terms of this Agreement, Transfers this Agreement to another person or Corporate Entity. Provided however, that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then the "Post-Term Restricted Period" means the 18 month period after the earliest to occur of the following: (a) the expiration or termination of this Agreement for any reason; or (b) the date on which Franchisee, in compliance with the terms of this Agreement, Transfers this Agreement to another person or Corporate Entity.

"**Prohibited Activities**" shall have the meaning defined and set forth in Article 6.D. of this Agreement.

"**Published Content**" means any and all information, data, articles, communications, videos and other information relating to or concerning the Franchised Business, the System, or the Licensed Marks that is or was made available by Franchisee or Franchisee's agents to the public in print or electronic media that

is published, listed, made available, uploaded on, downloaded to, posted or distributed through Digital Media.

"**Renewal Ancillary Agreements**" shall have the meaning defined and set forth in Article 15.B. of this Agreement.

"**Renewal Fee**" is a fixed sum of $12,500.

"**Renewal Franchise Agreement**" shall have the meaning defined and set forth in Article 15.B. of this Agreement.

"**Renewal Notice**" shall have the meaning defined and set forth in Article 15.B. of this Agreement.

"**Renewal Term**" refers to and means the First Renewal Term or the Second Renewal Term, individually.

"**Reporting Non-Compliance Fee**" shall have the meaning defined and set forth in Article 12.C. of this Agreement.

"**Reporting Violation**" shall have the meaning defined and set forth in Article 12.C. of this Agreement.

"Reputation Management Services" means the customer review, review monitoring, reporting and/or reputation management services designated by Franchisor. Franchisor, in Franchisor's Reasonable Business Judgement, shall exclusively select the Reputation Management Services to be used by Franchisee and to determine and select the websites, social media sites, reporting services, surveys, and service platforms to be included in any evaluation and/or determination of Franchisee's customer satisfaction or approval ratings.

"**Reserved Rights**" shall have the meaning defined and set forth in Article 2.D. of this Agreement.

"**Restricted Territory**" means the geographic area: (a) comprising Franchisee's Designated Territory; (b) comprising a 25 mile radius surrounding Franchisee's Designated Territory or, if Franchisee is not granted or designated a designated territory, then a 25 mile radius surrounding Franchisee's Training Center Location; (c) comprising a 10 mile radius surrounding the Training Center Locations for all other USA Ninja Challenge Training Centers operating and/or under development as of the Effective Date of this Agreement; and (d) comprising a 10 mile radius surrounding the Training Center Locations for all other USA Ninja Challenge Training Centers that are in operation or under development during all or any part of the Post-Term Restricted Period; provided, however, that if a court of competent jurisdiction determines that the foregoing Restricted Territory is too broad to be enforceable, then the "Restricted Territory" means the geographic area comprising Franchisee's Designated Territory plus a 25 mile radius surrounding Franchisee's Designated Territory or, if Franchisee is not granted or designated a designated territory, then a 25 mile radius surrounding Franchisee's Training Center Location.

"**Royalty and Activity Report**" shall have the meaning defined and set forth in Article 5.B. of this Agreement.

"**Royalty Fee**" shall have the meaning defined and set forth in Article 5.B. of this Agreement.

"**Royalty Rate**" shall have the meaning defined and set forth in Article 5.B. of this Agreement.

"**Scheduled Business Commencement Date**" means the date that occurs on the 18-month anniversary of the Effective Date of this Agreement.

"**Second Renewal Term**" refers to and means the 10-year period that commences on the expiration of the First Renewal Term and continues for the 10-year period thereafter. The Second Year Renewal Term shall apply only if Franchisee is entitled to invoke and does invoke Franchisee's renewal rights in accordance with the terms and conditions of this Agreement.

"**Site Selection Acknowledgment**" means the form Site Selection Acknowledgment attached to this Agreement as Exhibit 3.

"**Site Selection Area**" shall have the meaning defined and set forth in Article 2.A.(4) of this Agreement.

"**Site Selection Period**" means the period of time commencing on the Site Selection Acknowledgment Date (as such date may be set forth by Franchisor, and only Franchisor, in the Site Selection Acknowledgment) and automatically expiring 12 months after the Site Selection Acknowledgment Date. If the Site Selection Acknowledgment Date is not set forth and acknowledged by Franchisor in the Site Selection Acknowledgment then, the Site Selection Period shall be 0 days. If the Site Selection Acknowledgment is not signed by Franchisor, then there shall be no Site Selection Period.

"**Spouse**" means the legal spouse of an Owner as of the Effective Date.

"**Supplemental Training**" shall have the meaning defined and set forth in Article 4.A. of this Agreement.

"**Supplemental Training Fee"** shall have the meaning defined and set forth in Article 4.A. of this Agreement.

"**Supplier Evaluation Fee**" means the fee determined by Franchisor, in Franchisor's Reasonable Business Judgment, and based upon the fees and/or expenses incurred by Franchisor in connection with the evaluation of a request by Franchisee for Franchisor's consideration and/or review of a potential supplier. Under no circumstance is Franchisor required to approve of suppliers requested by Franchisee.

"**System**" shall have the meaning defined in the "Recitals" section of this Agreement and is further supplemented, as follows: without limitation to the Recitals section of this Agreement and supplementing the definition and meaning of the term "System", System shall be defined to further include and mean: (a) the Approved Products and Services, System Supplies and the services, procedures and systems that are designated by Franchisor, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a USA Ninja Challenge Training Center; (b) the Licensed Marks; (c) the Trade Dress; (d) Copyrights; (e) other trade names, service marks, signs, and logos, copyrights and trade dress that is designated by Franchisor, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a USA Ninja Challenge Training Center; (f) Operations Manual; (g) Business Management System Data; (h) Know-How; (i) Confidential Information; and (j) Digital Media. All determinations as to the system including components to the system and modifications and replacements thereto shall be determined by Franchisor in Franchisor's Reasonable Business Judgment.

"**System Supplies**" means all: (a) merchandise, inventory, products, supplies, and/or goods constituting or comprising the Approved Products and Services, or a portion thereof, authorized for sale by the Franchised Business or designated for the preparation of Approved Products and Services; (b) products, supplies, services, and/or goods used to prepare, provide, offer, and/or sell services constituting or comprising the Approved Products and Services; (c) products, supplies, and/or goods as designated by Franchisor for the marketing, sale, provision, and/or delivery of the Approved Products and Services including, without limitation, obstacles, cargo netting, foam flooring, climbing ropes, rock wall holds, truss systems, mats, computer equipment, uniforms, point of sale displays, packaging; (d) furniture,

fixtures, and equipment designated by Franchisor; and (e) other items as designated by Franchisor in the Operations Manual, and as may be modified and supplemented by Franchisor from time to time, in Franchisor's Reasonable Business Judgment, as being required for the development and operation of the Franchised Business.

"**System Website**" means the web page and pages located on the world wide web at the www.usaninjachallenge.com URL and shall further include all webpages and subdomains, including those that are franchisee and/or geography specific, that are a part of www.usaninjachallenge.com, or as designated by Franchisor being associated with the URL of www.usaninjachallenge.com and/or USA Ninja Challenge Training Centers.

"**Technology Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Term**" means the period of time set forth and defined in Article 2.B. of this Agreement and, the Renewal Term if Franchisee invokes Franchisee's renewal rights in accordance with the terms of this Agreement.

"**Trade Dress**" means the USA Ninja Challenge Training Center designs, images, marketing materials, packaging, branding and/or branding images which Franchisor authorizes and requires Franchisee to use in connection with the operation of the Franchised Business and as may be revised and further developed by Franchisor from time to time.

"**Training Center Facility**" means the fixed commercial training center facilities including, the fixtures and improvements, from which USA Ninja Challenge Training Centers are established, operated and managed.

"**Training Center Location(s)**" means the fixed locations from which USA Ninja Challenge Training Centers are developed, operated and managed.

"**Training Program**" shall have the meaning defined and set forth in Article 4.A. of this Agreement.

"**Transfer**" means and shall include, without limitation, the following, whether voluntary or involuntary, conditional or unconditional, and/or direct or indirect: (a) an assignment, sale, gift, transfer, pledge or sub-franchise; (b) the grant of a mortgage, charge, lien or security interest, including, without limitation, the grant of a collateral assignment; (c) a merger, consolidation, exchange of shares or other ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or redemption of ownership interests; (d) a sale or exchange of voting interests or securities convertible to voting interests, or an agreement granting the right to exercise or control the exercise of the voting rights of any holder of ownership interests or to control the operations or affairs of Franchisee; and/or (e) the legal and/or equitable transfer and/or sale of an Owners interests and/or voting rights in Franchisee.

"**Transfer Fee**" shall have the meaning defined in Article 14.C.(11) of this Agreement. The Transfer Fee is a fixed sum of $15,000.

"**USA Ninja Challenge Training Center(s)**" shall have the meaning defined in the Recitals section of this Agreement and, without limitation to the Recitals section, the definition of "USA Ninja Challenge Training Centers", shall further include, refer to and mean: every business and all businesses owned and/or operated by Franchisor, Franchisor's affiliates and/or authorized franchisees that use and/or is/are required to use the System and/or Licensed Marks, and, including, but not limited to, the Franchised Business.

"**Website Set-Up Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

ARTICLE 2
GRANT OF FRANCHISE

2.A. GRANT OF FRANCHISE

Franchisee has requested that Franchisor grant to Franchisee the non-exclusive license and right to develop, own and operate a USA Ninja Challenge Training Center from a fixed Training Center Location located within a specified territory. Relying on the representations made by Franchisee and/or Franchisee's Owners in any submitted application and during the application process and subject to the terms and conditions of this Agreement, Franchisee's request has been approved by Franchisor, subject to the following terms and conditions:

(1) During the Term of this Agreement and subject to the rights of Franchisor as set forth and/or reserved to franchisor in this Agreement including, but not limited to, the Reserved Rights, Franchisor grants to Franchisee and Franchisee accepts, the non-exclusive license, right and obligation to develop and operate, one USA Ninja Challenge Training Center in conformity with the System and this Agreement from a single fixed training center location, selected by Franchisee but requiring the approval of Franchisor ("Franchisee's Training Center Location").

(2) If, as of the Effective Date, Franchisee has selected a proposed Training Center Location that Franchisor approves as Franchisee's Training Center Location, then Franchisee's Training Center Location and Designated Territory, if any, shall be identified in Schedule 1 of this Agreement. To be effective, Schedule 1 must be completed and signed by Franchisor. Franchisee's execution of Schedule 1 with a specific location for Franchisee's Training Center Location shall constitute Franchisee's obligation to develop and operate the Franchised Business at the designated Franchisee Training Center Location.

(3) If, as of the Effective Date, Franchisee has not selected a proposed Training Center Location or has not obtained Franchisor's approval of the proposed Training Center Location, and/or Schedule 1 to this Agreement is left incomplete or is not signed by Franchisor, Franchisee must locate, identify and secure a Training Center Location for the Franchised Business in accordance with the terms of this Agreement, including the requirement that Franchisee must obtain Franchisor's approval of Franchisee's Training Center Location. If, after the Effective Date, Franchisee proposes and Franchisor approves of Franchisee's proposed Training Center Location, such approval must be in writing and must be evidenced by Franchisor's execution of Schedule 1 with a specific Training Center Location designated and identified in Schedule 1. At the time of executing a completed Schedule 1 and, thereby, approving Franchisee's proposed Training Center Location, Franchisor, in Franchisor's discretion and Reasonable Business Judgment, shall designate and determine Franchisee's Designated Territory.

(4) If, as of the Effective Date or other appropriate periods after the Effective Date, Franchisee has not selected a proposed Training Center Location that is approved by Franchisor but, Franchisee has identified an area in which Franchisee may look to secure a training center location for the Franchised Business, Franchisor, in Franchisor's discretion and Reasonable Business Judgment, may enter into the Site Selection Acknowledgment attached to this Agreement as Exhibit 3. If executed by Franchisor, within the Exhibit 3 Site Selection Acknowledgment, Franchisor shall designate a geographic area (the "Site Selection Area") within which Franchisor, during the Site Selection Period, shall not, on behalf of any third party, approve any new Training Center Location. The Site Selection Acknowledgment does not constitute Franchisor's approval of a proposed Training Center Location, does not constitute Franchisor's designation of Franchisee's Designated Territory, does not afford Franchisee any territorial rights in or to the Site Selection Area, and does not extend and/or modify any obligation on

the part of Franchisee to timely secure an approved Training Center Location in accordance with the terms of this Agreement.

(5) At all times, Franchisee's rights in and to the real property and the business premises of Franchisee's Training Center Location shall be subordinate and subject to Franchisee's and Franchisee's landlord's agreement to and execution of the Training Center Location Lease Agreement Rider attached to this Agreement as Exhibit 4, and Franchisee's agreement and execution of the Collateral Assignment of Lease attached to this Agreement as Exhibit 5.

(6) Franchisee may only offer and sell the Approved Products and Services from Franchisee's Training Center Location in accordance with the requirements set forth in the Operations Manual and only to: (a) retail customers on-site at Franchisee's Training Center Location.

(7) Franchisor, in Franchisor's Reasonable Business Judgment and for any reason or no reason at all, may prohibit Franchisee from soliciting customers located outside Franchisee's Designated Territory.

(8) Except as otherwise provided in this Agreement including, but not limited to, the Reserved Rights, provided that, at all times Franchisee is and remains in compliance with all of the terms of this Agreement, during the Term of this Agreement, neither Franchisor nor any affiliate of Franchisor will open or grant a franchise the right to open a Training Center using the Licensed Marks and System at a Training Center Location within Franchisee's Designated Territory, provided, that a Designated Territory has been designated and approved by Franchisor in accordance with the terms of this Agreement, but excluding Closed Markets.

(9) The foregoing rights granted in this Article 2.A. are subject to and contingent on the terms and conditions of this Agreement, the rights of any prior user, and are non-exclusive and subordinate to the Reserved Rights. Without limitation to the foregoing, Franchisee agrees that Franchisee, without any compensation to Franchisee, may face competition from other outlets and distribution channels as set forth in this Agreement including, but not limited to: (a) from other USA Ninja Challenge Training Centers and System franchisees with training centers that are located within Closed Markets, and/or adjacent to, or within a close proximity to Franchisee's Training Center Location or Designated Territory; (b) from retail stores and outlets that do not use the Licensed Marks as a part of their tradename but stock, offer, and/or sell Approved Products and Services bearing the Licensed Marks or private label marks that are not a part of the System; and (c) from all other marketing, sales, distribution, and delivery rights, restrictions, and/or other obligations otherwise set forth in this Agreement. Although Franchisor may disapprove of any marketing medium that is distributed and/or reaches inside or outside of Franchisee's Designated Territory, Franchisor is not obligated to do so.

2.B. TERM

Unless previously terminated pursuant to the terms of this Agreement, the term of this Agreement will be for a period of 10 consecutive years, commencing from the Effective Date (the "Term").

2.C. GUARANTEES, CONFIDENTIALITY AND RESTRICTIVE COVENANTS

If Franchisee is, at any time, a Corporate Entity, Franchisee agrees that each Owner and their respective Spouse shall execute, sign and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty attached to this Agreement as Exhibit 1 and, in doing so, among other things, will individually, jointly, and severally, guarantee Franchisee's obligations under this Agreement and personally bind themselves to confidentiality and non-competition covenants and restrictions.

2.D. RESERVATION OF RIGHTS

Franchisor on behalf of itself, its affiliates, and its assigns, retains all rights, on any and all terms and

conditions that Franchisor deems advisable and without any compensation or consideration to Franchisee to engage in the following activities (the "Reserved Rights"): (a) operate and grant to others the right to operate a Franchised Business, USA Ninja Challenge Training Center and/or other Training Centers using the System and Licensed Marks at locations outside Franchisee's Designated Territory; (b) acquire, be acquired by, merge with, or otherwise affiliate with one or more businesses of any kind, including businesses that are Competitive Businesses, and after such acquisition, merger or affiliation to own and operate and to franchise or license others to own and operate and to continue to own and operate such businesses, including Competitive Businesses but, not utilizing the Licensed Marks, within Franchisee's Designated Territory; (c) operate and grant to others the right to develop and operate a USA Ninja Challenge Training Center at Captive Markets located within and/or outside Franchisee's Designated Territory; (d) use the Licensed Marks and System to sell, distribute, and deliver the Approved Products and Services or products and services similar to the Approved Products and Services to and through retail stores and other outlets located within and/or outside Franchisee's Designated Territory provided that such retail stores and outlets do not use the Licensed Marks in the tradename of the retail store or outlet; (e) use the Licensed Marks and System to sell, distribute, and deliver the Approved Products and Services or products and services similar to the Approved Products and Services in Alternative Channels of Distribution within and/or outside Franchisee's Designated Territory; and (f) use the Licensed Marks and System and to license others to use the Licensed Marks and System to engage in all other activities not expressly prohibited by this Agreement.

2.E. MODIFICATION OF SYSTEM

Franchisor, in Franchisor's Reasonable Business Judgment, reserves the right at all times to supplement, modify, alter and/or amend the System. Franchisee shall promptly comply with all such modifications to the System whether such modification(s) results in the addition, subtraction, modification and/or enhancement to any and/or all components of the System. Franchisor shall provide Franchisee with a reasonable time period to comply with any change or modification to the System which shall be communicated in writing by Franchisor to Franchisee, including, but not limited to, modifications, updated, amendments, and changes made by Franchisor to the Operations Manual. Franchisor's modifications to the System shall not materially alter Franchisee's fundamental rights under this Agreement.

2.F. CORPORATE ENTITY OWNERSHIP

If Franchisee is a Corporate Entity, Franchisee represents that the information contained in Schedule 2 to this Agreement is and shall remain complete, true and accurate throughout the Term of this Agreement.

ARTICLE 3
TRAINING CENTER DEVELOPMENT AND OPERATIONS

3.A. TRAINING CENTER LOCATION

Franchisee shall develop, operate and manage the Franchised Business from a Training Center Facility that is developed and established at a Training Center Location, that: (a) was identified and evaluated by Franchisee; (b) complies with the terms and conditions of this Agreement; (c) satisfies and meets Franchisor's standards and specifications; (d) is timely presented by Franchisee to Franchisor for approval as Franchisee's proposed Training Center Location; (e) is approved by Franchisor as Franchisee's Training Center Location; (f) is timely secured by Franchisee within 12 months of the Effective Date of this Agreement, as evidenced by a binding lease with a duration equal to the full Term of this Agreement; (g) is and, at all times, shall be exclusively dedicated to the operation of the Franchised Business; (h) is located within the Designated Territory, if Franchisor previously designated and approved, in writing, a Designated Territory; and (i) otherwise meets the terms and conditions of this Agreement and Franchisor's standards and specifications.

Franchisee will not lease, purchase or otherwise acquire a proposed Training Center Location until such

information as Franchisor may require as to the proposed Training Center Location has been provided to Franchisor by Franchisee and, Franchisor has approved the location in accordance with the terms and conditions of this Agreement including, but not limited to, Article 2.A. of this Agreement. Franchisor shall respond to Franchisee's request for approval of a proposed Training Center Location within a reasonable time period but not exceeding 30 days following Franchisor's receipt, from Franchisee, of complete written information about Franchisee's proposed Training Center Location. If Franchisor rejects or disapproves Franchisee's proposed Training Center Location, Franchisee must nevertheless identify and obtain Franchisor's approval of a proposed Training Center Location within the time requirements set forth in this Agreement. Franchisor's disapproval of a proposed Training Center Location shall not serve as a basis to extend any deadline or requirement set forth in this Agreement.

Franchisor's approval of Franchisee's proposed Training Center Location is not and does not constitute a representation or warranty by Franchisor of any kind other than that Franchisor does not object to or disapprove of Franchisee's proposed Training Center Location. No provision of this Agreement shall be construed or interpreted to impose an obligation on Franchisor to locate a Training Center Location for the Franchised Business, to assist Franchisee in the selection of a suitable Training Center Location for the Franchised Business or to provide assistance to the Franchisee in the purchase or lease of a Training Center Location. If Franchisee leases Franchisee's Training Center Location, Franchisee must use Franchisee's best efforts to ensure that the landlord signs the Lease Agreement Rider that is attached to this Agreement as Exhibit 4. If Franchisee's landlord refuses to sign the Lease Agreement Rider in substantially the same form as the attached Exhibit 4, such refusal may constitute grounds upon which Franchisor refuses to approve Franchisee's proposed Training Center Location or withdraws such approval.

3.B. TRAINING CENTER DEVELOPMENT

Franchisee shall develop and construct Franchisee's Training Center Facility and Training Center Location in accordance with Franchisor's standards and specifications and using only those types of construction materials, decorating materials, furniture, fixtures, equipment, trade dress signs, suppliers, advisors and contractors that Franchisor has approved in the Operations Manual, in supplements to the Operations Manual or as Franchisor otherwise designates and approves of in a writing specifically directed to Franchisee and signed by Franchisor.

Franchisee's Training Center Facility and Franchisee's Training Center Location must be constructed and established in accordance with Franchisor's plans and specifications. Promptly after signing a lease or closing on a purchase of the premises of Franchisee's Training Center Location, Franchisor shall provide Franchisee with Franchisor's generalized prototype plans and specifications. Prior to constructing, equipping and building out Franchisee's Training Center Facility and Franchisee's Training Center Location, Franchisee shall:

(1) Prepare and submit to Franchisor for approval specific plans and specifications prepared by the design consultants designated or approved by Franchisor and hired by Franchisee, at Franchisee's sole expense, whereby such plans and specifications are prepared specifically for Franchisee's Training Center Facility and Franchisee's Training Center Location and shall reflect and comply with Franchisor's generalized plans and specifications and otherwise satisfy the specifications and requirements set forth in the Operations Manual. If Franchisor determines, in Franchisor's Reasonable Business Judgment, that any plans are not consistent with Franchisor's prototype plans and specifications, Franchisor may prohibit implementation of the plans and disapprove the plans;

(2) Obtain all required building, utility, sign, health, sanitation, liquor (if the System Products and Service include and permit the service of alcohol), and business permits and licenses, and any other required permits and licenses;

(3) Construct all required improvements to Franchisee's Training Center Location, purchase and install all required furniture, fixtures and equipment and decorate the premises in compliance with the plans and specifications approved in writing by Franchisor and all applicable ordinances, building codes, permit requirements and lease or deed requirements and restrictions;

(4) Provide Franchisor timely written reports regarding the process of construction and remodeling in compliance with Franchisor's then current specifications; and

(5) Establish filing, accounting, and inventory control systems, conforming to the requirements prescribed by Franchisor, if any.

At all times, in the construction and operation of the Franchised Business, Franchisee shall exclusively install, use, attach, maintain, replenish and replace only those types of construction and decorating materials, furniture, fixtures, equipment, and signs that Franchisor has approved or designated in the Operations Manual for USA Ninja Challenge Training Centers as meeting Franchisor's specifications and standards for appearance, function and performance. Franchisee only may purchase approved or designated types of construction and decorating materials, fixtures, equipment, furniture and signs from any supplier approved or designated by Franchisor, which may include Franchisor and Franchisor's affiliates.

3.C. TRAINING CENTER OPENING

Franchisee must develop and open the Franchised Business to the public and, commence the day-to-day operations of the Franchised Business, on or before the Scheduled Business Commencement Date. Notwithstanding the foregoing, Franchisee agrees that prior to opening the Franchised Business to the Public, Franchisee must, as determined by Franchisor: (a) be in compliance with the terms and conditions of this Agreement; (b) have satisfied the pre-opening obligations set forth by Franchisor in the Operations Manual; (c) have completed and satisfied the training obligations designated by Franchisor; and (d) obtained Franchisor's written consent to open.

3.D. TRAINING CENTER OPERATIONS

At all times, the Franchised Business shall: (a) be exclusively operated from Franchisee's Training Center Location that has been approved by Franchisor; (b) be exclusively operated from a Training Center Facility approved by Franchisor; (c) exclusively offer and sell the Approved Products and Services as designated by Franchisor, in Franchisor's Reasonable Business Judgment, and as modified by Franchisor from time to time; (d) ensure that the Approved Products and Services are only offered and provided by Franchisee through employees and/or Owners that have, to Franchisor's satisfaction, completed brand standard related training requirements and Training Programs as designated by Franchisor, in Franchisor's Reasonable Business Judgment and as may be modified and supplemented by Franchisor from time to time; (e) exclusively utilize, maintain and stock in inventory the System Supplies in such quantities and as designated by Franchisor, in Franchisor's Reasonable Business Judgment, and as modified by Franchisor from time to time; (f) exclusively purchase the System Supplies from the suppliers and vendor(s) approved by Franchisor and designated by Franchisor, in Franchisor's Reasonable Business Judgment, and as modified by Franchisor from time to time; (g) comply with all pricing and promotion requirements as designated by Franchisor in accordance with Article 3.E., below; (h) issue, sell, redeem, honor, and accept, without the offset to any fees due to Franchisor, all Gift Cards designated by Franchisor and participate in, offer, redeem, and honor, without the offset to any fees due to Franchisor, all Gift Card and customer loyalty programs designated by Franchisor and in accordance with the rules and regulations adopted by Franchisor and as may be modified by Franchisor from time to time in Franchisors Reasonable Business Judgment; (i) maintain openings and operating hours in conformity with Franchisor's then current standards and requirements, as designated by Franchisor in Franchisor's Reasonable Business Judgment, respecting, among other things, days, hours, and time of Training Center operations and service offered to the public, and days, times, and holidays for opening and closing; and, without limitation to the foregoing; and (j) be

operated in conformity with the Operations Manual as such Operations Manual exists as of the Effective Date of this Agreement and as the Operations Manual may be modified and supplemented from time to time in the future by Franchisor, in Franchisor's Reasonable Business Judgment. At all times Franchisee must maintain the necessary licenses and permits and those licenses and permits recommended and/or required by Franchisor in connection with Franchisee's ownership and operation of the Franchised Business.

Franchisee agrees that control over the nature, quality, branding and source of the System Supplies is critical to the System and that irrespective of the availability of substitute products, supplies, inventory, apparel, merchandising displays, and/or accessories, Franchisee shall only utilize the System Supplies as designated by Franchisor and only from those suppliers approved by Franchisor. Franchisee agrees that in many instances Franchisor and/or Franchisor's affiliates may be or may become the exclusive supplier of System Supplies.

Notwithstanding anything contained in this Article 3.D. or otherwise in this Agreement, Franchise agrees that Franchisor possesses the right and discretion, in Franchisor's Reasonable Business Judgment, to grant other System franchisees and USA Ninja Challenge Training Centers variances from System standards, service and/or product offering requirements, inventory requirements, supply chain requirements, and operational requirements for the purpose of accommodating local or regional consumer preferences, supply chain availability, and/or operational conditions and that Franchisor may do so without affording similar variances or rights to Franchisee.

3.E. PRICING AND PROMOTIONS

Where permitted by applicable law and, to the fullest extent permitted by law, Franchisor reserves the right to designate and establish, maximum, minimum, promotional, and other pricing requirements that Franchisee must comply with respecting prices charged to customers of the Franchised Business and promotions that Franchisee may and/or must offer to customers of the Franchised Business. Franchisee agrees that Franchisor's pricing and promotion requirements may change from time to time and may vary depending on geography (towns, cities, states, regions) and other factors designated by Franchisor including, Franchisor's designation of any local, regional, or national promotional campaigns. Franchisee agrees that Franchisor's pricing and promotional requirements may directly or indirectly impact Franchisee's Training Center and that Franchisor may designate specific pricing to be included in advertisements and promotional materials. Franchisee agrees that nothing contained in this Article 3.E. shall be deemed a representation by Franchisor that if Franchisee follows Franchisor's pricing or promotion requirements that Franchisee will generate a profit. Franchisee agrees that pricing and/or promotional requirements designated by Franchisor may or may not optimize the revenues or profitability of Franchisee's Training Center. Franchisee waives any and all claims related to Franchisor's establishment of prices charged and/or promotions offered at Franchisee's Training Center. At all times, Franchisee agrees to inform Franchisor of all prices charged for services and/or products offered and sold by Franchisee's Training Center and to inform Franchisor of any modifications of Franchisee's prices and/or promotional offerings.

3.F. BUSINESS MANAGEMENT SYSTEM

Franchisee shall exclusively use the Business Management Systems designated by Franchisor, in Franchisor's Reasonable Business Judgment, and as may be modified, supplemented, or replaced by Franchisor from time to time. Franchisee cannot substitute or replace the Business Management System in favor of any substitutes or other systems. To the extent that the Business Management System is hosted, maintained, licensed or operated by third party suppliers, Franchisee shall purchase, license and maintain such Business Management System and/or systems from such third party suppliers designated by Franchisor and subject to Franchisor's standards and specifications. Franchisor may require that Franchisee's license, and use of the Business Management System occur through accounts registered to

Franchisor, controlled by Franchisor, or licensed through Franchisor and that Franchisee provide Franchisor with internet and complete remote access to such systems.
Franchisee is responsible for initial license fees, training fees and continuing monthly license fees required for use of the Business Management System as specified by Franchisor and as may be designated and determined by Franchisor from time to time in Franchisor's Reasonable Business Judgment or by the suppliers designated by Franchisor and approved by Franchisor. Franchisee must complete training, purchase and license the Business Management Systems no later than 45 days prior to the earlier of the Actual Business Commencement Date or the Scheduled Business Commencement Date. Franchisor may be and/or become the exclusive supplier and/or reseller of the Business Management System.

Supplementing the foregoing, Franchisee agrees that the Business Management System will contain proprietary and confidential information owned by Franchisor and related to the System, and that:

(1) Franchisee shall use the Business Management System and the Business Management System Data for the exclusive benefit of the Franchised Business and in accordance with the terms of this Agreement and Franchisor's standards and specifications as set forth in the Operations Manual;

(2) All rights in and to the Business Management System are non-transferable and non-assignable to Franchisee and shall be utilized by Franchisee subject to the terms and conditions of this Agreement, Business Management System licenses that Franchisor may approve of and otherwise as determined by Franchisor in Franchisor's Reasonable Business Judgment;

(3) As between Franchisee and Franchisor, Franchisor is and shall be the exclusive owner of the Business Management System Data, except that Franchisee shall store and maintain such data in accordance with all applicable local, state and federal privacy, data collection and solicitation laws. Among other things, upon expiration or termination of this Agreement for any reason, Franchisee shall preserve and maintain the Business Management System data for the purpose of transferring such data to Franchisor;

(4) At all times, Franchisee shall provide and permit Franchisor to maintain direct and independent access to the Business Management System and Franchisee shall electronically transfer and transmit to Franchisor all Business Management System Data;

(5) When instructed by Franchisor, Franchisee shall upgrade, replace and modify the Business Management System;

(6) Franchisee shall promptly disclose to Franchisor all ideas and suggestions for modifications or enhancements to the Business Management System, to the configuration and templates associated with the Business Management System and that Franchisor shall have the right to use such ideas and suggestions and that Franchisee shall not receive or obtain any ownership rights or interests in any modifications or enhancements to the Business Management System;

(7) Other than permitting access to employees of the Franchised Business for the purpose of conducting the authorized operations of the Franchised Business, Franchisee shall not permit nor allow any third party to access, use or duplicate the Business Management System or the Business Management System Data without Franchisor's prior written consent;

(8) Franchisee shall keep and maintain the Business Management System and the Business Management System Data as secret and confidential, and Franchisee shall maintain security precautions to maintain the confidentiality and secrecy of the Business Management System Data and to prevent unauthorized access or use; and

(9) In no event shall Franchisor be liable to Franchisee for any damages, including any lost profits, lost savings, or other incidental or consequential damages, relating to Franchisee's use or, Franchisee's inability to use, the Business Management System even if Franchisor has been advised of the possibility of such damages, or for any claim by any other party including the software manufacturer. The foregoing limitations of liability are intended to apply without regard to whether other provisions of the Agreement have been breached or proven ineffective.

3.G. DIGITAL MEDIA, SYSTEM WEBSITE AND TELEPHONE NUMBERS

As between Franchisor and Franchisee, Franchisee agrees that Franchisor is the absolute owner of the Digital Media. Franchisee shall not use, access or open accounts regarding or related to Digital Media unless expressly approved by Franchisor in writing which approval Franchisor may withhold, condition or limit as determined by Franchisor in Franchisor's Reasonable Business Judgment and which approval, if given, shall be limited to the marketing and promotion of the Franchised Business in accordance with Franchisor's standards and specifications. Upon expiration or termination of this Agreement for any reason, any prior authorization by Franchisor as to Franchisee's right to use the Digital Media and/or otherwise as to any rights of Franchisee in or to the Digital Media shall be automatically terminated and, at Franchisor's election, the right to any and all accounts and/or sites (if any) associated with Digital Media utilized by Franchisee shall be transferred to Franchisor. Under no circumstance shall Franchisee utilize the Digital Media for purposes of or with the effect of libeling or disparaging another nor shall Franchisee violate any copyrights – as to such actions as between Franchisee and any third party, Franchisee is exclusively responsible for disparagement, libel and/or copyright infringement if Franchisee published and/or caused such content to be published.

Franchisee agrees that Digital Media must be approved by Franchisor prior to publication or use in any form. Digital Media and Published Content that is approved by Franchisor or that otherwise is acceptable to Franchisor as meeting Franchisor's standards shall be owned by Franchisor. As between Franchisor and Franchisee, any and all interest and right in or to the Digital Media and/or Published Content shall, at all times, be and is the exclusive property of Franchisor both during the Term of this Agreement and upon the expiration or termination of this Agreement. Franchisee agrees that the System Website and all improvements and modifications made to the System Website, Digital Media, and Published Content is and shall be the exclusive property of Franchisor. During the Term of this Agreement and subject to Franchisee's compliance with the terms and conditions of this Agreement, the System Website, shall include information related to the Franchised Business as shall be determined and designated by Franchisor in Franchisor's Reasonable Judgment.

In the event of the termination of this Agreement, for any reason, that the accounts related to all telephone numbers associated with the Franchised Business and all rights in and to the telephone numbers associated with the Franchised Business, shall, at Franchisor's election, be transferred to Franchisor.

Without limitation to the foregoing, Franchisee shall, upon the request of Franchisor, execute and deliver to Franchisor the Assignment of Telephone Numbers and Digital Media Accounts attached to this Agreement as Exhibit 6. Upon the request of Franchisor, Franchisee shall execute, update, and/or re-execute the Assignment of Telephone Numbers and Digital Media agreement upon the request of Franchisor. As between Franchisor and all third parties, Franchisee does hereby represent and acknowledge that such third party is authorized to rely on the Assignment of Telephone Numbers and Digital Media agreement, irrespective of any dispute and/or controversy between Franchisor and Franchisee and irrespective of any contrary instructions of Franchisee.

3.H. TRAINING CENTER RELOCATION

To the extent that Franchisee wishes to relocate the Franchised Business and, thereby, Franchisee's Training Center Location and Franchisee's Training Center Facility, Franchisee must obtain Franchisor's prior written consent, which Franchisor may refuse in Franchisor's Reasonable Business Judgment. Franchisee agrees that if Franchisor does consent to the relocation of the Franchised Business, that Franchisor may condition Franchisor's consent to Franchisee's relocation request on requirements imposed by Franchisor which may include, among other things: (a) that the proposed Training Center Location meet and satisfy Franchisor's then current standards for Training Center Locations; (b) that the proposed Training Center Facility meet and satisfy Franchisor's then current standards for Training Center Facilities; (c) that the proposed Training Center Facility be constructed and established in accordance with Franchisor's current standards and specifications; (d) that the proposed Training Center Location be located within Franchisee's Designated Territory; (e) that the proposed Training Center Location (even if it is located within the Designated Territory) not be within a close proximity to the Designated Territory and/or Training Center Location of another USA Ninja Challenge Training Center; and (f) that, as to the proposed Training Center Facility and proposed Training Center Location, Franchisee satisfy the terms and conditions set forth in this Agreement for Training Center Facilities, and Training Center Locations including, but not limited to, the requirements set forth in Articles 2.A. and 3.B. of this Agreement. Franchisee agrees that Franchisor possesses sole discretion as to whether or not Franchisor approves of Franchisee's relocation request.

ARTICLE 4
TRAINING AND OPERATING ASSISTANCE

4.A. INITIAL TRAINING, SUPPLEMENTAL TRAINING AND SYSTEM-WIDE TRAINING

(1) No more than seven weeks but no less than three weeks prior to the earlier of the Scheduled Business Commencement Date or the Actual Business Commencement Date, Franchisee's Managing Owner and up to two designated management level personnel comprised of Franchisee's Operating Manager and/or Franchisee's Lead Instructor must complete, to Franchisor's satisfaction, Franchisor's initial training program (the "Training Program"). Franchisor will provide Franchisee, comprised of Franchisee's Managing Owner, and up to two designated management level personnel comprised of Franchisee's Operating Manager and/or Franchisee's Lead Instructor, with Franchisor's Training Program. If Franchisee would like more than three individuals to attend the initial Training Program, subject to Franchisor's approval, Franchisee shall pay to Franchisor an additional fee of $500 per additional person attending the Training Program (the "Additional Initial Training Fee"). Additional Initial Training Fees shall be pre-paid in advance of training and upon submission of invoice by Franchisor to Franchisee.

Prior to opening and commencing the operations of the Franchised Business, the Managing Owner and other personnel as designated or determined by Franchisor, must attend and successfully complete the Training Program designated by Franchisor. The training may include classroom and on-the-job instruction at a location or facility designated by Franchisor, and/or, at the election of Franchisor and as determined by Franchisor, in Franchisor's Reasonable Business Judgment, may be conducted remotely through online web-based conferencing. Following completion of the Training Program, Franchisee shall be responsible for the ongoing training of Franchisee's employees, staff and all other employees of the Franchised Business. Said on-going training must conform to Franchisor's standards and specifications. The Training Program shall be structured, configured and established by Franchisor from time to time. The Training Program may be structured so that it is offered and completed by Franchisee in various phases.

(2) Franchisee or, if Franchisee is a Corporate Entity, Franchisee's Managing Owner as well as Franchisee's Operating Manager and/or Lead Instructor, at Franchisee's sole cost and expense, must attend and successfully complete all refresher training courses or system-wide training courses,

additional training programs and seminars as Franchisor periodically may designate or offer in Franchisor's Reasonable Business Judgment. Franchisor provides instructors and training materials for those programs and seminars, but Franchisor reserves the right to assess Franchisee reasonable charges for such training. Franchisee is responsible for all expenses Franchisee and Franchisee's employee incurs in connection with attendance and participation in these programs and seminars, including, without limitation, the cost of transportation, lodging, meals and any salaries and other wages.

(3) Franchisee shall pay all costs and expenses incurred by Franchisee, and those attending training on behalf of Franchisee, in connection with Franchisee's participation in all Training Programs and satisfaction of Franchisee's Training Program obligations as designated by Franchisor.

(4) Subject to Franchisor's approval and agreement, Franchisor may offer supplemental training to Franchisee at Franchisee's Training Center Location or, as elected by Franchisor, remotely through online web-based conferencing (hereinafter referred to as "Supplemental Training"). Franchisor, in Franchisors Reasonable Business Judgment, reserves the right to reject or approve of any request by Franchisee for Supplemental Training. If Franchisor does agree to offer and provide Supplemental Training, Franchisee shall pay to Franchisor a supplemental training fee at the rate of $500 per trainer per day plus, if applicable, reimbursement of travel and hotel accommodation expenses incurred by Franchisor (the "Supplemental Training Fee"). Franchisee agrees that in each instance where Franchisee hires a new Operating Manager or Lead Instructor, and/or Franchisor, in Franchisor's Reasonable Business Judgment, determines that Franchisee is not satisfying and/or meeting Franchisor's operational standards, then, Franchisor may require that Franchisee, and/or, as applicable, Franchisee's Operating Manager or Lead Instructor participate in and, successfully complete, Supplemental Training pay the Supplemental Training Fees designated by Franchisor. Supplemental Training Fees shall be pre-paid in advance of training and upon submission of invoice by Franchisor to Franchisee.

(5) Franchisor, in Franchisor's Reasonable Business Judgment must approve of all individuals attending and participating in the Training Program and all Supplemental Training programs. All participants in the Training Program must qualify as either an Owner, Operating Manager or Lead Instructor and, prior to training, among other things, must have executed the Franchise Owner and Spouse Agreement and Guaranty or the Confidentiality Agreement, respectively.

4.B. OPERATING ASSISTANCE

From time to time and as determined by Franchisor, in Franchisor's Reasonable Business Judgment, Franchisor shall advise Franchisee of those applicable standards, procedures and System requirements concerning the Franchised Business. Operating assistance may, as determined by Franchisor, in Franchisor's sole discretion, consist of:

(1) Establishing and communicating systems and procedures related to the development and operation of the Franchised Business;

(2) Establishing and communicating Approved Products and Services and, as applicable and as determined by Franchisor, modifications, if any, to the Approved Products and Services including, but not limited to, additions, deletions, and/or changes to the Approved Products and Services;

(3) Designating and communicating System Supplies and, as applicable and as determined by Franchisor, modifications, if any, to the System Supplies including, but not limited to, additions, deletions, and/or changes to the System Supplies;

(4) Designating and communicating approved and designated suppliers of the Franchised Business and, as applicable and as determined by Franchisor, modifications, if any, to approved and designated suppliers including, but not limited to, additions, deletions, and/or changes to the approved and designated suppliers;
(5) Establishing and communicating marketing and brand standards related to the promotion of the Franchised Business;

(6) Approving or disapproving of Franchisee requests related to marketing materials and Digital Media that may be used to market the Franchised Business; and

(7) Establishing and communicating System standards and requirements in the form of the Operations Manual and, as Franchisor, in Franchisor's sole discretion.

4.C. OPERATIONS MANUAL

Franchisor shall provide Franchisee with access to the Operations Manual. The Operations Manual contains, as designated and determined by Franchisor, mandatory and, as applicable, suggested specifications, standards and operating procedures that Franchisor prescribes for USA Ninja Challenge Training Centers. Franchisee shall operate the Franchised Business in strict accordance with the standards, specifications, and requirements set forth in the Operations Manual as, such standards, specifications, and requirements including, but not limited to, the Approved Products and Services, System Supplies, and, authorized and designated suppliers, as of the Effective Date of this Agreement, and, as they may be supplemented, modified, changed, and/or replaced in the future and, from time to time, by Franchisor, in Franchisor's Reasonable Business Judgment. Franchisee shall keep and maintain the confidentiality of the Operations Manual and, shall keep and maintain all files, data and information contained in the Operations Manual in a secure location and/or in a protected confidential state and, as otherwise directed by Franchisor. The master copy and official version of the Operations Manual is and shall be the copy and/or version maintained and designated by Franchisor in Franchisor's ordinary course of business.

Franchisor shall provide Franchisee with reasonable notice of modifications and changes made to the Operations Manual and, such notice may take this form of electronic communications including emails and, if the Operations Manual is maintained on an online web-based platform, notifications within said platform. Franchisor shall provide Franchisee with a reasonable period of time, as determined by Franchisor, in Franchisor's Reasonable Business Judgment, to implement change and modifications as set forth in the Operations Manual. Without limitation to the foregoing, Franchisee may only offer and sell the Approved Products and Services and utilize the System Supplies as designated by Franchisor, in Franchisor's Reasonable Business Judgment, in the Operations Manual and, in accordance with the terms, specifications and requirements set forth in the Operations Manual and as Franchisor may supplement and modify the Operations Manual from time to time or, as Franchisor may otherwise designate in writing.

ARTICLE 5
FEES

5.A. INITIAL FRANCHISE FEE

Upon execution of this Agreement Franchisee shall pay to Franchisor a non-recurring initial franchisee fee (the "Initial Franchise Fee") of $60,000. The Initial Franchise Fee is fully earned by Franchisor upon execution of this Agreement and is not refundable.

5.B. ROYALTY FEES

Throughout the Term of this Agreement, Franchisee shall pay to Franchisor a continuing monthly non-refundable royalty fee (the "Royalty Fee") in an amount equal to 7.5% (the "Royalty Rate") of Franchisee's monthly Gross Sales. The Royalty Fee shall be calculated on a monthly basis for each respective monthly

Accounting Period. The Royalty Fee during any Renewal Term shall be determined by Franchisor but shall not be less than the Royalty Fee and Royalty Rate set forth in this Agreement. If any federal, state or local tax or withholding obligation, other than an income tax, is imposed on the Royalty Fee paid by Franchisee to Franchisor that, Franchisor cannot directly and, dollar for dollar, offset against taxes required to be paid by Franchisor under any applicable federal or state laws, then Franchisee must compensate Franchisor in amounts that offset the tax and withholding obligations.

On-Going Obligation: The Royalty Fee is an on-going obligation due from Franchisee to Franchisor, is payable in United States Dollars and, as designated by Franchisor, is to be calculated and paid monthly (unless another recurring Accounting Period is designated by Franchisor) on the Gross Sales for the previous monthly Accounting Period for each and every monthly throughout the Term of this Agreement and any applicable renewal term.

Payment and Due Date: Royalty Fee payments will be paid monthly and collected by ACH, electronic funds transfer, or as otherwise designated by Franchisor and shall be due on the 10th day of each monthly Accounting Period (for the preceding month and each month thereafter throughout the entire Term of this Agreement) or such other specific day of the month that Franchisor designates from time to time or for such other period that Franchisor may designate (the "Due Date")(the term Due Date is further defined in Article 1 of this Agreement).

Tax Obligations: If any federal, state or local tax, other than an income tax, is imposed on the Royalty Fee paid by Franchisee to Franchisor that, Franchisor cannot directly and, dollar for dollar, offset against taxes required to be paid by Franchisor under any applicable federal or state laws, Franchisee must compensate Franchisor in the manner prescribed by Franchisor so that the net amount or net rate received by Franchisor for the Royalty Fee is not less than that which has been established by this Agreement and which was due to Franchisor on the effective date of this Agreement.

Payment Authorization: Upon the request of Franchisor and in no event not later than 30 days prior to the earlier of the Actual Business Commencement Date or the Scheduled Business Commencement Date, Franchisee shall execute Franchisor's designated ACH Authorization Form and such other authorization agreements, in the form prescribed by Franchisor and permitting Franchisor's direct withdrawal and/or electronic transfer of sums from Franchisee's designated business bank account, for the on-going payment of Royalty Fees, and other fees and sums due from Franchisee under this Agreement. As of the Effective Date, Franchisor's current ACH Authorization that must be executed and complied with by Franchisee is attached to this Agreement as Exhibit 7. Franchisor may require Franchisee to pay the Royalty Fees and other amounts due under this Agreement by means other than ACH and/or automatic debit whenever Franchisor deems appropriate, and Franchisee agrees to comply with Franchisor's payment instructions.

Royalty and Activity Reports: On the Due Date each month, Franchisee shall report, transmit, confirm, and/or otherwise make available to Franchisor, as designated by Franchisor, a Royalty and Activity Reports containing information as designated by Franchisor and relating to the Gross Sales, financial performance, and operations of the Franchised Business for the preceding month Accounting Period (the "Royalty and Activity Report"). Franchisor shall have the right to verify such royalty payments from time to time, as it deems necessary in any reasonable manner.

5.C. OTHER FEES

As designated by Franchisor in this Agreement, the Operations Manual, or otherwise, Franchisee shall pay to Franchisor and/or as otherwise directed by Franchisor, each of the following additional fees:

(1) Technology Fee – Throughout the Term of this Agreement, Franchisee shall pay to Franchisor a continuing monthly non-refundable technology fee (the "Technology Fee"). Franchisor, in Franchisor's Reasonable Business Judgment, possesses the right, at any and all times throughout the Term of this Agreement, to implement and charge Franchisee a monthly Technology Fee in an amount designated by Franchisor but provided that such monthly fee does not exceed $750 per month. The Technology Fee is a general administrative fee and is not connected to any particular but is used, at our discretion, to defray some of our costs related to system website, intranet, and other technology related expenses that we may designate, including, but not limited to, point of sale system software, skill tracking software system, analytics and customer relationship management software systems. The Technology Fee shall be paid to Franchisor each and every month on the Due Date.

(2) Brand Development Fund Fee – Franchisee shall pay to Franchisor, Franchisor's affiliates, or Franchisor's designees the Brand Development Fund Fee as set forth in Article 9.A. of this Agreement.

(3) Point of Sale System Fee – Franchisee shall pay to Franchisor, Franchisor's affiliates, or Franchisor's designees on-going weekly, monthly, and/or per use point of sale system fee throughout the Term of this Agreement respecting Franchisee's license and use of the point of sale system as designated and specified by Franchisor, in Franchisor's Reasonable Business Judgment.

(4) Online Ordering, Customer Rewards, and Gift Card System Fees – Franchisee shall pay to Franchisor, Franchisor's affiliates, or Franchisor's designees on-going weekly, monthly, and/or per use fees related to licensing and utilizing the technology systems and platforms used for facilitating, managing, and integrating online ordering, customer rewards and/or gift card processing as designated and specified by Franchisor, in Franchisor's Reasonable Business Judgment.

(5) Quality Assurance Audit Fees – Franchisee shall pay to Franchisor, Franchisor's affiliates, or Franchisor's designees on-going weekly, monthly, and/or per use fees, as designated and determined by Franchisor, related to quality assurance programs designated by Franchisor related to periodic inspections of Franchisee's Training Centers and/or secret shopper evaluations.

(6) Annual Conference Fees – Franchisee shall be responsible for all expenses of its personnel attending the Annual System Conference including travel, meals and lodging. Franchisee shall be required to pay to Franchisor an Annual Conference Attendance Fee if Franchisee elects to attend the Annual System Conference. **Franchisee agrees that if Franchisee registers for the Annual System Conference and fails to attend the Annual System Conference that Franchisor shall, nevertheless, charge and Franchisee shall pay the Annual Conference Attendance Fee.**

(7) Supplemental Training Fees – Franchisee shall pay to Franchisor all training fees in accordance with the terms of this Agreement including, but not limited to, Additional Initial Training Fees and Supplemental Training Fees.

(8) Non-Compliance Fees – Franchisee shall pay to Franchisor all non-compliance fees in accordance with the terms of this Agreement including, but not limited to, Payment Non-Compliance Fees, Operations Non-Compliance Fees, and Reporting Non-Compliance Fees.

(9) Website Set-Up Fee – Franchisee shall pay to Franchisor or Franchisor's affiliate a website set-up fee in an amount equal to $2,500 (the "Website Set-Up Fee). The Website Set-Up Fee is used to cover the expenses incurred by Franchisor in connection with setting up Franchisee's website. The Website Set-Up Fee is fully earned by Franchisor or Franchisor's affiliate upon payment and non-refundable.

(10) Equipment Package Fee – Franchisee shall pay to Franchisor or Franchisor's affiliate an equipment

package fee (the "Equipment Package Fee") for all the initial equipment necessary for Franchisee to open and commence operation of the Franchised Business plus taxes and transportation costs incurred by Franchisor in connection with shipping the items comprising the equipment package to Franchisee's Training Center Location. The size of Franchisee's Training Center Location will influence the cost of the Equipment Package Fee. The Equipment Package Fee is fully earned by Franchisor upon payment and non-refundable. Franchisee's purchase, receipt, use, and maintenance of all equipment comprising the Equipment Package shall be subject to the terms and conditions of the Equipment Liability and Indemnification Agreement attached to this Agreement as Exhibit 9, which Franchisee is required to execute simultaneously with this Agreement.

(11) Equipment Installation Fee – Franchisee shall pay to Franchisor or Franchisor's affiliate an equipment installation fee (the "Equipment Installation Fee") in an amount equal to $40,000. The Equipment Installation Fee is used to cover the expenses incurred by Franchisor in connection with the installation of the equipment at Franchisee's Training Center Location. The Equipment Installation Fee is fully earned by Franchisor or Franchisor's affiliate upon payment and non-refundable. The installation of all equipment at Franchisee's Training Center Location shall be subject to the terms and conditions of the Equipment Liability and Indemnification Agreement attached to this Agreement as Exhibit 9, which Franchisee is required to execute simultaneously with this Agreement.

(12) All Other Fees and Obligations Set Forth in this Agreement – Franchisee shall pay to Franchisor, Franchisor's affiliates, or Franchisor's designees all other fees, charges, and/or expenses set forth in this Agreement and in accordance with the terms of this Agreement. If no particular due date is stated in this Agreement, then such date or dates shall be determined by Franchisor in Franchisor's Reasonable Business Judgment.

5.D. PAYMENT NON-COMPLIANCE FEES AND CHARGES

In addition to all other rights afforded to Franchisor under this Agreement, in connection with each and every fee, charge, and/or obligation payable and due from Franchisee to Franchisor under the terms of this Agreement including, but not limited to, this Article 5, within 14 days of Franchisor's invoice, Franchisee shall pay to Franchisor: (a) a payment non-compliance fee in the amount of $150 (the "Payment Non-Compliance Fee") for each and every instance where a fee, charge, and/or obligation payable to Franchisor under this Agreement is not paid in full when due; plus (b) interest on all unpaid fees, sums, and/or obligations payable and due from Franchisee to Franchisor at an interest rate equal to the lesser of either 18% per annum, or the maximum interest rate allowed by applicable law and with interest accruing on the date when such fee, sum, or obligation was due; plus (c) all costs incurred by Franchisor in the collection of such unpaid and past due obligations including, but not limited to, reasonable attorney's fees, costs, and expenses. Additionally, if Franchisee's bank account possesses insufficient funds and/or fails to process a payment related to any fee due to Franchisor, Franchisor may charge the greater of either (i) 5% of the amount; (ii) $50 for each instance; or (iii) the maximum amount allowed by law. The foregoing does not constitute Franchisor's agreement to accept payments after they are due or a commitment by Franchisor to extend credit to, or otherwise finance Franchisee's operation of the Franchised Business. Nothing contained in this Article 5.D. shall be interpreted as interfering with and/or negating Franchisor's rights and remedies as set forth in Article 16 and, as otherwise set forth in this Agreement. All rights and remedies of Franchisor are cumulative and shall be interpreted as cumulative to one another.

5.E. APPLICATION OF PAYMENTS

Franchisor has sole discretion to apply any payments received from Franchisee or to offset any indebtedness of Franchisee to Franchisor to any past due indebtedness of Franchisee for Royalty Fees, Advertising Contributions, purchases from Franchisor or its affiliates, interest or any other indebtedness of Franchisee to Franchisor or its affiliates.

5.F. WITHHOLDING PAYMENTS UNLAWFUL

Franchisee agrees that under no circumstance is Franchisee entitled to withhold payments due to Franchisor under this Agreement. Among other things and without limitation to the foregoing, Franchisee expressly agrees that any claim by Franchisee as to the alleged non-performance of Franchisor's obligations shall not permit and/or entitle Franchisee to withhold payments due Franchisor under this Agreement.

ARTICLE 6
RESTRICTIVE COVENANTS AND OBLIGATIONS

6.A. NECESSITY FOR RESTRICTIVE COVENANTS

Franchisee agrees that only through the course of entering into this Agreement is Franchisee being provided with access to the System, Franchisor's training, use of the Licensed Marks and, access to the Operations Manual and Confidential Information. Franchisee agrees that competition by Franchisee, Owners, Spouses and/or Immediate Family Members could jeopardize the entire System and cause irreparable harm to Franchisor and franchisees of USA Ninja Challenge Training Centers. Accordingly, Franchisee and Franchisee's Owners and Spouses agree to comply with the restrictive covenants set forth in this Article 6 and throughout this Agreement.

6.B. RESTRICTIVE COVENANTS: KNOW-HOW

Franchisee agrees that, at all times, both during the Term of this Agreement and after its expiration or termination, Franchisee: (a) shall not use the Know-How in any business or capacity other than the operation of the Franchised Business pursuant to this Agreement and as instructed by Franchisor; (b) shall maintain the confidentiality of the Know-How at all times; (c) shall not make unauthorized copies of documents containing any Know-How; (d) shall take all reasonable steps that Franchisor requires from time to time to prevent unauthorized use or disclosure of the Know-How; and (e) shall stop using the Know-How immediately upon the expiration, termination or Transfer of this Agreement. Franchisee agrees that the foregoing covenants and obligations shall also apply to: (a) Franchisee's Owners and Spouses and that Franchisee's Owners and Spouses shall each execute and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this Agreement as Exhibit 1; and (b) Franchisee's directors, officers, employees and agents where disclosure of the Know-How was necessary for the operations of the Franchised Business and where such individual previously executed and timely delivered to Franchisor the Confidentiality Agreement in the form attached as Exhibit 2.

6.C. RESTRICTIVE COVENANTS: CONFIDENTIAL INFORMATION

Franchisee agrees that, at all times, both during the Term of this Agreement and, after its expiration or termination, Franchisee: (a) shall not use the Confidential Information in any business or capacity other than the USA Ninja Challenge Training Center operated by Franchisee; (b) shall maintain the confidentiality of the Confidential Information at all times; (c) shall not make unauthorized copies of documents containing any Confidential Information; (d) shall take such reasonable steps as Franchisor may ask of Franchisee from time to time to prevent unauthorized use or disclosure of the Confidential Information; and (e) shall stop using the Confidential Information immediately upon the expiration, termination or Transfer of this Agreement. Franchisee agrees that the foregoing covenants and obligations shall also apply to: (a) Franchisee's Owners and Spouses and that Franchisee's Owners and Spouses shall each execute and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this Agreement as Exhibit 1; and (b) Franchisee's directors, officers, employees and agents where disclosure of the Confidential Information was necessary for the operations of the Franchised Business and where such director, officer, employee and/or agent previously executed and timely delivered to Franchisor the Confidentiality Agreement in the form attached as Exhibit 2.

6.D. RESTRICTIVE COVENANTS: UNFAIR COMPETITION AND IN-TERM NON-COMPETITION OBLIGATIONS

Franchisee agrees that during the Term of this Agreement, Franchisee shall not engage in the following activities (the "Prohibited Activities"): (a) owning and/or having any legal or equitable interest whether, as an individual proprietor, owner, partner, member or shareholder of a Corporate Entity, or, in any similar capacity, in a Competitive Business other than, owning an interest of 3% or less in a publicly traded company that is a Competitive Business; (b) operating, managing, funding and/or performing services whether, as an employee, officer, director, manager, consultant, representative, agent, and/or creditor or, in any similar capacity, for or benefitting a Competitive Business; (c) diverting or attempting to divert any business or customers from Franchisor or, one of Franchisor's affiliates or franchisees; (d) inducing any customer or client of Franchisor, Franchisor's affiliates, franchisees of the System, or, of Franchisee, to any other person or business that is not a USA Ninja Challenge Training Center; and/or (e) engaging in any actions, inactions, and/or activities in violation of Articles 6.B. and/or 6.C. of this Agreement (all, individually and, collectively, referred to as the "Prohibited Activities"). Franchisee agrees that if Franchisee were to engage in the Prohibited Activities that such actions would be unfair, would constitute unfair competition and would cause harm to Franchisor, the System and other USA Ninja Challenge Training Center franchisees. Franchisee agrees that the foregoing covenants and obligations shall also apply to Franchisee's Owners and Spouses and that Franchisee's Owners and Spouses shall each execute and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this Agreement as Exhibit 1.

6.E. RESTRICTIVE COVENANTS: UNFAIR COMPETITION AND POST-TERMINATION NON-COMPETITION OBLIGATIONS

Franchisee agrees that during the Post-Term Restricted Period, Franchisee shall not engage in any Prohibited Activities provided, however, that the Prohibited Activities relating to Franchisee's having an interest in a Competitive Business will only apply with respect to a Competitive Business that is located within a Restricted Territory. If Franchisee is engaged in any Prohibited Activities during the Post-Term Restricted Period, Franchisee agrees that Franchisee's Post-Term Restricted Period will be extended by the period of time during which Franchisee was engaging in the Prohibited Activity and, any such extension of time will not be construed as a waiver of Franchisee's breach or otherwise impair any of Franchisor's rights or remedies relating to Franchisee's breach. Franchisee agrees that the foregoing covenants and restrictions shall also apply to Franchisee's Owners and Spouses and that Franchisee's Owners and Spouses shall each execute and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this Agreement as Exhibit 1. Franchisee agrees that the covenants and restrictions set forth in this Article 6.E. and, otherwise in this Article 6, are fair and reasonable and, that if Franchisee engaged in any Prohibited Activity that such actions would constitute acts of unfair competition, causing irreparable harm to Franchisor and the System.

6.F. IMMEDIATE FAMILY MEMBERS

Franchisee agrees that should Franchisee circumvent the restrictive covenants and obligations of this Article 6 by disclosing Confidential Information or Know-How to an Immediate Family Member, that Franchisor and the System, will be irreparably harmed. Franchisee agrees that if Franchisee or, one of Franchisee's Owners, discloses Confidential Information or Know-How to an immediate family member and, the immediate family member of Franchisee or an Owner, uses the Confidential Information or Know-How to engage in activities that, for Franchisee, qualify as Prohibited Activities, that Franchisor and the System will be irreparably harmed. Franchisee agrees that as between Franchisee and Franchisor, that Franchisee and Franchisee's Owners are in a better position to know if Franchisee permitted and/or provided an immediate family member with access to the Confidential Information or Know-How and that, therefore, Franchisee agrees that Franchisee will be presumed to have violated the terms of this Agreement and, in particular, the restrictive covenants and obligations set forth in this Article 6 if any member of Franchisee's

immediate family or the immediate family of an Owner: (a) engages in any Prohibited Activities during any period of time during which Franchisee is prohibited from engaging in the Prohibited Activities; and/or (b) uses or discloses the Confidential Information and/or Know-How. Franchisee may rebut the foregoing presumption by providing evidence conclusively demonstrating that neither Franchisee nor Franchisee's Owners disclosed the Confidential Information and did not permit disclosure of the Confidential Information to the family member of Franchisee or Franchisee's Owner. Franchisee agrees that the foregoing covenants, obligations, representations, and burden of proof shall also apply to Franchisee's Owners and Spouses and, that Franchisee's Owners and Spouses shall each execute and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this Agreement as Exhibit 1.

6.G. REASONABLENESS OF RESTRICTIVE COVENANTS AND OBLIGATIONS

Franchisee agrees that: (a) the terms of this Article 6 are reasonable both in time and in scope of geographic area; and (b) Franchisee has sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Article 6. **Franchisee hereby waives any right to challenge the terms of this Article 6 as being overly broad, unreasonable or otherwise unenforceable.** Although Franchisee and Franchisor both believe that the restrictive covenants and obligations of this Article 6 to be reasonable in terms of scope, duration and geographic area, Franchisor may at any time unilaterally modify the terms of this Article 6 (provided that such modification is in writing and signed by Franchisor) by limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Post-Term Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon Franchisee under this Article 6 to ensure that the terms and covenants are enforceable under applicable law.

6.H. BREACH OF RESTRICTIVE COVENANTS AND OBLIGATIONS

Franchisee agrees that Franchisee's failure and/or Franchisee's Owner(s) failure to comply with the restrictive covenants and obligations set forth in this Article 6 will cause irreparable harm to Franchisor and/or other USA Ninja Challenge Training Center franchisees for which there is no adequate remedy at law. Franchisee agrees that any violation of these Article 6 covenants and obligations by either Franchisee and/or any Owner(s) will entitle Franchisor to injunctive relief. Franchisee agrees that Franchisor may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of Franchisee, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the Franchisee and Franchisor agree that the amount of the bond shall not exceed $1,000. Franchisor's remedies under this Article 6.H. are not exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

6.I. OWNERSHIP OF INNOVATIONS, IMPROVEMENTS, AND INFORMATION

Franchisee agrees that with regard to the Franchised Business all customer lists and their contents and information represent Confidential Information and constitute an asset of Franchisor whether or not such information was supplied by Franchisor. During the Term of this Agreement and in connection with the development, establishment, marketing, promotion and operation of the Franchised Business, Franchisee shall disclose to Franchisor all of Franchisee's ideas, concepts, methods and products conceived or developed by Franchisee and Franchisee's affiliates, Owners, agents, and employees relating to the development and operation of USA Ninja Challenge Training Centers. Franchisee hereby assigns to Franchisor and Franchisee agrees to procure from Franchisee's Owners, affiliates and employees assignment of any such ideas, concepts, methods, and products that Franchisee is required to disclose to Franchisor under this Article 6.I. Franchisor shall have no obligation to make any lump sum or on-going payments to Franchisee or Franchisee's Owners, affiliates or employees with respect to any such idea,

concept, method, technique or product. Franchisee agrees that Franchisee will not use or allow any other person or entity to use any such concept, method or product without obtaining Franchisor's prior written approval.

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ARTICLE 7
OPERATING STANDARDS

7.A. OPERATIONS, MAINTENANCE, AND APPEARANCE

At all times, Franchisee and the Franchised Business shall: (a) exclusively offer and sell the Approved Products and Services as designated by Franchisor in the Operations Manual and/or as otherwise designated by Franchisor in writing and as may be modified by Franchisor from time to time; (b) exclusively operate the Training Center in accordance with the standards, specifications, and operational requirements as designated by Franchisor in this Agreement, the Operations Manuals, and/or as otherwise designated by Franchisor in writing and as may be modified by Franchisor from time to time; (c) exclusively purchase and use the System Supplies as designated by Franchisor in the Operations Manual and as may be modified by Franchisor from time to time; (d) maintain a complete and updated inventory and supply of System Supplies as designated by Franchisor in the Operations Manual and as may be modified by Franchisor from time to time; (e) maintain Franchisee's Training Center Facility in a clean, sanitary, functional and well maintained condition and in compliance with all federal, state, and local laws, rules, regulations, and ordinances; (f) maintain Franchisee's Training Center Facility, equipment, furniture, and fixtures as designated by Franchisor in the Operations Manual and/or as otherwise designated by Franchisor in writing and, as may be modified by Franchisor from time to time; (g) take all requested corrective measures and actions designated and/or requested, in writing, by Franchisor and/or Franchisor's agents following on-site inspections, reviews, and/or assessments, including secret shopper programs and other announced or unannounced; and (h) maintain and satisfy, as ongoing and continuing obligations, all operational requirements set forth in this Agreement including, but not limited to, Articles 3.D. and 3.E. of this Agreement.

7.B. UPDATING, REMODELING, AND REDECORATING

Upon written request of Franchisor, Franchisee must, as specified by Franchisor, update, remodel, redecorate, upgrade, add to, and improve Franchisee's Training Center, Training Center Facility, equipment, furniture, and fixtures in compliance with and satisfaction of Franchisor's then current standards and specifications as designated and determined by Franchisor in Franchisor's Reasonable Business Judgment. Franchisee agrees to make such improvements, additions, and/or modifications in accordance with the instruction of Franchisor. Franchisor will not require, pursuant to this Article 7.B., such updates, remodeling and/or redecorating more frequently than every four years during the term of this Agreement, except that if the Training Center is transferred pursuant to Article 14, Franchisor may request that the transferee update, remodel redecorate, upgrade, add to, and improve the Training Center as described in this Article 7.B.

7.C. REMEDIES FOR NON-COMPLIANCE WITH UPDATES, UPGRADES, AND APPEARANCE REQUIREMENTS

If Franchisee fails or refuses to initiate within 30 days after Franchisor's request, and/or fails to continue in good faith and with due diligence, any required improvement, modification, refurbishment, renovation, and/or remodel of Franchisee's Training Center, then Franchisor has the right, but is not obligated, to enter upon Franchisee's Training Center Facility and Franchisee's Training Center Location and effect such improvement, modification, refurbishment, renovation, and/or remodel on Franchisee's behalf, and Franchisee must pay the entire cost to Franchisor on demand.

7.D. DAMAGE CAUSED BY CASUALTY

If Franchisee's Training Center is damaged or destroyed by fire or any other casualty, Franchisee must, as soon as practicable but in no event later than two months after such casualty, initiate repairs or reconstruction, and thereafter in good faith and with due diligence continue until completion of the repairs or reconstruction, to restore the premises of the Franchised Business and Franchisee's Training Center Facility to its original condition before casualty and otherwise in compliance with Franchisor's standards and specifications.

7.E. ALTERATIONS

Franchisee shall not make any material alterations to Franchisee's Training Center Facility without Franchisor's prior written consent. Franchisee shall not replace or make any unapproved replacements of or material alterations to the fixtures, equipment, furniture, designs or signs, comprising or being a part of Franchisee's Training Center Facility. Franchisor has the right, in its sole discretion and at the sole expense of Franchisee, to rectify any material alterations to Franchisee's Training Center Facility not previously approved by Franchisor or contrary to the specifications and standards of Franchisor as contained in the Operations Manual or otherwise set forth by Franchisor. Franchisor will provide written notice to Franchisee before Franchisor makes the correction, if Franchisor elects to do so.

7.F. BRAND STANDARDS AND FRANCHISOR DESIGNATED REQUIREMENTS

Franchisee shall develop and operate the Franchised Business in strict conformity with the methods, standards, specifications, procedures, and operational requirements as designated and determined by Franchisor, in Franchisor's Reasonable Business Judgment, and as set forth in the Operations Manual, as prescribed by Franchisor in writing, and, as Franchisor, in Franchisor's Reasonable Business Judgment, may supplement, modify, and amend from time to time. Supplementing, and without limitation to the foregoing, Franchisee, agrees that the foregoing standards, specifications, procedures, and operational requirements shall relate to and include, among other things, the Approved Products and Services, the System Supplies, System standards and service requirements as designated by Franchisor, authorized and mandatory inventory levels and inventory items, authorized and mandatory supplies and inventory supply levels, designated suppliers, standards related to brand uniformity including, brand standards regarding uniforms, marketing materials, marketing media, the appearance and operations of the Franchised Business, customer service and satisfaction standards including, customer rewards programs, refund policies, gift card policies, special promotions and other customer incentive and goodwill programs, brand standards and brand standard requirements as to employee knowledge and implementation of System brand standards but, not related to employment or joint employment policies, secret shopper programs, Franchisor designated secret quality control inspections, payment processing systems, Franchisor access to Business Management Systems, and, the overall operations of the Franchised Business.

7.G. APPROVED SERVICES, PRODUCTS, EQUIPMENT AND SUPPLIERS

Franchisee agrees that, among other things, the products and services to be offered and sold by the Franchised Business, the products, inventory, supplies, suppliers and equipment used by the Franchised Business, the methods for monitoring customer satisfaction and, the methods for marketing and promoting the Franchised Business must conform to Franchisor's System standards and specifications as determined by Franchisor, in Franchisor's Reasonable Business Judgment, and, as designated by Franchisor in the Operations Manual and, as modified by Franchisor from time to time. Without limitation to the foregoing, Franchisee agrees that:

(1) The Franchised Business shall exclusively offer and sell, at retail, the Approved Products and Services, as designated and determined by Franchisor in Franchisor's Reasonable Business Judgment and as may be modified by Franchisor from time to time, on-site at Franchisee's Training Center Location.

(2) The Franchised Business will exclusively: (a) offer and sell the Approved Products and Services; (b) provide the Approved Products and Services in accordance with the System's standards and specifications; (c) exclusively purchase all System Supplies, including, but not limited to, merchandise, inventory, and supplies, from Franchisor or Franchisor's designated suppliers; (d) exclusively purchase and use equipment, supplies, promotional materials, point of sale systems and Business Management Systems designated by Franchisor and subject to Franchisor's specifications; (e) purchase interior displays, point of sale displays, uniforms, supplies, marketing materials and promotional materials including, but not limited to, System Supplies, as designated by Franchisor and only from Franchisor or Franchisor's approved supplier(s); and (f) purchase from distributors and other suppliers approved by Franchisor all other materials, inventory, goods, and supplies including, but not limited to, System Supplies, used in offering, selling, preparing, providing, marketing, and/or selling the Approved Products and Services.

(3) Franchisor has and will periodically approve suppliers and distributors of the equipment, materials, supplies and products including, but not limited to, System Supplies, that meet Franchisor's standards, specifications, and requirements including, without limitation, standards, specifications, and requirements relating to the equipment and supplies to be used by the Franchised Business.

(4) Franchisor, in Franchisor's Reasonable Business Judgment, may from time to time modify the list of approved brands, suppliers and distributors of System Supplies and approved equipment, supplies and services to be utilized by the Franchised Business and Franchisee shall, after receipt in writing of such modification, not reorder any brand and/or purchase from any supplier or distributor that is no longer designated or approved by Franchisor.

(5) Franchisor reserves the right to designate from time to time a single supplier and/or distributor for any services, products, equipment, supplies, or materials including, but not limited to, the System Supplies and to require Franchisee to use such a designated supplier exclusively, which exclusive designated supplier and/or distributor may be Franchisor and/or Franchisor's affiliates. Franchisor and its affiliates may receive payments from suppliers and/or distributors on account of such supplier's or distributor's dealings with Franchisee and other franchisees and Franchisor may use all amounts so received without restriction and, for any purpose, including Franchisor's profit.

(6) If Franchisee proposes or requests that Franchisor consider the approval of products, services, equipment, supplies, suppliers and/or distributors for use in the Franchised Business where such products, services, equipment, supplies, suppliers and/or distributors are not presently, at the time of Franchisee's request, approved for use in the System: (a) Franchisee must provide Franchisor with a written request where Franchisee specifies the product, service, equipment, supply, supplier and/or distributor, the reason for Franchisee's request; (b) shall timely submit to Franchisor such information, reports, specifications, and samples as Franchisor, in Franchisor's Reasonable Business Judgment requests; and (c) shall pay to Franchisor a Supplier Evaluation Fee per requested product, service, equipment, supply, supplier and/or distributor to be considered including, but not limited to, the Supplier Evaluation Fees that Franchisor, in Franchisors Reasonable Business Judgment, establishes and assesses based on, among other things, the administrative costs and time associated with evaluating, assessing and testing the proposed product, service, equipment, supply, supplier and/or distributor including, but not limited to Franchisor's internal employees and independent third parties engaged and/or retained by Franchisor for evaluation and testing. The foregoing fees and payments shall be paid by Franchisee to Franchisor within 14 days of the date of Franchisor's invoice. Upon Franchisee's compliance with the foregoing, within 60 days of the completion of all inspections and evaluations, Franchisor shall notify Franchisee of Franchisor's approval or disapproval which shall be determined

by Franchisor in Franchisor's Reasonable Business Judgment. Under no circumstance shall the foregoing be construed as implying that Franchisor is required to approve alternative suppliers.

7.H. MARKET RESEARCH AND TESTING

Franchisor may conduct market research and testing to evaluate, modify, test and/or sample the services, products, equipment and supplies authorized by Franchisor and to determine consumer trends and the viability of certain services and products. Franchisee agrees to participate in Franchisor's market research programs that may be conducted by Franchisor in its discretion, by test marketing services and/or products from the Franchised Business. Franchisee agrees to provide Franchisor with timely reports and other relevant information regarding such market research. Franchisee agrees to purchase a reasonable quantity of the tested products and effectively promote and make a reasonable effort to sell the products and/or services.

7.I. COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES

(1) Franchisee shall secure and maintain in full force all required licenses, permits and certificates relating to the operation of the Franchised Business, and Franchisee must operate the Franchised Business in full compliance with all applicable laws, ordinances, codes and regulations.

(2) Franchisee shall, at all times, investigate, review, and comply with all laws applicable to the operation of the Franchised Business, including, without limitation, all labor laws and obligations, wage and hour laws and obligations, employer practices laws and obligations, labor department rules and regulations, workers compensation and unemployment laws and rules, insurance obligations, and health and safety laws, rules and obligations.

(3) Franchisee shall, at all times, investigate, review, and comply with all laws, rules, and regulations related to all laws, rules, and regulations related to customer and employee privacy obligations and protections and, all laws, rules, and regulations, related to the privacy and protection of customer and employee information and data and, all laws, rules, and regulations related to customer and employee solicitations.

(4) Franchisee must immediately notify Franchisor in writing of any of the following concerning Franchisee, the Franchised Business, Franchisee's Training Center Location and/or Franchisee's Training Center Facility: (a) any cause of action, claim, lawsuit, proceeding, and investigation; (b) issuance of any order, writ, injunction, award, and/or decree by any court, agency, or other governmental entity; and (c) any notice of violation of any law, ordinance, code, permit, or regulation.

(5) Franchisee shall, at all times, ensure that all advertising and promotion of the Franchised Business by Franchisee is completely factual and conforms to the highest standards of ethical advertising, and is in conformity with Franchisor's standards and specifications. Franchisee shall refrain from any business practice, advertising practice, or personal conduct that may be injurious to Franchisor, the System, USA Ninja Challenge Training Centers, and the Licensed Marks. Franchisor, in Franchisor's sole discretion, shall possess, among other things, the unilateral right to reject any and all advertising relating to the Franchised Business, Franchisor, the System, USA Ninja Challenge Training Centers and/or using the Licensed Marks.

(6) Franchisee and Owners agree to comply with, and/or to assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with Anti-Terrorism Laws (as defined below). In connection with such compliance, Franchisee and each Owner certify, represent, and warrant that Franchisee's or any Owner's property or interests is not subject to being "blocked" under any of the Anti-Terrorism Laws, and Franchisee and each Owner are not otherwise in violation of any of the Anti-Terrorism Laws. Franchisee further certifies that Franchisee and each Owner are not listed on the Annex to Executive

Order 13244 (the Annex is available at http://www.treasury.gov) and will not become so listed, hire any person so listed, or have dealings with any person so listed. Franchisee agrees to immediately notify Franchisor if Franchisee or any Owner become so listed. "Anti-Terrorism Laws" refers to and means Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority addressing, or in any way relating to, terrorist acts and acts of war. If Franchisee, an Owner, or Franchisee's employees violate any of the Anti-Terrorism Laws and/or become listed on the Annex to Executive Order 13244, then Franchisor may terminate this Agreement immediately without prior notice to Franchisee.

In connection with Franchisee's compliance with the terms of this Article 7.I., if Franchisee discovers, learns of, and/or becomes aware of any conflict and/or discrepancy between Franchisee's obligations under this Article 7.I. with Franchisor's standards and/or specifications as contained in this Agreement, in the Operations Manual, and/or as otherwise designated by Franchisor from time to time, Franchisee shall immediately notify Franchisor in writing of such discrepancy. In the event of any conflict or ambiguity, Franchisor's determination and/or resolution made by Franchisor, in writing, and, specifically with regard to the presented conflict or ambiguity, shall be determinative as between Franchisor and Franchisee and the operations of the Franchised Business.

7.J. MANAGEMENT OF TRAINING CENTER

(1) Franchisee agrees that critical to the success of the Franchised Business is the active, continuing and substantial personal involvement and hands-on supervision of Franchisee's Managing Owner. At all times, Franchisee's USA Ninja Challenge Training Center must be under the active, continuing and substantial personal involvement and hands-on supervision of Franchisee's Managing Owner. The Managing Owner must at all times be actively involved in the operation of the Franchised Business unless Franchisee delegates management functions to an authorized Operating Manager who, among other things, satisfactorily completed Franchisor's Training Program and has otherwise meet the criteria and conditions for qualification as an Operating Manager. If the Operating Manager is a family member of Franchisee and/or an Owner then the Operating Manager must also sign and agree to be bound by the terms of the Franchise Owner and Spouse Agreement and Guaranty.

(2) Franchisee must, at all times, faithfully, honestly and diligently perform its obligations hereunder, and continuously exert its best efforts to promote and enhance the business of the Franchised Business and the goodwill of the Licensed Marks.

(3) If, at any time, the Franchised Business is not being managed by a Managing Owner or Operating Manager who satisfactorily completed the Training Program, Franchisor is authorized, but is not required, to immediately appoint a manager to maintain the operations of the Franchised Business for and on behalf of Franchisee. Franchisor's appointment of a manager of the Franchised Business does not relieve Franchisee of its obligations or constitute a waiver of Franchisor's right to terminate the Franchise pursuant to Article 16. Franchisor is not liable for any debts, losses, costs or expenses incurred in the operations of the Franchised Business or to any creditor of Franchisee for any products, materials, supplies or services purchased by the Franchised Business while it is managed by Franchisor's appointed manager. Franchisor has the right to charge fees and expenses, as determined by Franchisor, in Franchisor's Reasonable Business Judgment, for management services (the "Management Service Fees"). Any determination as to whether or not Franchisor may elect to provide management services, if any, and the extent of such services, and/or the discontinuation thereof, shall be exclusively determined by Franchisor in Franchisor's Reasonable Business Judgment. The Management Service Fee shall be immediately payable upon invoice by us.

(4) Franchisee will at all times maintain sufficient working capital to fulfill its obligations under this Agreement.

7.K. REMEDIES FOR NONCOMPLIANCE WITH OPERATIONAL STANDARDS

In addition to all other rights afforded to Franchisor under this Agreement, in connection with any, each, and every violation of any term, provision, and/or operational requirement as set forth in this Article 7 (an "Operations Violation"), within 14 days of Franchisor's invoice, Franchisee shall pay to Franchisor an operations non-compliance fee (the "Operations Non-Compliance Fee") in the amount of: (a) $1,000 for each and every instance / event related to an Operations Violation involving the sale of services and/or products that are not Approved Products and Services; (b) $1,000 for each and every instance / event related to an Operations Violation involving the failure to exclusively use System Supplies, and/or Franchisor designated suppliers; and (c) $450 for all other Operations Violation. Additionally, in each of the foregoing instances, within 14 days of Franchisor's invoice, Franchisee shall pay to Franchisor all costs and expenses incurred by Franchisor in connection with any inspections, audits, and/or re-inspections directed and/or undertaken by Franchisor for the purpose, as determined by Franchisor in Franchisor's Reasonable Business Judgment, of determining whether or not Franchisee's Operations Violation has been cured in accordance with Franchisor's standards and specifications. The foregoing does not constitute Franchisor's consent to and/or acquiescence to Operations Violations. Nothing contained in this Article 7.K. shall be interpreted as interfering with and/or negating Franchisor's rights and remedies as set forth in Article 16, and as otherwise set forth in this Agreement. All rights and remedies of Franchisor are cumulative and shall be interpreted as cumulative to one another.

ARTICLE 8
INSURANCE

Franchisee must procure and maintain in full force at all times during the Term of this Agreement, at Franchisee's sole expense, on a primary rather than a participatory basis with Franchisor, an insurance policy or policies protecting Franchisee as named insured and naming, as additional insureds, Franchisor, Franchisor's affiliates, Franchisor's successors and assigns, and the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of Franchisor against any demand or claim with respect to personal injury, death or property damage, or any loss, liability or expense whatsoever arising or occurring upon or in connection with the Franchised Business. The policy or policies must be written by a responsible carrier or carriers with an AM Best Rating of at least A-, VII and reasonably acceptable to Franchisor.

The currently required insurance policies, insurance coverage requirements, and insurance coverage amounts are designated and set forth in the Operations Manual. Franchisor may, in Franchisor's Reasonable Business Judgment, periodically change the amounts of coverage required under such insurance policies and require different or additional kinds of insurance at any time, 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. Notwithstanding the immediately foregoing sentence, Franchisor shall not increase such minimum coverage more than once every two years. All public liability and property damages policies must contain a provision that Franchisor is entitled to recover under these policies on any loss occasioned to Franchisor, Franchisor's affiliates, Franchisor's successors and assigns, and the officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, and employees of Franchisor by reason of the negligence of Franchisee and/or Franchisee's officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, and employees.

By the earlier of 90 days after the Effective Date or prior to the commencement of the Training Program, Franchisee must deliver, or cause to be delivered, to Franchisor a copy of the certificates of insurance

demonstrating Franchisee's compliance with this Article 8. All insurance policies required must expressly provide that no less than 30 days' prior written notice shall be given to Franchisor in the event of a material alteration to, or cancellation of, any insurance policy Franchisee is required to maintain in accordance with this Agreement.

In the event Franchisee fails, for any reason, to procure or maintain the insurance required by this Agreement, then Franchisor has the right and authority (but not the obligation) to immediately procure insurance and charge all costs, fees, and expenses associated with same to Franchisee, which such charges, together with a reasonable administrative fee for Franchisor's expenses in so acting, shall be immediately payable by Franchisee to Franchisor upon demand. The foregoing remedies are in addition to any other remedies Franchisor may have under this Agreement, at law, or in equity.

ARTICLE 9
BRAND DEVELOPMENT AND MARKETING

Franchisor is not required to conduct any marketing on behalf of Franchisee or the System.

9.A. BRAND DEVELOPMENT FUND

At all times during the Term of this Agreement, as determined by Franchisor, in Franchisor's Reasonable Business Judgment, Franchisor may institute, implement, maintain, delegate and administer a brand development fund (the "Brand Development Fund"). The following shall apply to the Brand Development Fund at all times throughout the Term:

(1) Franchisee shall pay, on the Due Date, a mandatory and continuing fee to the Brand Development Fund in an amount equal to a percentage of Gross Sales (as determined and designated by Franchisor in Franchisor's Reasonable Business Judgment) for each monthly Accounting Period (the "Brand Development Fund Fee"), provided, however, Franchisee will not be required to contribute more than 1.5% of the Gross Sales of the Franchised Business for each monthly Accounting Period;

(2) Franchisor will provide Franchisee with written notice of the percentage of Gross Sales that Franchisee is required to contribute to the Brand Development Fund. Upon such written notice to Franchisee, the percentage of Gross Sales to be paid by Franchisee to the Brand Development Fund will be applicable for each and every monthly Accounting Period thereafter during the Term until otherwise designated by Franchisor in writing. The Brand Development Fund Fee shall be paid to Franchisor on the Due Date and in accordance with the payment terms and method set forth in Article 5.B. for the payment of Royalty Fees;

(3) Franchisor, in Franchisor's Reasonable Business Judgment, shall direct all advertising, media placement, marketing and public relations programs and activities financed by the Brand Development Fund, with sole discretion over the strategic direction, creative concepts, materials, and endorsements used by the Brand Development Fund, and the geographic, market, and media placement and allocation thereof. Without limiting the foregoing, the Brand Development Fund may also be utilized for evaluation and monitoring of the Business Management Systems, maintenance and upgrades to the System Website, and development of Digital Media;

(4) Franchisee agrees that the purpose of the advertising, media, marketing and activities financed by the Brand Development Fund is and shall be for the general enhancement of the System brand as associated with the Licensed Marks and general public brand recognition and awareness of the Licensed Marks. The Brand Development Fund will not be utilized to directly or indirectly market or promote the Franchised Business or, unless otherwise directed by Franchisor, in Franchisor's Reasonable

Business Judgment, pay for media placements that may benefit or include any media market that includes Franchisee's Training Center Location or Designated Territory;

(5) Franchisee agrees that the Brand Development Fund may be used to pay various costs and expenses of Franchisor for such reasonable salaries, wages, administrative costs and overhead as Franchisor may incur in activities reasonably related to the administration, activities and/or the brand awareness goals of the Brand Development Fund including expenses incurred by Franchisor for advertising, marketing, product and service testing, product and service development, maintenance, evaluation and monitoring of the Business Management Systems, upgrades to the System Website, development of Digital Media and creative development that is internally administered or prepared by Franchisor and other marketing activities made by Franchisor, provided, however, that salary expenses for Franchisor's personnel paid by the Brand Development Fund shall be commensurate with the amount of that time spent by such personnel on Brand Development Fund matters. Franchisor shall not use contributions to the Brand Development Fund to defray any of Franchisor's general operating expenses, except for such reasonable salaries, administrative costs and overhead as Franchisor may incur in activities reasonably related to the administration and activities of the Brand Development Fund and creation or conduct of its marketing programs including, without limitation, conducting market research, preparing advertising and marketing materials and collecting and accounting for contributions to the Brand Development Fund. Franchisor may spend in a fiscal year an amount greater or less than the aggregate contributions of all USA Ninja Challenge Training Centers to the Brand Development Fund in that year;

(6) Franchisee agrees to participate in all advertising, marketing, promotions, research and public relations programs instituted by the Brand Development Fund;

(7) USA Ninja Challenge Training Centers owned by Franchisor or Franchisor's affiliates are not required to pay any Brand Development Fund Fee or contribute to or make any contribution to the Brand Development Fund;

(8) Franchisee and Franchisor acknowledge and agree that (a) the Brand Development Fund is not a trust, (b) Franchisor is not a trustee or fiduciary of the Brand Development Fund, and (c) Franchisor may deposit and maintain any and all funds of the Brand Development Fund Fee in Franchisor's general accounts. Brand Development Fund Fees are not required to be segregated from other assets or accounts of Franchisor. The Brand Development Fund is not required to expend Brand Development Fund Fees in the year they are collected, and the Brand Development Fund may borrow from Franchisor or other lenders at standard commercial interest rates to cover deficits of the Brand Development Fund, and Franchisor may cause the Brand Development Fund to invest any surplus for future use by the Brand Development Fund. All interest earned on monies contributed to the Brand Development Fund will be used to pay costs of the Brand Development Fund before other assets of the Brand Development Fund are expended. A summary statement of monies collected, and costs incurred by the Brand Development Fund for Franchisor's immediately preceding fiscal year shall be made available to Franchisee upon Franchisee's written request. Franchisor will have the right to cause the Brand Development Fund to be incorporated or operated through an entity separate from Franchisor at such time as Franchisor deems appropriate, and such successor entity shall have all rights and duties of Franchisor pursuant to this Article 9.A.(8);

(9) Although Franchisor will endeavor to utilize the Brand Development Fund to develop advertising and marketing materials and programs, Franchisor undertakes no obligation to ensure that expenditures by the Brand Development Fund in or affecting any geographic area are proportionate or equivalent to the contributions to the Brand Development Fund by USA Ninja Challenge Training Centers operating in that geographic area or that any USA Ninja Challenge Training Centers will benefit directly or in proportion to its contribution to the Brand Development Fund from the development of advertising and

marketing materials. Franchisor may use the Brand Development Fund to promote or benefit any type of USA Ninja Challenge Training Centers in the System. Franchisor may use the Brand Development Fund to promote or benefit USA Ninja Challenge Training Centers located within a particular region of the United States. Franchisee agrees that Franchisee's failure to derive any such benefit will not serve as a basis for a reduction or elimination of its obligation to contribute to the Brand Development Fund. Franchisee agrees that the failure (whether with or without Franchisor's permission) of any other franchisee to make the appropriate amount of contributions to the Brand Development Fund shall not in any way release Franchisee from or reduce Franchisee's obligations under this Article 9, such obligations being separate and independent obligations of Franchisee under this Agreement. Except as expressly provided in this Article 9, Franchisor assumes no direct or indirect liability, responsibility, or obligation to Franchisee with respect to the maintenance, direction, and/or administration of the Brand Development Fund; and

(10) Franchisor, in Franchisor's Reasonable Business Judgment, may establish a council to provide guidance respecting the administration of the Brand Development Fund and marketing matters concerning the Brand Development Fund. The council shall only serve in an advisory capacity and Franchisor shall select members of the council which may be comprised of employees of Franchisor, Franchisor, franchisees of the System and third parties.

9.B. LOCAL MARKETING

On an on-going monthly basis, after the Launch Marketing Phase during months 4 to 12 following the opening of the Franchised Business, Franchisee must spend not less than $1,500 per month on the local marketing of the Franchised Business within and/or targeted to Franchisee's Designated Territory. During the second year following the opening of the Franchised Business, on an on-going monthly basis, Franchisee must spend not less than $1,000 per month on the local marketing of the Franchised Business within and/or targeted to Franchisee's Designated Territory. During the third year following the opening of the Franchised Business and each year thereafter for the remainder of the Term of this Agreement, on an on-going monthly basis, Franchisee must spend not less than $500 per month on the local marketing of the Franchised Business within and/or targeted to Franchisee's Designated Territory. On or before the 10th day of each month, or such other dates as specified by Franchisor, Franchisee shall provide Franchisor with an accounting of Franchisee's local marketing expenditures, placements, activities, and metrics for the immediately preceding month. At the request of Franchisor, Franchisee shall provide Franchisor with on-going access to any and all data and systems that record and/or report information related to Franchisee's local marketing activities and expenditures and to provide Franchisor such other periodic reports and records as may be requested by Franchisor.

If Franchisee's expenditures in any month and/or monthly periods designated and selected by Franchisor, do not, in aggregate, equal or exceed the applicable minimum monthly local marketing expenditure for the respective monthly period then Franchisor, in Franchisor's discretion and Reasonable Business Judgment, may require that the deficiency be added as additional local marketing expenditures, over and above the applicable minimum monthly local marketing expenditure, that Franchisee must spend within the immediately succeeding monthly period or periods, as directed by Franchisor, or, at Franchisor's discretion, be contributed to a Brand Development Fund. All marketing of the Franchised Business by Franchisee must be pre-approved, in writing by Franchisor.

On an on-going basis throughout the Term of this Agreement, Franchisee is required to maintain the following minimum active youth member enrollments (the "Minimum Member Enrollment and Retention Requirements"): not less than 150 active youth member enrollments in the first year of operating the Franchised Business; not less than 250 active youth member enrollments in the second year of operating the Franchised Business; and not less than 300 active youth member enrollments in the third year of operating the Franchised Business and each year thereafter for the remainder of the Term. Commencing at

the end of month 24 of the second year of operating the Franchised Business, Franchisor will assess Franchisee's compliance with the Minimum Member Enrollment and Retention Requirements on a month to month basis such that at the conclusion of each calendar month following month 24, Franchisor will evaluate whether Franchisee satisfied the Minimum Member Enrollment and Retention Requirements during that month. If, at the conclusion of any given calendar month following month 24, Franchisee satisfied the Minimum Member Enrollment and Retention Requirements for that month, Franchisee's minimum monthly local marketing obligation shall be waived for the immediately succeeding calendar month only. Any such waiver applies solely to the immediately succeeding monthly period and does not carry forward automatically to any subsequent month. Franchisee's eligibility for a waiver in each month is contingent upon Franchisee's satisfaction of the Minimum Member Enrollment and Retention Requirements in the immediately preceding month, and Franchisee bears the continuing obligation to satisfy the Minimum Member Enrollment and Retention Requirements each and every month for the remainder of the Term of this Agreement. If, in any calendar month following month 24, Franchisee fails to retain the minimum number of active youth member enrollments required to satisfy the Minimum Member Enrollment and Retention Requirements (regardless of whether Franchisee's minimum monthly local marketing obligation was waived in the prior month) Franchisee's minimum monthly local marketing obligation shall be automatically reinstated in full and shall apply commencing with the immediately succeeding calendar month. Franchisee's minimum monthly local marketing obligation shall remain in full force and effect for each succeeding calendar month until such time Franchisee again satisfies the Minimum Member Enrollment and Retention Requirements for a given month, at which point Franchisee may again become eligible for a waiver of Franchisee's minimum monthly local marketing obligation for the immediately succeeding month only, subject to Franchisor's sole discretion as described above.

If, on an on-going basis, Franchisee fails to satisfy the Minimum Member Enrollment and Retention Requirements, meaning Franchisee has failed to satisfy the Minimum Member Enrollment and Retention Requirements for three or more consecutive calendar months following month 24 of the second year of operating the Franchised Business, Franchisor may, in Franchisor's sole discretion, require Franchisee to immediately discontinue Franchisee's independent local marketing efforts and enroll in the local marketing program directed by Franchisor, pursuant to which Franchisor will manage and direct the local marketing of the Franchised Business on behalf of Franchisee. Upon such enrollment (whether required by Franchisor or voluntarily elected by Franchisee in writing) Franchisee's obligation to pay the applicable Franchisor Directed Local Marketing Fee shall apply in lieu of, and shall fully satisfy, Franchisee's independent minimum monthly local marketing obligation set forth above. Upon Franchisor's written notice to Franchisee of such requirement, Franchisee must cease all independent local marketing efforts and enroll in the local marketing program directed by Franchisor within 10 days of receipt of such notice. Franchisee's failure to timely do so shall constitute a material default of this Agreement.

The franchisor directed local marketing fee is a continuing monthly fee equal to an amount of: (i) not less than $1,500 per month during months 4 to 12 following the opening of the Franchised Business; (ii) not less than $1,000 per month during the second year following the opening of the Franchised Business; and (iii) not less than $500 per month during the third year following the opening of the Franchised Business and each year thereafter for the remainder of the Term of this Agreement (the "Franchisor Directed Local Marketing Fee"). Franchisor will use these funds for local marketing initiatives directed towards and within the market comprising Franchisee's Designated Territory, which Franchisor may deploy directly through Franchisor, an affiliate of Franchisor or third party vendor that Franchisor designates. The Franchisor Directed Local Marketing Fee is payable to Franchisor only in the following circumstances: (i) Franchisor, in Franchisor's sole discretion, determines Franchisee's enrollment with Franchisor's directed local marketing program is required as a result of Franchisee's failure to satisfy the Minimum Member Enrollment and Retention Requirements for three or more consecutive calendar months following month 24 of the second year of operating the Franchised Business; or (ii) Franchisee voluntarily elects, by written notice to Franchisor, to opt-in to Franchisor's directed local marketing program in lieu of conducting

independent local marketing of the Franchised Business. Upon Franchisee's enrollment in Franchisor's directed local marketing program – whether required by Franchisor or voluntarily elected by Franchisee – Franchisee's obligation to pay the Franchisor Directed Local Marketing Fee shall replace and fully satisfy Franchisee's independent minimum monthly local marketing obligation. Franchisee will not be required to satisfy both the Franchisor Directed Local Marketing Fee and Franchisee's independent minimum monthly local marketing obligation simultaneously. Commencing at the end of month 24 of the second year of operating the Franchised Business, Franchisor will assess Franchisee's compliance with the Minimum Member Enrollment and Retention Requirements on a month-to-month basis. If, at the conclusion of any given calendar month, Franchisee has satisfied the Minimum Member Enrollment and Retention Requirements for that month, the Franchisor Directed Local Marketing Fee shall be waived for the immediately succeeding calendar month only. Any such waiver applies solely to the immediately succeeding monthly period. If, in any subsequent calendar month, Franchisee fails to retain the minimum number of active youth member enrollments required to satisfy the Minimum Member Enrollment and Retention Requirements, the Franchisor Directed Local Marketing Fee shall be automatically reinstated in full commencing with the immediately succeeding calendar month and shall remain in effect for each succeeding calendar month until Franchisee again satisfies the Minimum Member Enrollment and Retention Requirements for a given month. Notwithstanding the foregoing, in the event Franchisee satisfies the Minimum Member Enrollment and Retention Requirements for an individual or multiple succeeding monthly periods and the Franchisor Directed Local Marketing Fee is waived, Franchisor retains the right to maintain Franchisee's enrollment in Franchisor's directed local marketing program and payment of the Franchisor Directed Local Marketing Fee and any transition back to Franchisee independently conducting the local marketing for the Franchised Business shall require Franchisor's prior written consent. Following Franchisee's enrollment in Franchisor's directed local marketing program – whether required by Franchisor or voluntarily elected by Franchisee – the Franchisor Directed Local Marketing Fee shall be paid to Franchisor on the Due Date and in accordance with the payment terms and method set forth in Article 5.B. for the payment of Royalty Fees.

The franchisor directed local marketing management fee is a continuing monthly fee equal to an amount of $750 per month (the "Franchisor Directed Local Marketing Management Fee"). The Franchisor Directed Local Marketing Management Fee is payable to Franchisor, in addition to the Franchisor Directed Local Marketing Fee, if Franchisor, in Franchisor's sole discretion, determines that Franchisee's enrollment in Franchisor's directed local marketing program is required, or if Franchisee, in a written notice to Franchisor, voluntarily elects to opt-in and participate in Franchisor's directed local marketing program. The Franchisor Directed Local Marketing Management Fee is used to defray administrative and marketing management services costs incurred by Franchisor in connection with conducting the local marketing for the Franchised Business. Franchisor reserves the right to increase the Franchisor Directed Local Marketing Management Fee at any time in the future provided that the Franchisor Directed Local Marketing Management Fee shall not increase by more than 20% per year. Following Franchisee's enrollment in Franchisor's directed local marketing program – whether required by Franchisor or voluntarily elected by Franchisee – in addition to the Franchisor Directed Local Marketing Fee, the Franchisor Directed Local Marketing Management Fee shall be paid to Franchisor on the Due Date and in accordance with the payment terms and method set forth in Article 5.B. for the payment of Royalty Fees.

Franchisor reserves the right to reject any and all marketing efforts requested by Franchisee and to prescribe all marketing, marketing media, marketing channels, promotions, copy, creative, and messaging that Franchisee may or may not use in Franchisee's marketing of the Franchised Business. Franchisee further agrees that:

(1) In addition to monthly reports, Franchisee shall provide Franchisor with such other reports documenting Franchisee's marketing initiatives, expenses incurred, placements secured, and other metrics and financial information as designated by Franchisor;

(2) Prior to the opening of the Franchised Business, during the 90 day period prior to opening the Franchised Business and continuing for 90 days following the opening of the Franchised Business (the "Launch Marketing Phase"), Franchisee shall pay to Franchisor and/or Franchisor's designated supplier(s) a market introduction and launch advertising fee (the "Market Introduction and Launch Advertising Fee") to defray the costs and expenses incurred in connection with Franchisor's and/or Franchisor's designated supplier(s) deployment of marketing initiatives to promote the opening of the Franchised Business on behalf of Franchisee and in accordance with Franchisor's standards and specifications during the Launch Marketing Phase. The Market Introduction and Launch Advertising Fee will range between $19,800 to $34,800. The Market Introduction and Launch Advertising Fee is fully earned upon payment and non-refundable. Franchisee shall pay to Franchisor a launch marketing management services fee (the "Launch Marketing Management Services Fee") in an amount equal to $5,200. The Launch Marketing Management Services Fee is used to defray the costs incurred by Franchisor and/or Franchisor's designees in connection with the marketing and management services Franchisor provides in connection with the opening of Franchisee's USA Ninja Challenge Training Center during the Launch Marketing Phase;

(3) At all times, Franchisee's marketing efforts and the distribution of each marketing channel and media engaged by Franchisee must be directly targeted to Franchisee's Designated Territory. Franchisee shall not direct or target Franchisee's marketing efforts with the purpose or effect of soliciting or attracting customers outside of Franchisee's Designated Territory. To the extent that Franchisee's marketing efforts involve a marketing medium or distribution channel that is targeted to Franchisee's Designated Territory but reaches outside of and beyond Franchisee's Designated Territory Franchisor, in Franchisor's Reasonable Business Judgment, shall have the right to direct and require Franchisee to discontinue such marketing; and

(4) At all times, Franchisee hereby grants to Franchisor the right, without compensation to Franchisee, to use Franchisee's name, address, photograph, biographical information, and financial information related to the performance of the Franchised Business in any publication related to the System, Franchisee's operation of the Franchised Business, or Franchisor's sale of USA Ninja Challenge Training Center franchises.

9.C. REQUIRED FRANCHISOR APPROVAL OF ALL MARKETING

All marketing and promotion of the Franchised Business and all marketing media, campaigns, marketing channels, and efforts used by Franchisee must conform to Franchisor's standards and specifications as set forth in the Operations Manual or, as may be otherwise directed by Franchisor in writing from time to time.

If Franchisee wishes to propose to Franchisor for approval or disapproval marketing or promotional efforts, campaigns, and/or media that are not presently and expressly approved and authorized by Franchisor, Franchisee shall submit a written request, including samples of all proposed marketing materials and a description of the marketing channels and distribution to Franchisor for Franchisor's approval or disapproval, that shall be at the sole discretion of Franchisor, in Franchisor's Reasonable Business Judgment. Provided that Franchisee has satisfied the written notice requirements set forth in this Article 9.C. and provided that Franchisee otherwise timely responds in writing to any and all requests by Franchisor for additional information, if Franchisor does not notify Franchisee that Franchisor disapproves the materials within 15 days from the date Franchisor receives the materials, then Franchisee may commence using the materials. However, Franchisor may still disapprove such materials by notice to Franchisee, and Franchisee must then cease using such materials upon receipt of such notice. Franchisee must not use any advertising or promotional materials that Franchisor has disapproved.

9.D. WAIVERS OR DEFERRALS

On written request from Franchisee with reasons supporting such request, Franchisor may, at Franchisor's sole discretion and on conditions Franchisor deems appropriate, temporarily waive or defer the obligations of Franchisee under the Brand Development Fund and/or, if applicable, Advertising Cooperative. In no event shall such waiver or deferral extend beyond six months. However, at the end of any waiver or deferral period, Franchisee may resubmit a request for waiver or deferral of its obligations under the Brand Development Fund and/or, if applicable, Advertising Cooperative. Under no circumstance shall Franchisor be under any obligation to grant any waiver of deferral. Franchisor may reject Franchisees request for a waiver or deferral based on any reason or no reason at all and nevertheless grant the request of another system franchisee.

9.E. DIGITAL MEDIA AND WEBSITE PROHIBITIONS

Franchisee's use of Digital Media shall be subject to and require Franchisor's express written consent which shall and may be withheld by Franchisor for any or no reason at all. Without limitation to the foregoing, Franchisee possesses no right or authority to utilize Digital Media and Franchisee agrees that Franchisor reserves all rights respecting the marketing, sale and distribution of Approved Products and Services through Digital Media. Franchisee agrees that all Digital Media and Digital Media accounts associated with and/or relating to the Franchised Business and/or the System shall, upon demand of Franchisor, be transferred to Franchisor. Upon execution of this Agreement and any and all future dates demanded by Franchisor, Franchisee shall execute and deliver to Franchisor the Assignment of Telephone Numbers and Digital Media Accounts Agreement attached to this Agreement as Exhibit 6. Franchisee agree that the foregoing shall not be interpreted or construed as permitting Franchisee to establish, designate, utilize and/or otherwise establish accounts as to Digital Media respecting and/or concerning the Franchised Business and/or the System.

9.F. ADVERTISING COOPERATIVE

At all times Franchisor, in Franchisor's Reasonable Business Judgment, possesses the right to authorize, establish, designate and de-authorize a local or regional advertising cooperative within those markets that Franchisor designates (the "Advertising Cooperative"). Franchisee agrees that Franchisor possesses the sole and exclusive right to designate any geographic area in which two or more Training Center franchises are located as a region for the purpose of establishing an Advertising Cooperative. If Franchisee's Training Center or Designated Territory is located within the geographic area of an Advertising Cooperative, franchisee must participate in and contribute to the Advertising Cooperative. Franchisee agrees to the following:

(1) If Franchisor previously instituted or, in the future, institutes an Advertising Cooperative that includes, in whole or in part, Franchisee's Designated Territory or Franchisee's Training Center Location, Franchisee shall participate in and make such on-going financial contributions to the Advertising Cooperative, as determined by the Advertising Cooperative;

(2) Franchisor may establish foundational and organizational requirements of the Advertising Cooperative including voting provisions that allow the Advertising Cooperative to make decisions based on the simple majority vote (one vote per franchisee Training Center located within the designated area of the Advertising Cooperative) with a quorum constituting 25% of those franchisees within the Advertising Cooperative;

(3) Unless otherwise authorized and approved by Franchisor in writing, each Advertising Cooperative shall be organized for the exclusive purpose of administering marketing programs and the development of media (all subject to the review and approval of Franchisor) for use by members of the Advertising Cooperative in local or regional marketing;

(4) If at the time of execution of this Agreement an Advertising Cooperative has been established for a geographic area that includes, in whole or in part, Franchisee's Training Center location or Designated Territory, or if such Advertising Cooperative is established during the Term of this Agreement, Franchisee shall fully participate in the Advertising Cooperative and Franchisee shall execute, at the request of Franchisor, all documents required by Franchisor and Franchisee shall become a member of the Advertising Cooperative subject to the terms of those documents;

(5) Franchisee shall contribute to the Advertising Cooperative in the amounts as determined and required by the Advertising Cooperative or, otherwise in accordance with those documents governing the operation of the Advertising Cooperative; provided, however, Franchisee's contributions to the Advertising Cooperative shall not exceed Franchisee's local minimum marketing obligations set forth in Article 9.B. of this Agreement and Franchisee's contributions to the Advertising Cooperative shall count toward satisfaction of Franchisee's minimum local marketing obligations set forth in Article 9.B.;

(6) Franchisee shall submit to the Advertising Cooperative and to Franchisor such statements and reports as may be required by the Advertising Cooperative and approved by Franchisor. All contributions to the Advertising Cooperative shall be maintained and administered in accordance with the documents governing the Advertising Cooperative. The Advertising Cooperative shall be operated solely for the purpose of collection and expenditure of the Advertising Cooperative's fees for the purpose set forth in this Article 9.F.;

(7) No marketing materials, plans, or media may be used by the Advertising Cooperative or its members without the prior written approval of Franchisor;

(8) Training Centers owned by Franchisor and/or Franchisor's affiliates that are located within the geographic area of the designated Advertising Cooperative are not required to make contributions to the Advertising Cooperative; and

(9) The Advertising Cooperative must comply with the rules and regulations established by Franchisor in the Operations Manual which may be modified by Franchisor from time to time.

ARTICLE 10
RELATIONSHIP OF THE PARTIES AND INDEMNIFICATION

10.A. INDEPENDENT CONTRACTORS AND NO JOINT EMPLOYER RELATIONSHIP

This Agreement does not create a fiduciary relationship between Franchisor and Franchise. Franchisor and Franchisee are independent contractors and nothing in this Agreement is intended to, nor shall it make either party an agent, legal representative, subsidiary, joint venturer, partner, or employee of the other for any purpose. The parties' relationship is strictly a Franchisor and Franchisee relationship. At all times Franchisee, in accordance with Franchisor's brand standards, must conspicuously identify itself at the premises of the Franchised Business and in all dealings with customers, lessors, contractors, suppliers, public officials and others as the owner of a Training Center under a franchise from Franchisor, and Franchisee must place other notices of independent ownership on signs, forms, stationery, advertising and other materials as Franchisor requires. Franchisee shall not employ any Licensed Mark in signing any contract, lease, mortgage, check, purchase agreement, negotiable instrument, or other legal obligation. Franchisee shall not employ any Licensed Mark in a manner that is likely to result in liability of Franchisor for any indebtedness, action, inaction, or obligation of Franchisee. Franchisor and Franchisee shall not make any express or implied agreements, guaranties or representations, or incur any debt, in the name, or on behalf, of the other. Franchisor and Franchisee shall not represent that their relationship is anything other than franchisor and franchisee. Franchisor and Franchisee shall not be obligated by, or have any liability under, any agreements or representations made by the other that are not expressly authorized. Franchisor

shall not be obligated for any damages to any person or property directly or indirectly arising out of the operation of the Franchised Business, whether or not caused by Franchisee's negligent, willful act or failure to act. Franchisor shall have no liability for any sales, use, excise, gross receipts, property or other taxes, whether levied upon Franchisee, the Franchised Business or its assets, or upon Franchisor in connection with sales made, services performed, or business conducted by Franchisee.

At all times, Franchisee will be, is, and shall remain the sole and exclusive employer of all employees of the Franchised Business. Franchisor is not a joint employer and nothing contained in this Agreement shall be interpreted as creating a joint employer relationship. Franchisee possesses the sole right to select, hire and discharge Franchisee's employees. Franchisee is responsible for all decisions regarding hiring, firing, training, supervising, disciplining, scheduling, paying wages to, and withholding and paying taxes for all employees. Franchisee, each Owner, each Spouse, and Franchisee's officers, directors, manager, agents, representatives, independent contractors and employees are not employees, representatives, or agents of Franchisor and shall never represent themselves as employees, representatives, or agents of Franchisor.

There is no joint employer relationship between Franchisor and Franchisee or Franchisee's employees. Franchisee's compliance with all federal, state and local labor laws rules and regulations shall be exclusively determined and managed by Franchisee. To the extent that the Operations Manual and/or any other communications from Franchisor includes information, specifications, procedures, criteria and/or requirements as to employees of the Franchised Business, such requirements shall be interpreted, exclusively, for the purpose of maintaining brand standards associated with the System, to protect the good will associated with the System, and to ensure System uniformity requirements and standards concerning the Approved Products and Services, and under no circumstance shall same relate to the employer-employee relationship. As to the foregoing issue of joint employer and the non-existence thereof, in the event of any inconsistency or conflict between this Agreement and the Operations Manual, the terms of this Agreement shall take precedence and govern.

10.B. INDEMNIFICATION BY FRANCHISEE

Franchisee and each Owner shall indemnify, defend through counsel acceptable to Franchisor, and hold Franchisor, Franchisor's affiliates, and their respective officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, employees, assigns and successors (the "Franchisor Indemnified Parties") harmless from all losses, expenses, claims, causes of action, lawsuits, liabilities, taxes, costs, demands, proceedings, investigations, hearings, and/or damages arising out of, or relating to, Franchisee's Training Center Facility, Franchisee's Training Center Location, and/or the Franchised Business (including, without limitation, the ownership and operation of the Franchised Business), unless such loss, expense, claim, cause of action, lawsuit, liability, tax, cost, demand, proceeding, or damage is solely due to Franchisor's gross negligence, and Franchisee shall pay all of the Franchisor Indemnified Parties' reasonable costs, fees and expenses of defending any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing brought against any of the Franchisor Indemnified Parties or any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing in which any of the Franchisor Indemnified Parties is named as a party, including, without limitation, reasonable accountant fees, attorney fees, and expert witness fees, court costs, deposition fees, travel expenses and other litigation expenses. At the expense and risk of Franchisee and each Owner, Franchisor may elect to assume (but is not obligated to undertake) the defense and/or settlement of any action, lawsuit, proceeding, claim, or demand. Such an election by Franchisor to assume its defense shall not diminish the obligation of Franchisee and each Owner to indemnify, defend and hold harmless Franchisor. Franchisee and each Owner acknowledge and agree that the terms of this Article 10.B. shall survive the termination, expiration or Transfer of this Agreement. Under no circumstances are the Franchisor Indemnified Parties required or obligated to seek recovery from third parties or otherwise mitigate their respective losses in order to maintain a claim against Franchisee or any Owner. Franchisee and each of the Owners agree that Franchisor's failure to pursue recovery or mitigate loss in no way reduces

the amounts recoverable from Franchisee or any Owner.

10.C. INDEMNIFICATION BY FRANCHISOR

Franchisor shall indemnify, defend, and hold Franchisee and Franchisee's officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, employees, assigns and successors (the "Franchisee Indemnified Parties") harmless from all losses, expenses, claims, causes of action, lawsuits, liabilities, taxes, costs, demands, proceedings, investigations, hearings, and/or damages solely arising out of, or solely relating to, Franchisor's gross negligence in the operation of Franchisee's USA Ninja Challenge Training Center that was the direct cause of any such loss, expense, liability or damage provided Franchisee immediately notifies Franchisor of such claim, cause of action, lawsuit, demand, proceeding, investigation or hearing, and Franchisor shall pay all of the Franchisee Indemnified Parties' reasonable costs, fees and expenses of defending any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing brought against any of the Franchisee Indemnified Parties or any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing in which any of the Franchisee Indemnified Parties is named as a party, including, without limitation, reasonable accountant fees, attorney fees, and expert witness fees, court costs, deposition fees, travel expenses and other litigation expenses provided Franchisee immediately notifies Franchisor of such claim, cause of action, lawsuit, demand, proceeding, investigation or hearing. Franchisor agrees that the terms of this Article 10.C. shall survive the termination, expiration or Transfer of this Agreement.

ARTICLE 11
LICENSED MARKS AND SYSTEM; INNOVATIONS TO SYSTEM

11.A. OWNERSHIP AND GOODWILL

Franchisee agrees that Franchisor is the owner of all rights, title and interest in and to the Licensed Marks, the System, Web Based Media, Published Content and the goodwill associated with the Licensed Marks and the System. Except as otherwise specifically provided in this Agreement, Franchisee further agrees that Franchisee possesses no interest or right, whatsoever, in or to the Licensed Marks, the System, Web Based Media, Published Content and the goodwill associated with the Licensed Marks and the System, and Franchisee's right to use the Licensed Marks and the System is derived solely from this Agreement. Any unauthorized use of the Licensed Marks and/or the System by Franchisee or any of Franchisee's affiliates shall constitute an infringement of the rights of Franchisor in and to the Licensed Marks and/or the System. Franchisee agrees that all usage of the Licensed Marks and/or the System by Franchisee, and all goodwill associated with the Licensed Marks and System, shall exclusively benefit Franchisor without granting any goodwill interests or rights to Franchisee except for Franchisee's non-exclusive interest and limited right to use the Licensed Marks and the System in the operation of the Franchised Business, subject to the terms and conditions of this Agreement. Franchisee shall not, at any time during the Term or after the expiration, termination or Transfer of this Agreement, contest the validity or ownership of the Licensed Marks, the System, Web Based Media, Published Content, and/or the goodwill associated with the Licensed Marks and the System, and at no time shall Franchisee assist any other person in contesting the validity or ownership of the Licensed Marks, the System, Web Based Media, Published Content, and/or the goodwill associated with the Licensed Marks and the System. Franchisee and each Owner shall not take any action that prejudices or interferes with the validity of Franchisor's rights with respect to Licensed Marks, the System, Web Based Media, Published Content, and/or the goodwill associated with the Licensed Marks and the System.

11.B. USE OF THE LICENSED MARKS

Franchisee agrees that the Licensed Marks shall be the sole identification of the Franchised Business. Franchisee must operate, advertise and market the Franchised Business only under the Licensed Marks as designated and specified by Franchisor in Franchisor's Reasonable Business Judgment. Franchisee shall not use the Licensed Marks as part of its corporate or other legal name, and Franchise shall not use the

Licensed Marks with modifying words, terms, designs, or symbols, or in any modified form. Franchisee shall comply with Franchisor's instructions in filing and maintaining their requisite trade name or fictitious name registrations as may be required by applicable law.

11.C. NOTIFICATION OF INFRINGEMENT AND CLAIMS

Franchisee must notify Franchisor immediately in writing of any apparent infringement of, or challenge to, Franchisee's use of any Licensed Mark and/or the System or of any claim by any person claiming any rights in any manner with respect to the Licensed Mark, the System, or any similar trade name, trademark or service mark of which Franchisee becomes aware. Franchisee must not communicate with any person other than Franchisor and its counsel in connection with any infringement, challenge, or claim by any third party to the Licensed Marks and/or the System. Franchisor and/or Franchisor's licensor shall possess sole and complete discretion, in Franchisor's Reasonable Business Judgment, to take any action and/or to refrain from taking action, Franchisor and/or Franchisor's licensor deems appropriate, including, without limitation, the right to exclusively control any litigation or administrative proceeding arising out of, or relating to, any infringement, challenge, claim or otherwise relating to any Licensed Mark and/or the System. Franchisee agrees to execute all documents, render assistance, and take all actions as may be necessary or advisable to protect and maintain the interests of Franchisor and/or Franchisor's licensor in any litigation or administrative proceeding or to otherwise protect and maintain, as directed by Franchisor, the interests of Franchisor and/or Franchisor's licensor in the Licensed Marks. Franchisor will reimburse Franchisee for reasonable direct expenses incurred by Franchisee in assisting Franchisor in any such litigation or administrative proceeding provided Franchisee timely notifies Franchisor of such litigation or administrative proceeding, and Franchisee complies with the written instructions of Franchisor respecting any such litigation or administrative proceeding.

11.D. DISCONTINUANCE OF USE OF LICENSED MARKS

Franchisee agrees that at any time should Franchisor determine, in Franchisor's sole discretion and based on Franchisor's Reasonable Business Judgment, that it is advisable for Franchisor, the System, and/or Franchisee to replace, modify, substitute, and/or discontinue use of any Licensed Marks, then Franchisee shall comply with Franchisor's determination and instructions as to the replacement, modification, substitution, and/or discontinuance of such Licensed Mark(s). Franchisee shall comply within the foregoing requirements within a reasonable time period after notice by Franchisor. If Franchisee is required to take action pursuant to instruction by Franchisor pursuant to this Article 11.D. or, if Franchisee is otherwise required to replace, modify, substitute, and/or discontinue use of any Licensed Marks, the sole liability and obligation of Franchisor to Franchisee shall be to reimburse Franchisee for the reasonable and direct costs incurred by Franchisee in complying with this obligation, which Franchisee shall document to the satisfaction of Franchisor. Franchisor maintains the exclusive right, in Franchisor's Reasonable Business Judgment, to, in whole or in part, replace, modify, substitute and/or discontinue any and all features and/or components of the Licensed Marks and/or the System at any time.

11.E. INDEMNIFICATION OF FRANCHISEE

If Franchisee is sued in a legal proceeding or is threatened with legal action and/or a notice of infringement by a third party where the claims and/or causes of action directly relate to a third party claiming trademark infringement, unfair competition, and/or trademark dilution as a result of Franchisee's use of the Licensed Marks in accordance with the terms of this Agreement and the System (the "IP Claim"), then Franchisor shall indemnify Franchisee for the reasonable and direct costs incurred by Franchisee and/or a judgment entered against Franchisee, provided: (i) Franchisee immediately notified Franchisor of the IP Claim by a written notice sent to Franchisor via priority overnight courier; (ii) Franchisee provided and afforded Franchisor the absolute opportunity and right to defend against the IP Claim and to select and appoint legal counsel of Franchisor's choosing; and (iii) Franchisee utilized the Licensed Marks in accordance with the terms of this Agreement and the System. Franchisee agrees that time is of the essence with respect to notifying Franchisor of the IP Claim in accordance with this Agreement, including this Article 11.E.

11.F. OWNERSHIP OF INNOVATIONS, IMPROVEMENTS AND INFORMATION

Franchisee agrees that with regard to the Franchised Business, all customer lists, including the contents and information contained in all customer lists, constitute Confidential Information and an asset of Franchisor whether or not such information was supplied by Franchisor. During the Term, and in connection with the development, establishment, marketing, promotion and operation of the Franchised Business, Franchisee shall disclose to Franchisor all of Franchisee's ideas, concepts, methods, and products conceived or developed by Franchisee, any Owner, and/or Franchisee's affiliates, officers, directors, shareholders, partners, agents, members, representatives, independent contractors, servants and employees relating to the development and operation of USA Ninja Challenge Training Centers and the System. Franchisee hereby assigns to Franchisor, and Franchisee agrees to procure an assignment of any such ideas, concepts, methods, and products that Franchisee is required to disclose to Franchisor under this Article 11.F. from each Owner and Franchisee's affiliates, officers, directors, shareholders, partners, agents, members, representatives, independent contractors, servants and employees. Franchisor shall have no obligation to tender any lump sum payment, on-going payments, or any other consideration to Franchisee, any Owner, each Owner and Franchisee's affiliates, officers, directors, shareholders, partners, agents, members, representatives, independent contractors, servants and employees with respect to any such idea, concept, method, technique or product. Franchisee agrees that Franchisee shall not use, or allow any other person or entity to use, any such concept, method, technique, or product without obtaining Franchisor's prior written approval.

ARTICLE 12
RECORDS AND REPORTS

12.A. MAINTENANCE AND PRESERVATION OF RECORDS

Franchisee shall maintain, preserve, and make available to Franchisor, at the request of Franchisor and on an on-going basis throughout the Term of this Agreement and for a period of three years following the expiration or termination of this Agreement, true and accurate books, accounting, receipts, financial statements, tax returns, and records relating to the operations and business of the Franchised Business. Such records shall be maintained and preserved in the form and manner requested by Franchisor and/or as prescribed by Franchisor in the Operations Manual or otherwise prescribed in writing.

12.B REPORTING OBLIGATIONS

In additional to the reporting obligations otherwise set forth in this Agreement, Franchisee agrees to the following additional reporting obligations that shall be compiled, organized, and contain all of the data and information requested by Franchisor, in Franchisors Reasonable Business Judgment, and as may be modified by Franchisor from time to time:

(1) Royalty and Activity Reports – on the Due Date each month, Franchisee shall report, transmit, confirm, and/or otherwise make available to Franchisor, the Royalty and Activity Report as designated by Franchisor and in accordance with the terms of this Agreement.

(2) Monthly Financial Statements and Reports – within 30 days of the end of each calendar month Franchisee shall submit to Franchisor monthly financial statements and other reports related to the operations of the Franchised business including, but not limited to, income statement, statement of cash flows, balance sheet, and other operational reports designated by Franchisor. At all times Franchisee represents that the financial statements, information, and reports submitted to and/or made available to Franchisor shall be and remain true and accurate. The financial statements must be prepared in accordance with GAAP and, additionally, shall reconcile Gross Sales per GAAP to Gross Sales per this Agreement;

(3) Annual Financial Statements and Reports – within 60 days of the end of each calendar year,

Franchisee shall submit to Franchisor Franchisee's annual financial statements and other reports related to the operations of the Franchised business including, but not limited to, income statement, statement of cash flows, balance sheet, and other operational reports designated by Franchisor. The financial statements must be prepared by a licensed CPA and in accordance with GAAP and, additionally, shall reconcile Gross Sales per GAAP to Gross Sales per this Agreement;

(4) Tax Returns – Franchisee shall provide to Franchisor, Franchisee's annual federal, state and local tax returns as same are prepared and submitted to the applicable federal, state and local entities. Said tax returns shall be submitted to Franchisor within 45 days of Franchisee or Franchisee's agent filing such returns with the applicable federal, state and local entities; and

(5) Other Reports – Franchisee shall timely submit to Franchisor, all other forms, reports, records, information, and data as Franchisor may reasonably request in writing or as otherwise set forth in the Operations Manuals.

12.C. REMEDIES FOR NON-COMPLIANCE WITH RECORDS AND REPORTING

In addition to all other rights afforded to Franchisor under this Agreement, in connection with any, each, and every violation of any term, provision, and/or operational requirement as set forth in this Article 12 (a "Reporting Violation"), within 14 days of Franchisor's invoice, Franchisee shall pay to Franchisor a reporting non-compliance fee (the "Reporting Non-Compliance Fee") in the amount of $150 for each and every failure to timely submit a report and/or record as set forth in this Article 12. The foregoing does not constitute Franchisor's consent to and/or acquiescence to Reporting Violations. Nothing contained in this Article 12.C. shall be interpreted as interfering with and/or negating Franchisor's rights and remedies as set forth in Article 16 and, as otherwise set forth in this Agreement. All rights and remedies of Franchisor are cumulative and shall be interpreted as cumulative to one another.

ARTICLE 13
INSPECTION AND AUDITS

13.A. FRANCHISOR'S RIGHT TO INSPECT

Franchisor has the right at any and all times during business hours, throughout the terms of this Agree and without prior notice to Franchisee, to inspect Franchisee's Training Center. Franchisee shall fully cooperate with representatives of Franchisor making any inspection and permit such representatives of Franchisor to take photographs, videos, and/or recordings of the Franchised Business, interview employees and customers of the Franchised Business, conduct secret-shopper inspections, and other inspections either with or without notice to Franchisee. Franchisor shall undertake reasonable efforts to minimize the impact of any inspection on the operations of the Franchised Business.

13.B. FRANCHISOR'S RIGHT TO EXAMINE BOOKS AND RECORDS

Franchisor has the right at any time during business hours, and without prior notice to Franchisee, to examine or audit, or cause to be examined or audited by a third party, the business records, cash control devices, bookkeeping and accounting records, bank statements, sales and income tax records and returns, and other books, statements, and records of the Franchised Business and Franchisee. Franchisee shall maintain complete and accurate copies of all such books, statements, records and supporting documents at Franchisee's Training Center Facility. Franchisee must fully cooperate with Franchisor, representatives of Franchisor, and third parties hired by Franchisor to conduct any such examination or audit. In the event Franchisor's examination of Franchisee's records reveals that Franchisee underreported any figure to Franchisor by more than 2%, then Franchisee shall reimburse to Franchisor, all of Franchisor's costs in connection with Franchisor's audit/examination.

ARTICLE 14

TRANSFER OF INTEREST

14.A. TRANSFER BY THE FRANCHISOR

At all times, Franchisor possesses and maintains the sole, absolute and unilateral right to Transfer and/or assign Franchisor's rights and obligations under this Agreement and the Ancillary Agreements, in whole and/or in part, for any purpose and in any form of transaction as may be designated and/or elected by Franchisor, in Franchisor's sole discretion, to any person, entity, Corporate Entity and/or third party without the consent of Franchisee and without the approval of Franchisee or any other party. Nothing contained in this Agreement shall prevent, prohibit, restrict, hinder, enjoin or otherwise restrain Franchisor from selling, transferring, conveying, or assigning this Agreement and the Ancillary Agreements, and/or Franchisor's rights and obligations under this Agreement and the Ancillary Agreements, to any person, entity, Corporate Entity or other third party. Franchisor has an unrestricted and unequivocal right to Transfer and/or assign any or all of its rights or obligations under this Agreement and the Ancillary Agreements, in whole or in part, in Franchisor's sole discretion. In the event Franchisor Transfers and/or assigns this Agreement and/or the Ancillary Agreements, and/or any or all of Franchisor's rights and obligations set forth in this Agreement and/or the Ancillary Agreements, to a person, an entity, Corporate Entity, or other third party, this Agreement and the Ancillary Agreements, shall survive, remain in full force and effect, and inure to the benefit of the purchaser, transferee, conveyee, and/or assignee of this Agreement and/or the Ancillary Agreements.

14.B. FRANCHISEE MAY NOT TRANSFER WITHOUT FRANCHISOR APPROVAL

Franchisee agrees, and Franchisee represents and warrants that Franchisee's Owners understand and agree, that the rights and duties set forth in this Agreement are personal to Franchisee and each Owner. Therefore, Franchisee agrees that:

(1) No ownership interest of any Owner in Franchisee may be Transferred without the prior written consent of Franchisor;

(2) No obligations, rights or interest of Franchisee in (a) this Agreement, (b) the lease or ownership interests in Franchisee's Training Center Location and Franchisee's Training Center Facility, (c) the Franchised Business, or (d) all or substantially all of the assets of the Franchised Business may be Transferred without the prior written consent of Franchisor. This restriction shall not prohibit Franchisee from granting a mortgage, charge, lien, or security interest in the assets of the Franchised Business or this Agreement for the exclusive purpose of securing financing for the initial development (occurring prior to the Actual Business Commencement Date) of the Franchised Business;

(3) Without limitation to the foregoing, any Transfer by Franchisee respecting and/or relating to this Agreement and/or the Franchised Business and/or assets associated with the Franchised Business will require the prior written consent of Franchisor where such Transfer occurs by virtue of: (a) divorce or legal dissolution of marriage; (b) insolvency; (c) dissolution of a Corporate Entity; (d) last will and testament; (e) intestate succession; or (f) declaration of, or transfer in trust;

(4) Any purported Transfer without the written consent of Franchisor, or otherwise in violation of this Agreement including, but not limited to this Article 14.B. shall constitute a breach of this Agreement and shall convey to the transferee no rights or interests in this Agreement; and

(5) In the event of a Transfer of this Agreement that is approved by Franchisor, Franchisee shall not be relieved of Franchisee's obligations under this Agreement whether said obligations accrued and/or arose prior to and/or after the date of Transfer.

14.C. CONDITIONS FOR APPROVAL OF TRANSFER

Provided Franchisee and each Owner and Spouse, respectively, are in substantial compliance with this Agreement and the Ancillary Agreements, and Franchisor does not elect to exercise Franchisor's right of first refusal as set forth in Article 14.F. below, Franchisor shall not unreasonably withhold its approval of a Transfer by Franchisee or an Owner. The proposed transferee (including such assignee's owner(s) and spouse(s) if the proposed transferee is a Corporate Entity) must be of good moral character, have sufficient business experience, aptitude and financial resources to own and operate a USA Ninja Challenge Training Center, and otherwise meet Franchisor's then applicable standards for franchisees as determined by Franchisor in its sole, but reasonable discretion. Furthermore, the proposed transferee and the proposed transferee's owners and spouses may not own or operate, or intend to own or operate, a Competitive Business. Franchisee agrees that Franchisor may condition approval of a Transfer upon Franchisee's satisfaction (either before, or contemporaneously with, the effective date of the Transfer) of the following:

(1) Franchisee must provide written notice to Franchisor of the proposed Transfer of this Agreement at least 30 days prior to the Transfer, and Franchisee must have also satisfied the obligations set forth in Article 14.F. below;

(2) All accrued monetary obligations of Franchisee and all other outstanding obligations to Franchisor and/or Franchisor's affiliates under this Agreement and the Ancillary Agreements must be satisfied in a timely manner, and Franchisee must satisfy all trade, supplier, and vendor accounts and other debts, of whatever nature or kind, in a timely manner;

(3) Franchisee, each Owner, and each Spouse must not be in default or material breach of this Agreement or the Ancillary Agreements;

(4) The transferee shall be bound by all terms and conditions of this Agreement, and each owner of the transferee and their respective spouses shall personally execute the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this Agreement as Exhibit 1. Each owner of the transferee shall also be required to execute such further agreements designated by Franchisor whereby the proposed transferee assumes each and every obligation and responsibility of Franchisee as set forth in this Agreement;

(5) All obligations of Franchisee under this Agreement and the Ancillary Agreements shall be assumed by the transferee, each individual owner of transferee, and their respective spouses in a manner satisfactory to Franchisor;

(6) Franchisee, each Owner, and each Spouse must execute the General Release attached to this Agreement as Exhibit 8 releasing Franchisor, Franchisor's affiliates and Franchisor's past and present officers, directors, shareholders, members, partners, agents, representatives, independent contractors, servants and employees, of any and all claims against Franchisor for matters arising on, or before, the effective date of the Transfer;

(7) If the proposed Transfer includes or entails the Transfer of this Agreement, substantially all of the assets of the Franchised Business, a controlling interest in Franchisee, or is one of a series of Transfers which in the aggregate Transfers substantially all of the assets of the Franchised Business or a controlling interest in Franchisee, then, at the election of Franchisor and upon notice from Franchisor to Franchisee, the transferee may be required to execute (and/or, upon Franchisee's request, shall cause all interested parties to execute) for a term ending on the expiration date of the original Term of this Agreement, the then current standard form Franchise Agreement offered to new franchisees of USA Ninja Challenge Training Centers and any other agreements as Franchisor requires. Such agreements shall supersede this Agreement and its associated agreement in all respects, and the terms of

Franchisor's then current agreements may differ from the terms in this Agreement, provided that such agreements shall provide for the same Royalty Fee, Advertising Contributions, and all other financial or monetary obligations established in this Agreement;

(8) Unless Franchisee has met the requirements of Article 7.B. within the four year period immediately preceding the Transfer, the transferee, at its expense, must improve, modify, refurbish, renovate, remodel, and/or otherwise upgrade Franchisee's USA Ninja Challenge Training Center Facility to conform to the then current standards and specifications of Franchisor, and the transferee must complete such improvements, modifications, refurbishments, renovations, remodeling, and/or upgrading within the time period Franchisor reasonably specifies;

(9) Franchisee, each Owner, and each Spouse shall remain liable for all obligations to Franchisor set forth in this Agreement;

(10) At the transferee's expense, the transferee, and the transferee's Managing Owner, Managers and/or any other applicable employees of transferee's USA Ninja Challenge Training Center must complete any training programs then in effect for franchisees of USA Ninja Challenge Training Centers upon terms and conditions set forth in this Agreement or as Franchisor otherwise reasonably requires;

(11) Franchisee must pay a fixed sum of $15,000 to Franchisor (the "Transfer Fee");

(12) Franchisor's approval of the material terms and conditions of the Transfer, and Franchisor determines in Franchisor's Reasonable Business Judgment that the price and terms of payment are not so burdensome as to be detrimental to the future operations of the Franchised Business by the transferee;

(13) Transferee's employees, directors, officers, independent contractors, and agents who will have access to Confidential Information shall execute the Confidentiality Agreement attached hereto as Exhibit 2;

(14) Franchisee entering into an agreement with Franchisor agreeing to subordinate any obligations of transferee to make installment payments of the purchase price to Franchisee to the transferee's obligations to Franchisor, including, without limitation, transferee's obligations with respect to Royalty Fees and Advertising Contributions;

(15) Franchisee and transferee acknowledge and agree that Franchisor's approval of the Transfer indicates only that the transferee meets, or Franchisor waived, the criteria established by Franchisor for franchisees as of the time of such transfer, and Franchisor's approval thereof does not constitute a warranty or guaranty by Franchisor, express or implied, of the suitability of the terms of sale, successful operation, or profitability of the Franchised Business;

(16) Franchisee and transferee acknowledge and agree that Franchisor's approval of the Transfer at issue does not constitute Franchisor's approval of future or other Transfers or the waiver of the requirement that Franchisor must approve such future or other Transfers in accordance with this Agreement;

(17) The Transfer must be made in compliance with all applicable laws;

(18) The Transfer of the Franchised Business, the lease for Franchisee's USA Ninja Challenge Training Center Facility, Training Center Location and the assets of the Franchised Business shall be made only in conjunction with a Transfer of this Agreement, approved by Franchisor in accordance with and subject to this Article 14 and the terms and conditions of this Agreement; and

(19) Franchisor's consent to a Transfer of any interest that is subject to the restrictions of this Agreement shall not constitute a waiver of any claims it may have against Franchisee or deemed a waiver of Franchisor's right to demand strict and exact compliance with this Agreement by the transferee.

14.D. DEATH OR DISABILITY OF FRANCHISEE OR AN OWNER

(1) If Franchisee is an individual and not a Corporate Entity, upon the death or permanent disability of Franchisee, the executor, administrator, conservator or other personal representative of Franchisee, must appoint a manager that meets the equivalent of an Operating Manager within a reasonable time, which shall not exceed 30 days from the date of death or permanent disability. The appointed manager (as applicable) must serve and qualify as an Operating Manager and attend and successfully complete the Training Program within 60 days of the appointment. If Franchisee's Training Center is not being managed by a Franchisor approved Operating Manager (as applicable) within 30 days after such death or permanent disability, Franchisor is authorized, but is not required, to immediately appoint a manager to maintain the operations of Franchisee's Training Center for, and on behalf of, Franchisee at Franchisee's sole costs until an approved Operating Manager is able to assume the management and operation of Franchisee's Training Center. Franchisor's appointment of a manager for Franchisee's Training Center does not relieve Franchisee of its obligations under this Agreement, including this Article 14.D., or constitute a waiver of Franchisor's right to terminate this Agreement pursuant to Article 16, below. At all times, including while Franchisee's Training Center may be managed by Franchisor's appointed manager, Franchisor shall not be liable for any debts, losses, costs, or expenses incurred in the operations of Franchisee's Training Center or to any creditor of Franchisee for any products, materials, supplies or services purchased by Franchisee's Training Center. Franchisor has the right to charge a reasonable fee for such management services and may cease to provide management services at any time.

(2) If Franchisee is a Corporate Entity, upon the death or permanent disability of Franchisee's Managing Owner, the remaining Owners within a reasonable time, which shall not exceed 30 days from the date of death or permanent disability must appoint a new Managing Owner that is approved by Franchisor. The appointed Managing Owner must attend and successfully complete the Training Program within 60 days of the appointment. If Franchisee's Training Center is not being managed by a Franchisor approved Managing Owner (as applicable) within 30 days after such death or permanent disability, Franchisor is authorized, but is not required, to immediately appoint a manager to maintain the operations of Franchisee's Training Center for, and on behalf of, Franchisee at Franchisee's sole costs until an approved Managing Owner is able to assume the management and operation of Franchisee's Training Center. Franchisor's appointment of a manager for Franchisee's Training Center does not relieve Franchisee of its obligations under this Agreement, including this Article 14.D., or constitute a waiver of Franchisor's right to terminate this Agreement pursuant to Article 16, below. At all times, including while Franchisee's Training Center may be managed by Franchisor's appointed manager, Franchisor shall not be liable for any debts, losses, costs, or expenses incurred in the operations of Franchisee's Training Center or to any creditor of Franchisee for any products, materials, supplies or services purchased by Franchisee's Training Center. Franchisor has the right to charge a reasonable fee for such management services and may cease to provide management services at any time.

Notwithstanding the foregoing, if Franchisee is a Corporate Entity and the Managing Owner is the only Owner of Franchisee, then Article 14.D.(1) shall apply as if the Managing Owner were the sole individual Franchisee.

(3) Upon the death of Franchisee or any Owner, the executor, administrator, conservator or other personal representative of that deceased person must transfer his interest to a person Franchisor approves within a reasonable time, not to exceed 12 months from the date of death.

(4) If Franchisee is an individual, then in the event of the death or permanent disability of Franchisee, this Agreement may be Transferred to any designated person, heir or beneficiary without the payment of the Transfer Fee. Notwithstanding the immediately foregoing sentence, the Transfer of this Agreement to such transferee of Franchisee shall be subject to the applicable terms and conditions of this Article 14, and the Transfer shall not be valid or effective until Franchisor has received the properly executed legal documents, which Franchisor's attorneys deem necessary to properly and legally document such Transfer of this Agreement. Furthermore, said transferee must agree to be unconditionally bound by the terms and conditions of this Agreement, personally guarantee the performance of Franchisee's obligations under this Agreement, and execute the Franchise Owner and Spouse Agreement and Guaranty attached to this Agreement as Exhibit 1.

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14.E. TRANSFER TO WHOLLY OWNED CORPORATE ENTITY

In the event Franchisee is an individual/are individuals, this Agreement may be Transferred by Franchisee to a Corporate Entity (the "Assignee Corporate Entity"), provided that: (a) Franchisee has provided Franchisor with 30 days prior written notice of the proposed Assignment of this Agreement; (b) Franchisee (individually, jointly and severally as to each individual Franchisee) sign and be bound by the Franchise Owner and Spouse Agreement and Guaranty attached to this Agreement as Exhibit 1; (c) the Spouse of each Franchisee (individually, jointly and severally as to each individual Spouse) sign and be bound by the Franchise Owner and Spouse Agreement and Guaranty attached to this Agreement as Exhibit 1; (d) Franchisee has provided Franchisor with true and accurate copies of corporate formation documents related to the Assignee Corporate Entity and the ownership of the Assignee Corporate Entity and has further provided Franchisor with all additional documentation as Franchise may request concerning the proposed assignment and/or Assignee Corporate Entity; and (e) Franchisee is otherwise in compliance with the terms and conditions of this Agreement and any Ancillary Agreements. Franchisee agrees that an assignment to an Assignee Corporate Entity shall not relieve Franchisee of Franchisee's individual obligations under this Agreement as such obligations existed between Franchisee and Franchisor prior to the date of any assignment to the Assignee Corporate Entity.

14.F. FRANCHISOR'S RIGHT OF FIRST REFUSAL

If Franchisee or an Owner desire to engage, in whole or in part, in a Transfer of Franchisee, this Agreement, Franchisee's Training Center, Franchisee's Training Center Facility, and/or Franchisee's Training Center Location, then Franchisee or such Owner (as applicable) must obtain a bona fide, signed written offer from the fully disclosed purchaser (the "Offer") and submit an exact copy of the Offer to Franchisor. Franchisor shall have 30 days after receipt of the Offer to decide whether Franchisor will purchase the interest in Franchisee, Franchisee's Training Center, Franchisee's Training Center Facility, and/or Franchisee's Training Center Location for the same price and upon the same terms contained in the Offer (however, Franchisor may substitute cash for any form of payment proposed in the Offer). If Franchisor notifies Franchisee that Franchisor intends to purchase the interest within said 30 day period, Franchisee or Owner (as applicable) must sell the interest to Franchisor. Franchisor will have at least an additional 60 days to prepare for closing. Franchisor shall be entitled to receive from Franchisee or Owner (as applicable) all customary representations and warranties given by Franchisee or Owner (as applicable) as the seller of the assets and/or the ownership interest or, at Franchisor's election, the representations and warranties contained in the offer. If Franchisor does not exercise its right of first refusal, Franchisee or Owner (as applicable) may complete the Transfer to the purchaser pursuant to and in accordance with the terms of the Offer, provided that separate and apart from this Article 14.F. right of first refusal, Franchisee complies with the terms of this Article 14. However, if the sale to the purchaser is not completed within 120 days after delivery of the Offer to Franchisor, or there is a material change in the terms of the sale, Franchisor will again have the right of first refusal specified in this Article 14.F. Franchisor's right of first refusal in this Article 14.F. shall not apply to any Transfer pursuant to Article 14.E. of this Agreement.

ARTICLE 15
RENEWAL OF FRANCHISE

15.A. FRANCHISEE'S RIGHT TO RENEW

Subject to Franchisee's satisfaction of the terms of this Agreement, including this Article 15, Franchisee shall possess the option to renew the franchise for Franchisee's continued license and franchised operation of the Franchised Business for up to two additional 10 year terms (each, a "Renewal Term") comprised of the First Renewal Term and the Second Renewal Term provided that as to each Renewal Term Franchisee is in compliance with the terms of this Agreement (including any Renewal Franchise Agreement) and timely and independently complies with the renewal conditions set forth in this Article 15 as to both the First Renewal Term and the Second Renewal Term, respectively.

15.B. CONDITIONS FOR RENEWAL

Franchisee's renewal rights under this Article 15 are subject to and contingent upon Franchisee's satisfaction of the following conditions and criteria:

(1) Not less than 180 days prior to the expiration of the initial Term Franchisee must provide Franchisor written notice (the "Renewal Notice") of Franchisee's election to renew;

(2) At the time of delivering the Renewal Notice and at all times thereafter, Franchisee and Franchisee's Owners must be in compliance with the terms of this Agreement and all Ancillary Agreements, and without any default of this Agreement or the Ancillary Agreements;

(3) Franchisee must possess, present, and demonstrate to Franchisor and, subject to Franchisor's reasonable satisfaction, that: (a) Franchisee maintains and has secured the legal right to remain in possession of Franchisee's Training Center Facility and Training Center Location through the entire Renewal Term or; (b) Franchisee has selected a proposed new Training Center Location within the Designated Territory that Franchisor, at Franchisor's sole discretion, has approved in writing and that may be timely developed by Franchisee, in accordance with Franchisor's standards and specifications, for the development and operation of the Franchisee's Training Center throughout the duration of the Renewal Term;

(4) Franchisee must update and/or agree to update the condition, appearance and functionality of Franchisee's Training Center Facility and Franchisee's Training Center Location and to otherwise modify Franchisee's Training Center Facility and Franchisee's Training Center Location in compliance with Franchisor's specifications and standards then applicable for new USA Ninja Challenge Training Centers;

(5) Franchisee pays the Renewal Fee and Franchisee agrees to, signs, and delivers to Franchisor, within 30 days of the date of delivery by Franchisor to Franchisee, Franchisor's then current form Training Center Franchise Agreement for the Renewal Term (the "Renewal Franchise Agreement");

(6) Franchisee's Owners and their Spouses, respectively, must agree to, sign, and deliver to Franchisor, within 30 days of the date of delivery by Franchisor to Franchisee, Franchisor's then current individual guaranty agreements, and, thereby, among other things, individually and jointly guarantee the full and complete performance of the Renewal Franchise Agreement including, but not limited to, payment obligations, non-compete obligations, and restrictive covenants (the "Renewal Ancillary Agreements");

(7) Franchisee and the Owners must, prior to the Renewal Term, undertake and complete, to Franchisor's satisfaction, such additional training, if any, as designated and determined by Franchisor in Franchisor's Reasonable Business Judgment; and

(8) Franchisee and the Owners must agree to, sign, and deliver to Franchisor, within 30 days of the date of delivery by Franchisor to Franchisee, Franchisor's then current form of general release whereby Franchisee and Franchisee's Owners shall each fully release and discharge Franchisor, Franchisor's affiliates and it's officers, directors, shareholders, partners, agents, representatives, independent contractors, servants, employees, successors and assigns from any and all claims, causes of action, and suits arising from and/or related to this Agreement. If local law precludes Franchisee's issuance of a general release, Franchisor at Franchisor's election, may condition renewal on Franchisee's and each Owner's delivery to Franchisor of an estoppel letter advising and informing Franchisor that the undersigned possesses no legal claim or cause of action against Franchisor and is not aware of any facts of circumstances involving any breach of this Agreement by Franchisor or Franchisor's agents or employees.

Failure by Franchisee, and, as applicable, each Owner and Spouse to timely comply with the foregoing conditions shall be deemed an election by Franchisee not to renew the franchise.

15.C. RENEWAL FRANCHISE AGREEMENT

Franchisee expressly acknowledges and agrees that the Renewal Franchise Agreement and Renewal Ancillary Agreements, as determined by Franchisor in Franchisor's sole discretion, may contain terms, conditions, requirements, and rights that are materially and substantively different from those granted and contained in this Agreement.

ARTICLE 16
DEFAULTS, TERMINATION AND REMEDIES

16.A. DEFAULTS BY FRANCHISEE AND TERMINATION BY FRANCHISOR

(1) **Defaults and Automatic Termination** – Franchisee shall be in default of this Agreement, and, this Agreement shall be automatically and immediately terminated, without notice to Franchisee and without providing Franchisee any opportunity to cure, upon the occurrence of any one or more of the following actions, inactions, omissions, events, and/or circumstances:

(a) Franchisee becomes insolvent, and/or Franchisee makes a general assignment for the benefit of creditors or takes any other similar action for the protection or benefit of creditors;

(b) Franchisee admits in writing Franchisee's inability to pay its debts as they mature, and/or Franchisee gives notice to any governmental body or agency of insolvency, pending insolvency, suspension of operations and/or pending suspension of operations;

(c) Franchisee files a voluntary petition in bankruptcy, Franchisee is adjudicated bankrupt or insolvent, and/or Franchisee files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or other similar relief under any applicable federal and/or state law relative to bankruptcy, insolvency or similar relief for debtors;

(d) An involuntary petition in bankruptcy is filed against Franchisee and Franchisee fails to have the involuntary petition discharged within 35 days of the petition filing, and/or Franchisee seeks, consents to, or acquiesces in, the appointment of any trustee, receiver, conservator, custodian or liquidator for Franchisee's business or any assets of Franchisee;

(e) A bill in equity or other proceeding for the appointment of any trustee, receiver, conservator, custodian or liquidator of Franchisee for Franchisee's business or any assets of Franchisee is filed and Franchisee consents to same;

(f) A court of competent jurisdiction appoints or orders any trustee, receiver, conservator, custodian or liquidator for Franchisee's business or any assets of Franchisee and such appointment or order remains for an aggregate of 60 days, whether or not consecutive, from the date of entry thereof;

(g) Franchisee initiates proceedings for a composition with creditors under any state or federal law or such a proceeding is initiated against Franchisee;

(h) This Agreement, or any of Franchisee's rights under this Agreement, is levied upon under any attachment or execution, and/or Execution is levied upon or against the Franchised Business or any assets of Franchisee, and/or a final judgment against Franchisee remains of record or unsatisfied for 30 days or more, unless an appeal and/or bond is filed;
(i) Franchisee is dissolved, and/or Franchisee's leasehold interests and/or rights in or to Franchisee's Training Center Location are terminated;

(j) A cause of action or lawsuit to foreclose any lien or mortgage against Franchisee's Training Center Location if Franchisee is the fee simple owner of Franchisee's Training Center Location;

(k) A cause of action or lawsuit to foreclose any lien against equipment used in the operation of Franchisee's Training Center or located at Franchisee's Training Center Location is instituted against Franchisee and not dismissed within 60 days after the summons is served on Franchisee;

(l) Real or personal property of Franchisee used in the operation of Franchisee's Training Center is sold after levy thereupon by any sheriff, marshal or other law enforcement officer; and/or

(m) Upon termination by Franchisor pursuant to Article 16.A.(2), Article 16.A.(3), or Article 16.A.(4) of this Agreement.

(2) **Defaults and Automatic Termination upon Written Notice without Cure Period** – Franchisee shall be in default of this Agreement, and, this Agreement may be terminated by Franchisor, at Franchisor's sole discretion, upon written notice from Franchisor to Franchisee and without providing Franchisee any opportunity to cure, upon the occurrence of any one or more of the following actions, inactions, omissions, events, and/or circumstances, with such termination effective on the date of Franchisor's notice:

(a) Franchisee, on three or more instances and/or occasions, engages, commits, and/or suffers an action, inaction, omission, event, and/or circumstance that constitutes or qualifies as a default under Articles 16.A.(3) and/or 16.A.(4) of this Agreement, irrespective of whether or not such action, inaction, omission, event, and/or circumstance is the subject of a notice of default from Franchisor to Franchisee pursuant to Articles 16.A.(3) and/or 16.A.(4) of this Agreement and irrespective of whether or not such default was timely cured and irrespective of whether or not Franchisee paid any penalties or additional fees to Franchisor;

(b) Franchisee, intentionally and knowingly, refuses to comply with and/or breaches any term, condition, provision, and/or requirement of this Agreement with the intent of causing harm to Franchisor, the System, other System franchisee and/or customers of the Franchised Business;

(c) Franchisee intentionally, knowingly, with prior notice, and/or through negligence, at any time,

develops, manages, maintains, and/or operates the Franchised Business in violation of federal, state, and/or local laws, rules, regulations, ordinances, permits, codes and/or conduct resulting in a foreseeable, immediate and/or imminent threat to the health and/or safety of any third party including customers, employees, and/or the public at large;

(d) Franchisee abandons, surrenders and/or fails to continuously and actively operate the Franchised Business, unless prevented from doing so by casualty that is the subject of Article 7.D. of this Agreement and that is cured/remedied in accordance with Article 7.D.;

(e) Franchisee loses and/or fails to maintain possession of the leasehold and/or other legal interests providing Franchisee with the uninterrupted legal right and ability to occupy and to continue to occupy Franchisee's Training Center Facility throughout the Term and to maintain and operate Franchised Business in accordance with the terms of this Agreement and the standards, specifications, and requirements set forth in the Operations Manual and/or as otherwise communicated by Franchisor from time to time;

(f) As to information, records, statements, and/or data that Franchisee must maintain and/or report to Franchisor pursuant to the terms of this Agreement, the Operations Manual, or as otherwise requested by Franchisor from time to time, the information, records, statements, and/or data maintained by Franchisee and/or reported by Franchisee contains intentional inaccuracies and/or material inaccuracies that are either misleading or false;

(g) Franchisee attempts to Transfer, or purportedly attempts to Transfer, this Agreement or any of Franchisee's rights under this Agreement, without Franchisor's prior approval, written consent, and/or otherwise not in accordance with this Agreement;

(h) If Franchisee is a Corporate Entity, an Owner of Franchisee attempts to Transfer or, purportedly Transfers, the Owners equity interests, ownership interests, and/or rights in Franchisee without Franchisor's prior approval, written consent, and/or otherwise not in accordance with this Agreement;

(i) Franchisee discloses, divulges, provides access to, communicates, and/or permits the communication of the contents, data and/or information contained in the Operations Manual to any third party not otherwise authorized by Franchisor;

(j) Franchisee discloses, divulges, provides access to, communicates, and/or permits the communication of Confidential Information to any third party not otherwise authorized by Franchisor;

(k) Franchisee engages in any activity that injures, harms, damages, or otherwise has a material adverse effect on Franchisor, the System, the Licensed Marks, USA Ninja Challenge Training Centers, Franchisee's Training Center, and/or the reputation of the USA Ninja Challenge brand;

(l) Franchisee, an Owner, and/or a Spouse, as applicable and whether individually or jointly, breaches or is in default of an Ancillary Agreement, and, if the applicable agreement provides for the opportunity to cure, fails to timely cure the breach or default of the Ancillary Agreement, including, without limitation, the Franchise Owner and Spouse Agreement and Guaranty;

(m) Franchisee and/or an Owner of Franchisee is convicted of a felony crime, and/or pleads guilty or nolo contendere to a felony crime;

(n) Franchisee and/or an Owner of Franchisee engages in intentionally dishonest and/or unethical conduct that, in Franchisor's Reasonable Business Judgment, results in embarrassment to Franchisor,

the System, the Licensed Marks, USA Ninja Challenge Training Centers, Franchisee's Training Center, and/or the reputation of the USA Ninja Challenge brand;

(o) Franchisee fails to complete, to Franchisor's reasonable satisfaction, the Training Program and/or supplemental training programs designated by Franchisor;

(p) Franchisee fails, upon receiving actual or constructive notice, shall: (1) immediately notify Franchisor of any known breach of the Confidentiality Agreement by any person or entity; (2) immediately notify Franchisor of facts and information that would cause a reasonable person to believe that a person or entity violated the Confidentiality Agreement and/or is in the process of violating the Confidentiality Agreement; and (3) take reasonable steps including ,notice to Franchisor and Franchisee's consultation with Franchisee's legal counsel, to prevent any person or entity from violating the terms of the Confidentiality Agreement and/or otherwise publicly disseminating Confidential Information;

(q) Franchisee misappropriates, misuses, or makes any unauthorized use of the Licensed Marks, the Confidential Information, and/or the System and/or Franchisee materially impairs the goodwill associated with the Licensed Marks, and/or Franchisee applies for registration of the Licensed Marks anywhere in the world; and/or

(r) Franchisee and/or an Owner fails to comply with Anti-Terrorism Laws or becomes listed on the Annex to Executive Order 13244.

(3) **Defaults and Automatic Termination After 10 Day Cure Period** – Franchisee shall be in default of this Agreement and, this Agreement shall be terminated, upon the occurrence of any one or more of the following actions, inactions, omissions, events, and/or circumstances, unless, Franchisee timely cures, to the satisfaction of Franchisor, such default / action, inaction, omission, event, and/or circumstance within 10 calendar days of Franchisor's written notice:

(a) Franchisee fails, refuses, and/or is unable to timely pay the Royalty Fee, Advertising Contribution, and/or any other payment, fee, financial obligation, charge, and/or monetary obligation payable and/or due to Franchisor pursuant to the terms of this Agreement, under this Agreement, and/or any other agreement between Franchisor and Franchisee;

(b) Franchisee and/or Franchisee's affiliate fails, refuses, and/or is unable to pay any payment, fee, financial obligation, charge, and/or monetary obligation payable to Franchisor and/or Franchisor's affiliates pursuant to this Agreement and/or any other agreement between or among Franchisor, Franchisor's affiliate, Franchisee and/or Franchisee's affiliate; and/or

(c) Franchisee fails or refuses, at any time, and, without legal justification as may be determined by Franchisor in Franchisor's Reasonable Business Judgment, to pay any third party supplier or vendor for any goods, products, supplies, equipment, materials and/or any other items used by, benefitting, and/or intended to benefit the Franchised Business.

The foregoing events of default set forth in this Article 16.A.(3) shall exclude events of default that are otherwise governed by and/or constitute events of default under Article 16.A.(1) or Article 16.A.(2). In the event of any inconsistency or conflict between the provisions of this Article 16.A.(3) with Article 16.A.(1), Article 16.A.(1) shall take precedence and govern. In the event of any inconsistency or conflict between the provisions of this Article 16.A.(3) with Article 16.A.(2), Article 16.A.(2) shall take precedence and govern.

(4) **Defaults and Automatic Termination After 30 Day Cure Period** – Franchisee shall be in default of this Agreement and, this Agreement shall be terminated, upon the occurrence of any one or more of the following actions, inactions, omissions, events, and/or circumstances, unless, Franchisee timely cures, to the satisfaction of Franchisor, such default / action, inaction, omission, event, and/or circumstance within 30 calendar days of Franchisor's written notice:

(a) Franchisee fails or refuses to comply with and/or breaches any term, condition, provision, and/or requirement of this Agreement that is not otherwise a default under Articles 16.A.(1), 16.A.(2), or 16.A.(3) of this Agreement;

(b) Franchisee fails or refuses to comply with and/or breaches any term, condition, provision, and/or requirement of any agreement, other than this Agreement, between Franchisor and Franchisee, and/or an affiliate of Franchisor and Franchisee;

(c) Franchisee fails or refuses, in accordance with the terms of this Agreement, to obtain and secure a signed lease agreement or fee simple ownership interest in a training center location that is approved by Franchisor, in Franchisor's Reasonable Business Judgment, as Franchisee's Training Center Location;

(d) Franchisee fails or refuses to develop and open the Franchised Business on or before the Scheduled Business Commencement Date, in compliance with the terms of this Agreement, as designated or specified in the Operations Manual, and/or in accordance with Franchisor's standards and specifications as communicated to Franchisee from time to time;

(e) Franchisee fails or refuses, at any time, to manage, maintain, and/or operate the Franchised Business in compliance with the terms of this Agreement, as designated or specified in the Operations Manual, and/or in accordance with Franchisor's standards, specifications, and requirements as communicated to Franchisee from time to time;

(f) Franchisee fails or refuses, at any time, to develop, manage, maintain, and/or operate the Franchised Business in compliance with all applicable federal, state, and local laws, rules, regulations, ordinances, permits, and codes;

(g) At any time, an inspection and/or evaluation of the operations of the Franchised Business – whether by mystery shopper programs, third party inspection services, or as otherwise designated by Franchisor, and, whether or not such inspections are on notice or secret – Franchisor, in Franchisor's Reasonable Business Judgment, determines that the operations of the Franchised Business do not meet or are in violation of the operational standards and requirements set forth in this Agreement, the Operations Manual, and/or as communicated to Franchisee from time to time;

(h) Franchisee fails or refuses to timely submit to Franchisor records, reports, stored media, recordings, financial statements, books, accounts, statements, data, documentation and/or other information as required by this Agreement, as set forth in the Operations Manual, and/or as requested by Franchisor

(i) If any inspection or review of Franchisee's records, reports, books, accounts, statements, data, documentation and/or other information discloses, within any week, month, or Accounting Period selected by Franchisor, the underreporting of Franchisee's Gross Sales, and/or any other metrics or data, resulting in the underpayment, by 5% or more, of the obligations, payments, and/or fees due by Franchisee to Franchisor under the terms of this Agreement;

(j) Franchisee fails or refuses, at any time, to maintain the required insurance policies and insurance coverage required for the Franchised Business as set forth in this Agreement, and/or in the Operations Manual; and/or

(k) Franchisee fails to timely satisfy and pay all vendors, suppliers and/or contractors in connection with the development, construction, and/or establishment of the Franchised Business.

The foregoing events of default set forth in this Article 16.A.(4) shall exclude events of default that are otherwise governed by and/or constitute events of default under Article 16.A.(1) or Article 16.A.(2). In the event of any inconsistency or conflict between the provisions of this Article 16.A.(4) with Article 16.A.(1), Article 16.A.(1) shall take precedence and govern. In the event of any inconsistency or conflict between the provisions of this Article 16.A.(4) with Article 16.A.(2), Article 16.A.(2) shall take precedence and govern.

16.B. TERMINATION BY FRANCHISEE

If Franchisee, each Owner and Spouse (as applicable) are in full compliance with each and every term and provision of this Agreement, any amendment or successor agreement, and any of the Ancillary Agreements, and Franchisor materially breaches Franchisor's substantive and material obligations set forth in this Agreement, Franchisee may terminate this Agreement in the event of the following:

(1) Franchisor does not correct the material breach within 30 days after Franchisor's receipt of Franchisee's written notice of such material breach to Franchisor; or

(2) In a case where Franchisor's material breach cannot reasonably be cured within 30 days, within 30 days of Franchisor's receipt of Franchisee's written notice of Franchisor's material breach, Franchisor shall be provided a reasonable time period to cure such material breach provided that Franchisor provides reasonable evidence to Franchisee of Franchisor's current, continuing and/or planned efforts to correct the material breach within a reasonable time.

In either case, Franchisee's termination of this Agreement shall not take effect until expiration of the 30 day period set forth above and or such reasonable time period as necessary to cure the material breach, and Franchisee delivers to Franchisor a separate written notice of termination. The termination date must be at least 10 days after Franchisor's receipt of Franchisee's notice of termination. Franchisee's termination of this Agreement for any reason other than as set forth in and in compliance with this Article 16.B. shall not constitute the termination of this Agreement and shall constitute a material breach of this Agreement by Franchisee.

16.C. FRANCHISOR'S ADDITIONAL RIGHTS, REMEDIES, AND DAMAGES

Franchisee agrees that Article 16.A. sets forth actions, inactions, omissions, events, and/or circumstances that, among other things, constitute, in each and every instance and subject to any applicable cure period, if any, a default and/or breach of this Agreement permitting Franchisor to, among other things, terminate this Agreement and/or resulting in the automatic termination of this Agreement. The grounds constituting a default and/or breach of this Agreement under Article 16.A. are in addition to any and all other grounds for default as may be otherwise set forth in the Franchise Agreement. In the event of an event of default and/or breach of this Agreement by Franchisee under Article 16.A. or, as otherwise set forth in this Agreement, Franchisee agrees that termination of this Agreement is not the sole or exclusive remedy of Franchisor and that Franchisor's right or remedy of termination shall be in addition to any and all other rights set forth in this Agreement, and as otherwise available to Franchisor in law or equity.

Without limitation to the foregoing, additionally, in the event of the termination of this Agreement as a result of a default or breach by Franchisee and/or, by Franchisee's Owners and/or affiliates of any Ancillary

Agreements, Franchisor, in addition to any and all other rights and remedies available to Franchisor as set forth in this Agreement, and, at law and in equity, shall possess the following rights and remedies, each of which are not exclusive of the other and may be/are in conjunction with one another:

(1) To void and terminate this Agreement, and thereafter to market, sell, transfer, convey and assign the rights granted to Franchisee under this Agreement to any other person or entity in Franchisor's sole discretion and without compensation to Franchisee.

(2) To hold Franchisee and Franchisee's Owners liable for, and recover from each of them, jointly and severally, all payments, fees, monetary obligations, financial obligations, interest, and charges due and owing to Franchisor from Franchisee pursuant to this Agreement, the Ancillary Agreements, and/or any other agreements between Franchisee and Franchisor, including, without limitation, Royalty Fees and Advertising Contributions with each and every payment and obligation to be accelerated and due immediately.

(3) To hold Franchisee and Franchisee's Owners liable for, and recover from each of them, jointly and severally, lost revenues, profits, and fees including, but not limited to Royalty Fees, Brand Development Fund Fee, Advertising Contributions, and all other fees, revenues and/or expenses that would have been paid to Franchisor, under the terms of this Agreement and throughout the Term of this Agreement, had a breach not occurred and had Franchisor not terminated this Agreement.

(4) To hold Franchisee and Franchisee's Owners liable for all costs, fees, expenses, and/or damages incurred by Franchisor and/or suffered by Franchisor as a result of a breach or termination including, but not limited to, the recovery of reasonable attorney fees and expenses including court costs, arbitration fees, mediation fees, arbitrator fees, mediator fees, depositions and other related expenses.

(5) To enjoin, restrain, and otherwise prohibit Franchisee from operating Franchisee's Training Center or exercising any rights granted to Franchisee under this Agreement pursuant to a court order restraining order, injunction or other means.

(6) Declaratory judgment that this Agreement and all rights granted to Franchisee under this Agreement are terminated, null and void.

(7) All other remedies and/or rights available to Franchisor as otherwise set forth in the Agreement and/or as may be otherwise available by law or equity.

In the event of a breach or default of this Agreement, should Franchisor elect, at Franchisor's sole discretion, to not terminate this Agreement, such action shall be without prejudice and without waiver of Franchisor's rights in the future. Further, at all times, and without prejudice to Franchisor's right to declare a default and, among other things, terminate this Agreement, Franchisor may: (i) temporarily or permanently suspend any existing credit arrangements or accommodations previously extended to Franchisee and/or refrain from offering or making available to Franchisee any credit arrangements or accommodations that may be offered or made available to other System franchisees; (ii) modify payment terms for approved products, supplies, or other merchandise purchased by Franchisee which may include, without limitation, requiring cash on delivery; (iii) disqualify Franchisee from being eligible for, or from participating in, special promotion programs, rebates, and/or rebate sharing that may be offered or made available to other System franchisees; and/or (iv) refrain from providing or making available to Franchisee promotional materials or other materials developed by the Brand Development Fund and/or Advertising Cooperative.

If Franchisor does not pursue termination of this Agreement in the event of a default or breach by Franchise, and/or Franchisor accepts any royalties, payments, contributions, funds, or other monetary sums from Franchisee, such actions do not constitute a waiver or acceptance of Franchisee's default or breach, and

Franchisor reserves the right to pursue any and all additional remedies set forth in this Agreement, at law, or in equity. Franchisor's rights and remedies are cumulative, and no exercise or enforcement by Franchisor of any such right or remedy precludes the exercise or enforcement by Franchisor of any other right or remedy which Franchisor is entitled by law to enforce.

ARTICLE 17
OBLIGATIONS UPON TERMINATION, EXPIRATION AND CONTINUING OBLIGATIONS

17.A. PAYMENT OF AMOUNTS OWED TO FRANCHISOR

Without limitation as to any other Article or provision of this Agreement, upon expiration or termination of this Agreement for any reason, Franchisee shall immediately pay to Franchisor all sums and fees due from Franchisee to Franchisor under the terms of this Agreement including, but not limited to Royalty Fees and Advertising Contributions and all other sums and fees due from Franchisee to Franchisor and/or Franchisor affiliates and/or suppliers for products and services including, but not limited to, System Supplies.

17.B. CEASE OPERATIONS AND PROTECTION OF THE SYSTEM

Upon expiration, termination, or Transfer of this Agreement for any reason, Franchisee shall immediately:

(1) Permanently cease to be a franchise owner of the Training Center that was the subject of this Agreement and cease to operate such Training Center under the System;

(2) Refrain from directly or indirectly, holding oneself/itself out to any person or entity, or represent themselves/itself as a present or former USA Ninja Challenge franchisee;

(3) Permanently cease to use, in any manner: (a) the System including, without limitation, the Confidential Information, the Licensed Marks, the Business Management System Data, and the Operations Manual; (b) any methods, procedures, or techniques associated with the System in which Franchisor possesses proprietary rights or that constitute Franchisor's trade secrets; (c) System Supplies, including communicating with or ordering products from Franchisor's designated suppliers and vendors of System Supplies; (d) the Approved Products and Services; and (e) any other advertising, marketing, media, and any other information, documents or things associated with Franchisor, the System, the Licensed Marks, USA Ninja Challenge Training Centers, the Franchised Business, and Franchisee's former USA Ninja Challenge Training Center, including, without limitation, any confidential, proprietary methods, procedures, descriptions of products, techniques, trade secrets, proprietary marks, distinctive forms, slogans, symbols, signs, stationary, advertising material, articles, logos, devices, items and all other things, tangible or intangible, associated with Franchisor, the System, the Licensed Marks, and USA Ninja Challenge Training Centers;

(4) Return to Franchisor the Operations Manual (including any and all parts, supplements, and copies of the Operations Manual), the Confidential Information (including without limitation the Business Management System Data and all customer lists and information), and all other confidential materials, equipment, software, information, and property owned by Franchisor and all copies thereof provided, however, that Franchisee may retain Franchisee's copies of this Agreement, correspondence between Franchisor and Franchisee, but not including Confidential Information that may be contained in or attached thereto, and other documents that Franchisee needs to retain pursuant to applicable law;

(5) Permanently cease accessing, immediately disconnect from, and discontinue using any and all digital media, intra-nets, cloud based systems, and/or servers that store, maintain, and/or provide access to the Operations Manual, Confidential Information, and all other standards, specifications of

Franchisor;

(6) Immediately notify Franchisor, in writing, of any and all locations where Franchisee may have maintained and/or stored digital files and/or media containing all or parts of the Operations Manual, any Confidential Information, and all other standards and specifications of Franchisor, immediately turn over such digital files and media to Franchisor, and follow Franchisor's instructions as to the destruction of such digital files and media;

(7) Except in the event an authorized transferee continues to operate Franchisee's former Training Center at Franchisee's Training Center Location subsequent to a Transfer, at Franchisee's sole cost and expense: (a) modify and alter Franchisee's former Training Center, Franchisee's former Training Center Facility, and Franchisee's Training Center Location, as reasonably necessary or otherwise required by Franchisor, to ensure that Franchisee's Training Center Facility and Franchisee's Training Center Location have been completely de-identified and differentiated from its former appearance to prevent any confusion by the public as to the continued existence of a Training Center at the Training Center Location; (b) remove from Franchisee's Training Center Facility and Franchisee's Training Center Location all distinctive physical and structural features identifying a Training Center and all distinctive signs, trade dress and emblems associated with the System including, without limitation, signs, trade dress, and emblems bearing the Licensed Marks; and (c) make specific additional changes to Franchisee's Training Center Facility and Franchisee's Training Center Location as Franchisor reasonably requests for the purpose of completely de-identifying Franchisee's former Training Center. Franchisee shall immediately initiate the foregoing actions and complete such actions within the period of time designated by Franchisor, and Franchisee agrees that Franchisor and/or Franchisor's designated agents may enter the premises of Franchisee's Training Center Facility and Franchisee's Training Center Location at any time to make foregoing alterations at Franchisee's sole risk and expense. Franchisee further agrees that Franchisee's failure to timely make modifications and alterations to Franchisee's Training Center Facility and Franchisee's Training Center Location will cause irreparable injury to Franchisor, and Franchisee consents to the entry, at Franchisee's expense, of any ex-parte order by any court of competent jurisdiction authorizing Franchisor or its agents to take action, if Franchisor seeks such an order;

(8) Take all actions necessary and/or reasonably required to cancel all fictitious or assumed names or equivalent registrations relating to the Licensed Marks;

(9) At no cost to Franchisor, take such action as may be determined by Franchisor to: (a) provide and assign to Franchisor the Business Management System, the Business Management System Data, and all customer lists, customer information, and customer data; and (b) transfer, disconnect, and/or otherwise assign, as directed by Franchisor, all telephone numbers, email addresses, yellow pages telephone directories, telephone directory type listings, Web Based Media listings, accounts and log-in information used in connection with Franchisee's former Training Center and/or otherwise associated with the System and/or the Licensed Marks, cancel Franchisee's interests in same as such cancellation may be directed by Franchisor, and effectuate, perform, honor, and comply with Franchisee's obligations under the Assignment of Telephone Numbers and Digital Media Accounts attached to this Agreement as Exhibit 6;

(10) Abide by, and comply with, the restrictive covenants and obligations set forth in this Agreement, including, without limitation, the restrictive covenants and obligations set forth in Article 6.B. through Article 6.E. of this Agreement; and

(11) Provide Franchisor, within 30 days of the expiration, termination, or Transfer of this Agreement, with written proof demonstrating that Franchisee has complied with the terms of this Article 17 and all

other obligations under this Agreement that Franchisee must perform, abide by, and comply with, subsequent to the termination, expiration, or Transfer of this Agreement.

17.C. CONTINUING OBLIGATIONS

All obligations under this Agreement that expressly, or by their nature, survive, or are intended to survive, the expiration, termination, or Transfer of this Agreement shall continue in full force and effect subsequent to, and notwithstanding, this Agreement's termination, expiration, or Transfer until such obligations are satisfied in full or, by the nature and/or terms, such obligation(s) expire.

Franchisee further agrees that in the event of a Transfer of this Agreement by Franchisee, whether or not such Transfer is authorized by Franchisor or made in violation of this Agreement, under no circumstance shall Franchisee be relieved of Franchisee's Obligations under this Agreement and under no circumstance shall each Owner and Spouse be relieved of their respective guarantees, agreements, and obligations related to, or associated with, this Agreement, including, without limitation, the guarantees, agreements, and obligations set forth in the Franchise Owner and Spouse Agreement and Guaranty attached to this Agreement as Exhibit 1. The immediately foregoing shall not be interpreted or otherwise construed as constituting consent to any Transfer of this Agreement without the express written consent by Franchisor and Franchisee's compliance with this Agreement respecting any such Transfer.

ARTICLE 18
ENFORCEMENT AND CONSTRUCTION

18.A. SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS

(1) Except as expressly provided to the contrary in this Agreement, each and every term and provision of this Agreement shall be interpreted or otherwise construed to be independent of each other and severable. Although each term and provision of this Agreement is considered by the parties to be reasonable and intended to be enforceable, if any such term or provision of this Agreement is found by a court of competent jurisdiction, agency, or other government agency to be unenforceable as written or otherwise, then such term and condition shall be modified, rewritten, interpreted, or "blue-lined" to include as much of its nature and scope as will render it enforceable. If such term and condition cannot be so modified, rewritten, interpreted, or "redlined" in any respect, then it will not be given effect and severed from this Agreement, and the remainder of this Agreement shall be interpreted, construed and enforced as if such term and condition was not included in this Agreement.

(2) If any applicable and binding law or rule requires a greater prior notice of the termination of this Agreement than is required in this Agreement, or the taking of some other action not required by this Agreement, or if under any applicable and binding law or rule, any term and condition of this Agreement, or any specification, standard, or operating procedure Franchisor prescribes is invalid or unenforceable, then the greater prior notice and/or other action required by law or rule shall be substituted for the comparable provisions, and Franchisor has the right, in its sole discretion, to modify the invalid or unenforceable term and condition, specification, standard, or operating procedure to the extent required to be valid and enforceable. Franchisee agrees to be bound by any such substituted and/or modified term and condition of this Agreement imposing the maximum duty permitted by law that is prescribed within the terms of any provision of this Agreement as though it were originally and separately articulated in, and made a part of, this Agreement as of the Effective Date and/or any specification, standard or operating procedure Franchisor prescribes, which may result from striking from any terms and conditions, specifications, standards, or operating procedures, and any portion or portions thereof, a court may hold to be unenforceable or from reducing the scope of any promise or covenant to the extent required to comply with a court order. Modifications to this Agreement shall be effective only in those jurisdictions in which such terms and conditions, specifications, standards, or operating procedures are found to be unenforceable, unless Franchisor elects to give them greater

applicability, in which case, this Agreement shall be enforced as originally made in all other jurisdictions.

18.B. WAIVER OF OBLIGATIONS

No delay, waiver, omission, or forbearance on the part of Franchisor to enforce any term and condition of this Agreement or exercise any of Franchisor's rights, options, or powers under this Agreement constitutes a waiver by Franchisor to enforce any other term and condition of this Agreement or exercise any of Franchisor's other rights, options, or powers under this Agreement. No such delay, waiver, omission, or forbearance shall constitute a waiver by Franchisor to subsequently enforce such term and condition of this Agreement or subsequently exercise such right, option, or power. Acceptance by Franchisor of any payments, fees, charges, or other amount from Franchisee payable to Franchisor pursuant to this Agreement shall not constitute a waiver or acceptance of Franchisee's default or breach of this Agreement or otherwise a waiver of any term and condition of this Agreement, and Franchisor reserves the right to pursue any and all additional remedies set forth in this Agreement, at law, or in equity. Franchisor shall likewise not be deemed to have waived or impaired any term and condition, right, option or power set forth in this Agreement by virtue of any custom or practice of the parties at variance with the terms and conditions of this Agreement or Franchisor's insistence upon Franchisee's strict compliance with Franchisee's obligations, including any mandatory specification, standard or operating procedure. No waiver by Franchisor of any term and condition of this Agreement shall be valid unless in writing and signed by Franchisor.

18.C. FORCE MAJEURE

If either Franchisor or Franchisee is delayed in performing any obligation under this Agreement by any cause reasonably beyond its control when such cause would affect any person or entity similarly situated, including, without limitation, war, civil disorder, catastrophic weather, power outage, acts of God, including, but not limited to, natural disaster, tornados, earthquakes, wildfires, and pandemics and/or labor strikes unassociated with Franchisee or Franchisor (collectively, "Force Majeure"), then the time period for performing such obligation shall be extended by a period of time equal to the period of delay. Notwithstanding the immediately foregoing sentence, any delay resulting from Force Majeure shall not excuse Franchisee's payment of any fee, charge, amount, and/or any other monetary or financial obligation to Franchisor under this Agreement, including, without limitation, the payment of the Royalty Fee and Advertising Contributions, and the non-performance of any obligation under this Agreement due to Force Majeure shall not be extended or otherwise excused for more than six months.

18.D. SPECIFIC PERFORMANCE AND INJUNCTIVE RELIEF

Nothing in this Agreement bars Franchisor's right to obtain specific performance of the provisions of this Agreement and injunctive relief under legal and/or equity rules against threatened conduct that will cause damages or loss to it, the Licensed Marks or the System. Without limitation to the rights set forth in Article 6 of this Agreement, Franchisee agrees that Franchisor may obtain such injunctive relief. Franchisee agrees that Franchisor will not be required to post a bond (other than as set forth in Article 6.H. of this Agreement) to obtain injunctive relief and that Franchisee's only remedy if an injunction is entered against Franchisee will be the dissolution of that injunction, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). The remedies available to Franchisor under Article 6.H. are not exclusive of one another and may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages. Without limitation to the foregoing Franchisee agrees that in the event of a breach of this Agreement by Franchisee respecting and/or concerning the System and/or the Licensed Marks shall cause irreparable harm to Franchisor, the System and the Licensed Marks. The foregoing shall not be interpreted to invalidate the mediation and arbitration requirements set forth in Article 18.G. of this Agreement and shall be consistent with same.

18.E. RIGHTS OF PARTIES ARE CUMULATIVE

The rights under this Agreement are cumulative and no exercise or enforcement by a party of any right or remedy precludes the exercise or enforcement by that party of any other right or remedy which Franchisor or Franchisee is entitled by law to enforce.

18.F. GOVERNING LAW

EXCEPT TO THE EXTENT GOVERNED BY THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. §§ 1051 *ET SEQ.*) OR OTHER FEDERAL LAW, THIS AGREEMENT AND THE RELATIONSHIP BETWEEN THE PARTIES HERETO SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW HAMPSHIRE, EXCEPT THAT ITS CHOICE OF LAW AND CONFLICTS OF LAWS RULES SHALL NOT APPLY AND ANY FRANCHISE REGISTRATION, DISCLOSURE, RELATIONSHIP OR SIMILAR STATUTE WHICH MAY BE ADOPTED BY THE STATE OF NEW HAMPSHIRE SHALL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH.

18.G. NON-BINDING MEDIATION AND BINDING ARBITRATION

(1) **Non-Binding Mediation** – Franchisee and Franchisor agree that before either party may bring any action, dispute and/or controversy arising from or related to this Agreement and/or the franchise relationship between Franchisor and Franchisee in arbitration, the parties must first mediate the dispute through non-binding mediation. Mediation shall be non-binding and shall be conducted by the American Arbitration Association ("AAA") in accordance with the AAA's then current rules for the mediation of commercial disputes. All mediation proceedings shall be conducted in a suitable location selected by the mediator that is within Merrimack County, New Hampshire or the closest suitable location located nearest to Franchisor's corporate headquarters at the time the mediation proceeding is commenced. Mediation shall be conducted by one mediator and if Franchisor and Franchisee cannot agree on a mediator then the mediator shall be selected by AAA. Mediation shall be conducted within 45 days of AAA's designation and/or acknowledgment of the selected mediator or such longer period as may be agreed to between Franchisor and Franchisee in writing and signed by each respective party. Franchisor and Franchisee shall each be responsible for their own costs associated with mediation and Franchisor and Franchisee shall each be responsible for and shall each pay 50% of the mediator's fee and AAA's mediation fees.

Notwithstanding the preceding paragraph, Franchisor and Franchisee agree this Sub-Article 18.G.(1) and, thereby, the prerequisite requirement of non-binding mediation, shall not, at Franchisor's election, apply to: (a) any claims or disputes related to or concerning a breach of this Agreement by Franchisee that, under the terms of this Agreement, may entitle Franchisor to the award of injunctive relief including, but not limited to, Franchisee's violation or purported violation of Article 6 of this Agreement; and/or (b) claims by either Franchisor or Franchisee under this Agreement that relate to either Franchisor's or Franchisee's failure to pay fees or other monetary obligations due under this Agreement.

(2) **Arbitration** – Subject to the prerequisite requirements of non-binding mediation as set forth in Sub-Article 18.G.(1), and, except, at Franchisor's election, as to any claims or disputes related to or concerning a breach of this Agreement by Franchisee that, under the terms of this Agreement, may entitle Franchisor to the award of injunctive relief including, but not limited to, Franchisee's violation or purported violation of Article 6 of this Agreement, Franchisor and Franchisee agree that all disputes, controversies, and claims, arising from and/or related to this Agreement, the relationship between Franchisor and Franchisee, the System, and/or the validity of this Agreement and/or the Ancillary

Agreements, shall be submitted, on demand of either Franchisor or Franchisee, to AAA for binding arbitration. Arbitration shall be conducted by one arbitrator in accordance with AAA's then current rules for commercial disputes, except as may be otherwise required in this Article 18.G. All arbitration proceedings shall be conducted in a suitable location selected by the arbitrator that is within Merrimack County, New Hampshire or the closest suitable location nearest to Franchisor's corporate headquarters at the time the arbitration proceeding is commended.

In connection with binding arbitration, Franchisor and Franchisee further agree that:

(a) All matters relating to arbitration, will be governed by the United States Federal Arbitration Act, except as expressly or otherwise set forth in this Agreement;

(b) The arbitration hearing shall be conducted within 180 days of the demand for arbitration;

(c) The arbitrator shall render written findings of fact and conclusions of law;

(d) Except as may be otherwise required and/or prohibited by this Agreement including, but not limited to Articles 18.I., 18.J., 18.N, 18.O., 18.R., 18.T., and 18.X. of this Agreement, the arbitrator has the right to award or include in his or her award any relief that he or she determines to be proper, including monetary damages, interest on unpaid sums, specific performance, injunctive relief, attorneys' fees, and costs and expenses as allowable under this Agreement. Notwithstanding the foregoing, under no circumstance shall the Arbitrator be authorized to award or declare the Licensed Marks to be generic or invalid;

(e) They shall each be bound to the limitations periods set forth in Article 18.I. of this Agreement and that, in any arbitration proceeding, Franchisor and Franchisee must each timely submit, within the same arbitration proceeding, any claim that would constitute a compulsory counterclaim as such claims are defined and set forth under Rule 13 of the United States Federal Rules of Civil Procedure. Any claim that is not submitted or filed as required shall be forever barred;

(f) Judgment upon the arbitrator's award may be entered in any court of competent jurisdiction; and

(g) Arbitration and/or any arbitration award must be conducted in accordance with the terms of this Agreement including, but not limited to, the requirements set forth in this Article 18.

(3) **Consent to Jurisdiction and Venue** – Subject to the non-binding mediation and arbitration provisions set forth in this Article 18.G., Franchisor and Franchisee agree that any judicial action or legal proceeding must be brought in a court of competent jurisdiction located within Merrimack County, New Hampshire or, as applicable, the state court or Federal District Court located nearest to Franchisor's corporate headquarters at the time the legal proceeding is commenced. Franchisor and Franchisee do hereby irrevocably consent to and waive any objection to such jurisdiction or venue. Without limitation to the foregoing and notwithstanding same, Franchisor and Franchisee agree that Franchisor, at Franchisor's election, may bring any legal action or proceeding (i) seeking a temporary restraining order, preliminary injunction, or any action seeking Franchisor's enforcement of an arbitration award or any judicial decision; (ii) for monies owed; and/or (iii) involving relief related to real property in the federal or state court located in the county and state where either the Franchised Business was located or where Franchisee resides.

18.H. VARIANCES

FRANCHISEE AGREES THAT FRANCHISOR HAS AND MAY AT DIFFERENT TIMES, IN FRANCHISOR'S ABSOLUTE AND SOLE DISCRETION, APPROVE EXCEPTIONS OR CHANGES

FROM THE UNIFORM STANDARDS OF THE SYSTEM, WHICH FRANCHISOR DEEMS DESIRABLE OR NECESSARY UNDER PARTICULAR CIRCUMSTANCES. FRANCHISEE UNDERSTANDS THAT IT HAS NO RIGHT TO OBJECT TO OR AUTOMATICALLY OBTAIN SUCH VARIANCES, AND ANY EXCEPTION OR CHANGE MUST BE APPROVED IN ADVANCE BY FRANCHISOR IN WRITING. FRANCHISEE UNDERSTANDS THAT EXISTING FRANCHISEES MAY OPERATE UNDER DIFFERENT FORMS OF AGREEMENTS AND THAT THE RIGHTS AND OBLIGATIONS OF EXISTING FRANCHISEES MAY DIFFER MATERIALLY FROM THIS AGREEMENT.

18.I. LIMITATIONS OF CLAIMS

EXCEPT FOR CLAIMS BROUGHT BY FRANCHISOR WITH REGARD TO FRANCHISEE'S OBLIGATIONS TO MAKE PAYMENTS TO FRANCHISOR PURSUANT TO THIS AGREEMENT, FRANCHISOR'S ENFORCEMENT OF THE RESTRICTIVE COVENANTS SET FORTH IN ARTICLE 6 OF THIS AGREEMENT, AND FRANCHISEE'S OBLIGATION TO INDEMNIFY FRANCHISOR IN ACCORDANCE WITH THIS AGREEMENT, ANY AND ALL CLAIMS AND/OR CAUSES OF ACTION ARISING OUT OF, OR RELATING TO, THIS AGREEMENT, OR THE RELATIONSHIP BETWEEN FRANCHISEE AND FRANCHISOR RESULTING FROM THIS AGREEMENT, SHALL BE BARRED UNLESS SUCH CLAIM AND/OR CAUSE OF ACTION IS COMMENCED WITHIN TWO YEARS FROM THE DATE ON WHICH THE ACT OR EVENT GIVING RISE TO THE CLAIM OCCURRED OR ONE YEAR FROM THE DATE ON WHICH FRANCHISEE OR FRANCHISOR KNEW, OR SHOULD HAVE KNOWN, IN THE EXERCISE OF REASONABLE DILIGENCE, OF THE FACTS GIVING RISE TO SUCH CLAIM AND/OR CAUSE OF ACTION, WHICHEVER OCCURS FIRST IN TIME.

18.J. WAIVER OF PUNITIVE DAMAGES AND LIMITATION OF DAMAGES

FRANCHISOR AND FRANCHISEE HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, CONSEQUENTIAL OR SPECULATIVE DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM, EXCEPT AS OTHERWISE PROVIDED HEREIN, EACH SHALL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED BY IT, PROVIDED THAT SUCH WAIVER SHALL NOT APPLY TO ANY CLAIM FOR DAMAGES: (A) ALLOWED BY FRANCHISOR OR FRANCHISEE FOR ATTORNEY'S FEES OR COSTS AND EXPENSES UNDER THIS AGREEMENT; AND/OR (B) FOR LOST PROFITS, FEES, AND/OR OTHER PAYMENTS OR OBLIGATIONS THAT OTHERWISE WOULD HAVE BEEN PAYABLE AND DUE UNDER THIS AGREEMENT BY FRANCHISOR OR FRANCHISEE AND/OR THE OWNERS HAD THE BREACH RESULTING IN THE TERMINATION OF THIS AGREEMENT NOT OCCURRED. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, IF ANY OTHER TERM OF THIS AGREEMENT IS FOUND OR DETERMINED TO BE UNCONSCIONABLE OR UNENFORCEABLE FOR ANY REASON, THE FOREGOING PROVISIONS OF WAIVER BY AGREEMENT OF PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES SHALL CONTINUE IN FULL FORCE AND EFFECT.

18.K. WAIVER OF JURY TRIAL

FRANCHISOR AND FRANCHISEE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER A LEGAL ACTION, IN MEDIATION, OR IN ARBITRATION.

18.L. BINDING EFFECT

This Agreement is binding upon the parties of this Agreement and their respective executors,

administrators, heirs, assigns and successors in interest, and shall not be modified except by written agreement signed by both Franchisee and Franchisor.

18.M. COMPLETE AGREEMENT

This Agreement, and the Schedules and Exhibits to this Agreement, as executed and, as applicable, constitute the entire, full and complete Agreement between Franchisor and Franchisee concerning the subject matter of this Agreement and supersedes all prior related agreements between Franchisor and Franchisee. The foregoing shall not constitute and does not constitute any disclaimer as to the express representations made by Franchisor in the Franchise Disclosure Document disclosed to Franchisee in connection with this Franchise Agreement.

18.N. ATTORNEY FEES AND EXPENSES

Franchisee agrees that in the event that an arbitrator in any arbitration proceeding and/or, a court of competent jurisdiction shall issue an award, judgment, decision and/or order finding, holding and/or declaring Franchisee's breach of this Agreement that Franchisor shall also be entitled to the recovery of all reasonable attorney fees, costs and expenses associated with and/or related to such arbitration and/or litigation. Said fees, costs and expenses shall include, but not be limited to, attorney fees, arbitration fees, arbitrator fees, deposition expenses, expert witness fees and filing fees.

18.O. NO CLASS ACTION OR MULTI-PARTY ACTIONS

FRANCHISOR AND FRANCHISEE AGREE THAT ALL PROCEEDINGS AND/OR LEGAL ACTIONS ARISING OUT OF OR RELATED TO THIS AGREEMENT AND/OR THE OFFER AND SALE OF THE USA NINJA CHALLENGE FRANCHISE FROM FRANCHISOR TO FRANCHISEE, WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND NOT A CLASS-WIDE BASIS, AND THAT ANY PROCEEDING BETWEEN FRANCHISEE, FRANCHISEE'S OWNERS, SPOUSES AND/OR GUARANTORS AND FRANCHISOR AND/OR FRANCHISOR'S AFFILIATES, OFFICERS, DIRECTORS AND/OR EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.

18.P. ACCEPTANCE BY FRANCHISOR

This Agreement will not be binding on Franchisor unless and until an authorized officer of Franchisor has signed it.

18.Q. OPPORTUNITY FOR REVIEW BY FRANCHISEE'S ADVISORS

Franchisor recommends that Franchisee have this Agreement and the Franchise Disclosure Document reviewed by Franchisee's lawyer, accountant, and other business advisors, prior to signing this Agreement.

18.R. NO PERSONAL LIABILITY BY FRANCHISOR'S EMPLOYEES, OFFICERS OR AGENTS

Franchisee agrees that the fulfillment of any of Franchisor's obligations written in this Agreement or based on any oral communications ruled to be binding in a court of law shall be Franchisor's sole obligation and none of Franchisor's employees, officers and/or authorized agents shall be personally liable to Franchisee for any reason. In addition to the foregoing, Franchisor and Franchisee are not joint employers. The foregoing shall not be construed to imply that Franchisor and/or Franchisor's agents have made any oral promises as pursuant to Article 18.M. of this Agreement, this written Agreement represents the sole Agreement between Franchisor and Franchisee.

18.S. NON-UNIFORM AGREEMENTS

Franchisee agrees that Franchisor makes no representations or warranties that all other agreements with Ninja Franchising, Inc., franchisees entered into before or after the Effective Date do or will contain terms substantially similar to those contained in this Agreement. Franchisee agrees that Franchisor may waive or

modify comparable provisions of other Franchise Agreements to other System franchisees in a non-uniform manner.

18.T. NO RIGHT TO OFFSET

Franchisee shall not, on grounds of the alleged nonperformance, material breach, or default by Franchisor of this Agreement, any other agreement between Franchisor and Franchisee, or for any other reason, withhold any payment, fee, or any other amount payable by Franchisee to Franchisor pursuant to this Agreement, including, without limitation, the payment of the Royalty Fee and Advertising Contributions, or any other payment obligation by Franchisee to Franchisor. Franchisee shall not have the right to offset or withhold any liquidated or unliquidated amount allegedly due to Franchisee from Franchisor against any payment, fee, or any other amount payable to Franchisor pursuant to this Agreement or any other payment obligation by Franchisee to Franchisor.

18.U. HEADINGS

The headings and subheadings in this Agreement are strictly for convenience and reference only, and they shall not limit, expand, or otherwise affect the interpretation and construction of the terms and conditions of this Agreement.

18.V. AUTHORITY TO EXECUTE

Each party agrees, warrants and represents that it has all requisite power and authority to enter into this Agreement. The execution, delivery, and performance of this Agreement have been duly and lawfully authorized by all necessary actions of each party, and the signatory to this Agreement for each party has been duly and lawfully authorized to execute this Agreement for and on behalf of the party for whom each signatory has signed.

18.W. COUNTERPARTS, ELECTRONIC SIGNATURES, AND MULTIPLE COPIES

This Agreement may be executed electronically. This Agreement may be executed in counterparts, all of which counterparts shall be deemed originals and taken together shall constitute a single agreement. Executed electronic or print duplicates of this Agreement, if any, and their respective signatures shall be deemed originals.

18.X. JOINT AND SEVERAL LIABILITY

If Franchisee consists of more than one person or entity, then their liability under this Agreement shall be deemed joint and several.

18.Y. RECITALS

The parties agree that the recitals and representations contained on the first page of this Agreement constitute a part of this Agreement and are hereby fully incorporated into the terms of this Agreement.

ARTICLE 19
NOTICES

All written notices and reports permitted or required to be delivered by this Agreement shall be deemed so delivered, at the time delivered by hand, one business day after being placed in the hands of a national commercial courier service for overnight delivery (properly addressed and with tracking confirmation), or three business days after placed in the U.S. mail by registered or certified mail, postage prepaid, and addressed to the party to be notified at its most current principal business address of which the notifying party has been notified. Reports requiring delivery shall be delivered by certified U.S. mail and/or electronically, as designated by Franchisor. The addresses for the parties set forth in the initial paragraph of this Agreement shall be used unless and until a different address has been designated by written notice to the other party. Any notice required under this Agreement shall not be deemed effective or given by

Franchisee to Franchisor unless given in strict compliance with this Agreement. Notwithstanding the foregoing, the Operations Manual and modifications to the Operations Manual may be delivered and/or noticed to Franchisee by such means selected by Franchisor, including electronic notice and email.

In all cases where Franchisor's prior approval is required and no other method or timing for obtaining such approval is prescribed, Franchisee shall request such approval in writing, and, unless otherwise expressly prescribed in this Agreement, Franchisor shall respond within 10 business days after receiving Franchisee's written request and all supporting documentation, provided if Franchisor does not respond, such request shall be deemed unapproved. Franchisor's consent to, or approval of, any act or request by Franchisee shall be effective only to the extent specifically stated, and Franchisor's consent or approval shall not be deemed to waive, or render unnecessary, consent or approval of any other subsequent similar act or request.

IN WITNESS WHEREOF, the parties have executed, sealed and delivered this Agreement as of the Effective Date set forth in the first paragraph of this Agreement.

Franchisor:	**Franchisee:**
Ninja Franchising, Inc.	
By: _____	_____
Signature	Signature
_____	_____
Name and Title (please print)	Name (please print)
_____	_____
Dated	Dated

Franchise Agreement – Schedule 1
Training Center Location and Designated Territory
Acknowledgment

Pursuant to the Franchise Agreement dated _____, 20__ by and between Ninja Franchising, Inc., as Franchisor, and _____, as Franchisee (the "Franchise Agreement"), Franchisor and Franchisee agree:

(a) Franchisee's Training Center Location – "Franchisee's Training Center Location," as such term is defined in the Franchise Agreement, including, but not limited to Articles 1 and 2.A., is identified, as follows:

[To be Effective this Schedule Must be Completed and Signed by Franchisor. If not completed and signed at time of signing Franchise Agreement, may be completed in the future pursuant to the terms of the Franchise Agreement.]

(b) Franchisee's Designated Territory – Franchisee's "Designated Territory," as such term is defined in the Franchise Agreement, including, but not limited to Articles 1 and 2.A., is designated as follows:

[To be Effective this Schedule Must be Completed and Signed by Franchisor. If not completed and signed at time of signing Franchise Agreement, may be completed in the future pursuant to the terms of the Franchise Agreement.]

If there is any inconsistency or conflict between the terms of this Acknowledgment and the Franchise Agreement, the Franchise Agreement shall take precedence and govern.

Dated: _____

Franchisor:
Ninja Franchising, Inc.

By: _____
Signature

_____
Name and Title

Franchisee:

_____
Signature

_____
Name (please print)

Franchise Agreement – Schedule 2
Statement of Franchise Owners

Franchisee represents that the following schedule is complete and accurately identifies Franchisee's Owners, Franchisee's Managing Owner, and their respective ownership interests in Franchisee. Defined terms shall have the meanings set forth in the Franchise Agreement between Franchisor and Franchisee.

If Franchisee is a Corporate Entity, Franchisee represents and affirms to Franchisor that the following list identifies each and every Owner of Franchisee and their respective ownership interests.		
Owner Name	**Owner Address**	**Ownership Interest Percentage**
Name of designated **Managing Owner:**		

Dated: _____

Franchisor:
Ninja Franchising, Inc.

By: _____
Signature

_____
Name and Title

Franchisee:

_____
Signature

_____
Name (please print)

Franchise Agreement – Exhibit 1
Franchise Owner and Spouse Agreement and Guaranty

FRANCHISE OWNER AND SPOUSE AGREEMENT AND GUARANTY

This Franchise Owner and Spouse Agreement and Guaranty (the "Agreement") is individually entered into by you as either an owner of _____ (hereinafter referred to as "**Franchisee**"), Franchisee, or the spouse of the owner of franchisee and is given and signed by you in favor of Ninja Franchising, Inc., franchisor of the USA Ninja Challenge franchise system and in favor of Ninja Franchising, Inc.'s successors and assigns, upon the terms and conditions set forth in this Agreement.

In this Agreement Ninja Franchising, Inc., is referred to as "**us**", "**our**" or "**we**", and each individual that signs this Agreement is referred to as "**you**".

Recitals and Representations

WHEREAS, Franchisee has entered into a USA Ninja Challenge Franchise Agreement (the "Franchise Agreement") for the development and operation of a USA Ninja Challenge Training Center (each, a "Training Center" or "Franchised Business"), a business offering youth fitness-based programs utilizing obstacle course equipment, progressive training, and other products and services that Franchisor authorizes (the "Approved Products and Services") under the Licensed Marks (defined below);

WHEREAS, you represent that you have received and have thoroughly reviewed the completed Franchise Agreement, including the completed Schedules and Exhibits attached thereto;

WHEREAS, we have recommended that you thoroughly review the Franchise Agreement, this Agreement and all exhibits and schedules to the Franchise Agreement with a lawyer selected and hired by you;

WHEREAS, you represent to us that you are either: (a) an Owner of Franchisee such that you own or control a legal, equitable or beneficial ownership or equity interest in Franchisee and/or otherwise meet the definition of an "Owner" as set forth in this Agreement; and/or that you are (b) the "Spouse" of an Owner of Franchisee;

WHEREAS, you agree that this Agreement will apply to you individually and, jointly and severally with all others who sign this Agreement including, if this Agreement is signed in counterparts or electronically among other Owners and Spouses;

WHEREAS, you acknowledge that this Agreement personally obligates you, among other things, to guarantee Franchisee's payment, performance, and legal obligations under the Franchise Agreement and that you enter into this Agreement to induce us to enter into the Franchise Agreement with Franchisee; and

WHEREAS, you acknowledge that we are relying on this Agreement and that without this Agreement we would not have entered into and/or would not be entering into the Franchise Agreement with Franchisee or, if applicable, approving the transfer of the Franchise Agreement and/or the replacement or substitution of an Owner of Franchisee.

NOW THEREFORE, to induce us to enter into the Franchise Agreement as consideration to us for entering into the Franchisee Agreement with Franchisee and other consideration, the receipt and sufficiency of which you acknowledge, you agree as follows:

1. Recitals and Representations

You agree that the foregoing Recitals and Representations are true and accurate and constitute a material part of this Agreement and are hereby incorporated into the main body of this Agreement.

2. Definitions

Supplementing the terms and definitions contained in the Recitals and Representations:

"**Approved Products and Services**" shall have the meaning defined in the "Recitals" section of this Agreement and shall further refer to and mean those products and services that we authorize for sale by USA Ninja Challenge Training Centers. We shall exclusively designate and determine the Approved Products and Services and we, in our Reasonable Business Judgment, may change, modify, reduce or supplement the Approved Products and Services that must be offered and sold by the Franchised Business and those products and services that may not be sold by the Franchised Business. The Franchised Business may only offer and sell the Approved Products and Services.

"**Business Management System**" means the software, internet, web based and/or cloud based system or systems, point of sale system or systems and customer relationship management system or systems as same may be individually or collectively designated by us, in our Reasonable Business Judgment, as being required for use by the Franchised Business, including, but not limited to, the day-to-day sales, ordering, operations and management of the Franchised Business.

"**Business Management System Data**" means the forms, data, tools, customer information, inventory and sales information that: (a) is pre-populated or entered into the Business Management System utilized by Franchisee; (b) is entered (whether by us or Franchisee) into the Business Management System utilized by Franchisee; and/or (c) is recorded, stored and/or maintained by the Business Management System in connection with the management and operations of the Franchised Business.

"**Competitive Business**" means any business that (i) is the same as or similar to a USA Ninja Challenge Training Center including fitness studios, training centers, gyms, and child entertainment programs through physical activities; and/or (ii) offers, sells, and/or provides fitness-based programs utilizing obstacle course equipment, climbing equipment, and/or child entertainment through physical engagement challenges.

"**Confidential Information**" means all of our and/or our affiliates trade secrets, methods, standards, techniques, procedures, data and information, as same may exist as of the Effective Date and as same may be developed, modified and supplemented in the future, constituting and comprising: (a) Approved Product and Services methods, specifications, product offerings, service offerings, supply, and distribution information; (b) standards, concepts, programs and systems relating to the Approved Products and Services and the development, establishment, marketing, promotion and operation of USA Ninja Challenge Training Centers; (c) information concerning consumer preferences for services, products, materials and supplies used or sold by USA Ninja Challenge Training Centers, and specifications for and knowledge of suppliers of inventory, equipment, products, supplies and procedures used or sold by USA Ninja Challenge Training Centers; (d) information concerning customers, customer lists, email lists, database lists, product sales, operating results, financial performance and other financial data of USA Ninja Challenge Training Centers; (e) Business Management System Data; (f) current and future information contained in the Operations Manual; and (g) Know-How.

"**Copyrights**" means all works and materials for which we or any affiliate of ours has secured common law or registered copyright protection and we utilize and/or allow USA Ninja Challenge Training Center franchisees to use, sell or display in connection with the development, marketing and/or operation of a USA Ninja Challenge Training Center, whether as of the Effective Date or any time in the future.

"**Corporate Entity**" means a corporation, limited liability company, partnership or other corporate legal entity that is not an individual person.

"**Digital Media**" means any interactive or static digital document, listing, directory, application, advertisement, link, metadata, or media that is transmitted within a closed or private network, or that is connected to, in communication with, and/or networked with computers, applications, or other devices linked by communications systems, data systems, a part of the world wide web including, traditional websites, web based applications, distributed databases, including, blockchain, software applications, smart phone applications, or social media platforms such as Facebook, LinkedIn, X, Pinterest, Instagram, SnapChat, TikTok, and YouTube, that refers, references, identifies, reviews, promotes and/or relates, in any way, to, a USA Ninja Challenge Training Center, the Franchised Business, the Licensed Marks, the System and/or us. Digital Media includes the System Website, and all other media and/or publications relating to the System that is displayed and/or transmitted digitally.

"**Effective Date**" refers to the "Effective Date" of the Franchise Agreement as the term "Effective Date" is set forth and defined in the Franchise Agreement. If, for any reason, the Effective Date cannot be determined by reference to the Franchise Agreement, the Effective Date shall be the date that you sign this Agreement.

"**Franchised Business**" shall have the meaning defined in the "Recitals" section of this Agreement and shall further refer to and mean the USA Ninja Challenge Training Center to be developed and operated by Franchisee pursuant to the terms of the Franchise Agreement.

"**Franchisee's Designated Territory**" means the "Designated Territory" as such term is set forth and defined in the Franchise Agreement.

"**Franchisee's Training Center Facility**" means the Training Center Facility from which Franchisee establishes, operates and manages the Franchised Business.

"**Franchisee's Training Center Location**" means the location of Franchisee's Training Center Facility, from which Franchisee operates the Franchised Business.

"**Immediate Family**" means the spouse of a person and any other member of the household of such person, including, without limitation, children of such person.

"**Intellectual Property**" means, individually and collectively, our Licensed Marks, Copyrights, Know-How, and System.

"**Know-How** means our trade secrets and proprietary information relating to the development, establishment, marketing, promotion and/or operation of a USA Ninja Challenge Training Center including, but not limited to, methods, techniques, inventory, products and services standards and specifications and information reflected in, included in, comprising and/or constituting a part of the System. Without limitation to the foregoing, Know-How shall further include information contained in

the Operations Manual and the Confidential Information.

"**Licensed Marks**" means the trademarks, service marks, emblems and indicia of origin, including the "USA Ninja Challenge" trademark, the USA Ninja Challenge logo, Trade Dress, and other trade names, service marks, trademarks, logos, slogans and designs authorized by us in connection with the identification of USA Ninja Challenge Training Centers and the Approved Products and Services, provided that such trade names, trademarks, service marks, logos and designs are subject to modification, replacement and discontinuance by us in our Reasonable Business Judgment.

"**Operations Manual**" means, individually and collectively, the manual(s) designated by us and relating to the development and/or operations of USA Ninja Challenge Training Centers including, but not limited to, the policies, procedures and requirements for the development and operation of USA Ninja Challenge Training Centers. The Operations Manual may consist of one or more volumes, handbooks, manuals, written materials, videos, electronic media files, cloud/internet based list-service, intranet, internet based and accessed databases, computer media, email, webinars and other materials as may be modified, added to, replaced or supplemented by us from time to time in our Reasonable Business Judgment, whether by way of supplements, replacement pages, franchise bulletins, or other official pronouncements or means. Subject to our modification from time to time and based on our Reasonable Business Judgment, the Operations Manual shall, among other things, designate the Approved Products and Services that must be offered and sold by the Franchised Business.

"**Owner**" means collectively, individually, jointly and, as of the Effective Date: (a) the officers and directors of Franchisee (including the officers and directors of any general partner of Franchisee) who hold an ownership interest in Franchisee and/or in any Corporate Entity that maintains an ownership interest in Franchisee; (b) the managing member or manager of Franchisee, if franchisee is a limited liability company; (c) all holders of a 5% or more direct or indirect ownership interest in Franchisee and/or of any entity directly or indirectly controlling Franchisee; and (d) the Managing Owner(s).

"**Prohibited Activities**" means any or all of the following: (a) owning and/or having any legal or equitable interest (whether as an individual proprietor or as an owner, partner, member or shareholder of a Corporate Entity or, in any similar capacity) in a Competitive Business (other than owning an interest of 3% or less in a publicly traded company that is a Competitive Business); (b) operating, managing, funding and/or performing services (whether as an employee, officer, director, manager, consultant, representative, agent, and/or creditor or in any similar capacity) for a Competitive Business; (c) diverting or attempting to divert any business or customers from us (or one of our affiliates or franchisees); and/or (d) inducing any customer or client of ours (or of one of our affiliates or franchisees) or of Franchisee to any other person or business that is not a USA Ninja Challenge Training Center.

"**Reasonable Business Judgment**" refers to our business judgment and means and relates to any and all decisions, actions and choices made by us concerning or relating to this Agreement, the Franchise Agreement, the System, USA Ninja Challenge Training Centers, Franchisee's Training Center Location, and/or the Franchised Business where we undertake or make such decision with the intention of benefitting or acting in a way that could benefit the System including, as examples and without limitation, enhancing the value of the Licensed Marks, increasing customer satisfaction, minimizing potential customer confusion as to the Licensed Marks, determining designated territory markets, minimizing potential customer confusion as to the location of USA Ninja Challenge Training Centers, expanding brand awareness of the Licensed Marks, implementing marketing and accounting control systems, approving products, services, supplies and equipment. Franchisee agrees that when a decision, determination, action and/or choice is made by us in our Reasonable Business Judgment that such

decision, determination, action or choice made by us shall take precedence and prevail, even if other alternatives, determinations, actions and/or choices are reasonable or arguably available and/or preferable. Franchisee agrees that in connection with any decision, determination, action and/or choice made by us in our Reasonable Business Judgment that: (a) we possess a legitimate interest in seeking to maximize our profits; (b) we shall not be required to consider Franchisee's individual economic or business interests as compared to the overall System; and (c) should we economically benefit from such decision, determination, action and/or choice that such economic benefit to us shall not be relevant to demonstrating that we did not exercise reasonable business judgment with regard to our obligations under the Franchise Agreement and/or with regard to the System. Franchisee agrees that neither Franchisee and/or any third party, including, but not limited to, any third party acting as a trier of fact, shall substitute Franchisee's or such third party's judgment for our Reasonable Business Judgment. Franchisee further agrees that should Franchisee challenge our Reasonable Business Judgment in any legal proceeding that Franchisee shall possess the burden of demonstrating, by clear and convincing evidence, that we failed to exercise our Reasonable Business Judgment.

"**Restricted Period**" means the 24 month period after the earliest to occur of the following: (a) the expiration of the Franchise Agreement; (b) the termination of the Franchise Agreement; (c) the date on which Franchisee, in compliance with the terms of the Franchise Agreement, assigns the Franchise Agreement to another person (other than you or your Spouse or an Immediate Family Member) provided that you do not and your Spouse does not own or hold, in the assignee, any direct or indirect ownership and/or equity interest whether legal, equitable or otherwise; (d) if you are an Owner of Franchisee, the date on which you, in compliance with the terms of the Franchise Agreement, cease to be an Owner of Franchisee; or (e) if you are the Spouse of an Owner of Franchisee, the date on which your Spouse, in compliance with the terms of the Franchise Agreement, ceases to be an Owner of Franchisee. Provided however, that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then the "Restricted Period" means the 18 month period after the earliest to occur of the following: (a) the expiration of the Franchise Agreement; (b) the termination of the Franchise Agreement; (c) the date on which Franchisee, in compliance with the terms of the Franchise Agreement, assigns the Franchise Agreement to another person (other than you or your Spouse or an Immediate Family Member) provided that you do not and your Spouse does not own or hold, in the assignee, any direct or indirect ownership and/or equity interest whether legal, equitable or otherwise; (d) if you are an Owner of Franchisee, the date on which you, in compliance with the terms of the Franchise Agreement, cease to be an Owner of Franchisee; or (e) if you are the Spouse of an Owner of Franchisee the date on which your Spouse, in compliance with the terms of the Franchise Agreement, ceases to be an Owner of Franchisee.

"**Restricted Territory**" means the geographic area: (a) comprising Franchisee's Designated Territory; (b) within a 25 mile radius surrounding Franchisee's Designated Territory or, if Franchisee is not granted a designated territory, then a 25 mile radius surrounding Franchisee's Training Center Location; (c) within a 10 mile radius surrounding the Training Center Locations for all other USA Ninja Challenge Training Centers operating and/or under development as of the Effective Date; and (d) within a 10 mile radius surrounding the Training Center Locations for all other USA Ninja Challenge Training Centers that are in operation or under development during all or any part of the Restricted Period; provided, however, that if a court of competent jurisdiction determines that the foregoing Restricted Territory is too broad to be enforceable, then the "Restricted Territory" means the geographic area within Franchisee's Designated Territory plus a 25 mile radius surrounding Franchisee's Designated Territory or, if Franchisee is not granted or designated a designated territory, then a 25 mile radius surrounding Franchisee's Training Center Location.

"**Spouse**" means, as of the Effective Date, the legal spouse of an Owner.

"**System**" means our system for the development, establishment and operation of USA Ninja Challenge Training Centers including, but not limited to: (a) the Approved Products and Services, System Supplies and services, procedures and systems that are designated by us, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a USA Ninja Challenge Training Center; (b) the Licensed Marks; (c) the Trade Dress; (d) Copyrights; (e) other trade names, service marks, signs, and logos, copyrights and trade dress that is designated by us, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a USA Ninja Challenge Training Center; (f) Operations Manual; (g) Business Management System Data; (h) Know-How; (i) Confidential Information; and (j) Digital Media. All determinations as to the system including components to the system and modifications and replacements thereto shall be determined by us in our Reasonable Business Judgment.

"**System Supplies**" means, as designated by us, those products, merchandise, materials, packaging, supplies, and equipment including, but not limited to obstacles, cargo netting, foam flooring, climbing ropes, rock wall holds, ring systems, mats, computer equipment, uniforms, displays, and other items designated by us in the Operations Manual and as may be modified and supplemented by us from time to time in our Reasonable Business Judgment.

"**System Website**" means the web page and/or pages located on the world wide web at the www.usaninjachallenge.com URL (uniform resource locator) and shall further include all webpages and subdomains that are a part of www.usaninjachallenge.com, or as designated by us as being associated with the URL of www.usaninjachallenge.com and/or USA Ninja Challenge Training Centers.

"**Trade Dress**" means the Training Center designs, images, marketing materials, packaging, branding and/or branding images which we authorize and require Franchisee to use in connection with the operation of the Franchised Business and as may be revised and further developed by us from time to time.

"**Training Center Facility**" means the fixed commercial training center facilities including, the fixtures and improvements, from which USA Ninja Challenge Training Centers are established, operated and managed.

"**Training Center Location(s)**" means the location(s) from which USA Ninja Challenge Training Centers are established, operated and managed.

"**Transfer**" means a transfer, sale and/or assignment whether legally, equitably or otherwise.

"**USA Ninja Challenge Training Center(s)**" shall have the meaning defined in the Recitals and Representations section of this Agreement and, without limitation to the Recitals and Representations section of this Agreement, the definition of "USA Ninja Challenge Training Centers", shall further include, refer to and mean: every business and all businesses owned and/or operated by us, our affiliates and/or our authorized franchisee(s) that utilize and/or is/are required to utilize the System and/or Licensed Marks including, but not limited to, the Franchised Business.

3. Additional Acknowledgments by You. In addition to the representations and acknowledgments contained in the Recitals and Representations, above, and incorporated into this Agreement, you acknowledge and represent that:

(a) as of the Effective Date you are an Owner and/or Spouse;

(b) you are signing this Agreement in your individual capacity and that you are bound to the terms and conditions of this Agreement and irrespective of any change in your status as an Owner and/or Spouse; (c) in your capacity as an Owner of Franchisee or as the Spouse of an Owner of Franchisee you have and will be gaining access to, among other things, the System and Intellectual Property;

(d) all of the components and aspects of the System and Intellectual Property (both individually and as they relate to one another collectively) are critical to our success as the franchisor of the System and to the overall System;

(e) we need to protect the System and Intellectual property and that to do so we require that you, in your individual capacity, to agree to the brand protection, non-competition and other covenants and restrictions contained in this Agreement and that you personally guarantee the financial and other obligations of Franchisee to us; and

(f) the terms of this Agreement are fair and reasonable and that you have elected, based on your own decision, to enter into this Agreement to induce us to enter into the Franchise Agreement with Franchisee.

4. Intellectual Property, Brand Protection and Non-Competition Covenants and Restrictions.

(a) Know-How. You agree that: (i) you will not use the Know-How in any business or capacity other than the Franchised Business; (ii) you will maintain the confidentiality of the Know-How at all times; (iii) you will not make unauthorized copies of documents containing any Know-How; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Know-How; and (v) you will stop using the Know-How immediately if you are no longer an Owner of Franchisee or your Spouse is no longer an Owner of Franchisee, as applicable. You will not use the Intellectual Property for any purpose other than the development and operation of the Franchised Business pursuant to the terms of the Franchise Agreement and Operations Manual. You agree to assign to us or our designee, without charge, all rights to any improvement developed by you, including the right to grant sublicenses. If applicable law precludes you from assigning ownership of any improvement to us, then such improvement shall be perpetually licensed by you to us free of charge, with full rights to use, commercialize, and sublicense the same.

(b) Non-Competition During Franchise Relationship. Subject to the terms and conditions of Article 5 of this Agreement, below, you represent and agree that while you are an Owner of Franchisee or while your Spouse is an Owner of Franchisee (as applicable) that you will not engage in any Prohibited Activities. You acknowledge and agree that this restriction is fair and reasonable and that if you did engage in a Prohibited Activity that such actions would constitute acts of unfair competition and will irreparably harm us and our System.

(c) Non-Competition After Franchise Relationship. You represent, acknowledge and agree that during the Restricted Period you will not engage in any Prohibited Activities; provided, however, that the Prohibited Activity relating to having an interest in a Competitive Business will only apply with respect to a Competitive Business that is located within or provides competitive goods or services to customers/clients who are located within the Restricted Territory. If you engage in any Prohibited Activities during the Restricted Period, then you agree that your Restricted Period will be extended by the period of time during which you were engaging in the prohibited activity (any such extension of time will not be construed as a waiver of your breach or otherwise impair any of our rights or remedies

relating to your breach). You acknowledge and agree that this restriction is fair and reasonable and that if you did engage in a Prohibited Activity that such actions would constitute acts of unfair competition and will irreparably harm us and the System.

(d) Confidentiality Restrictions. You represent, acknowledge and agree that, at all times you: (i) shall not use the Confidential Information in any business or capacity other than the Franchised Business; (ii) shall maintain the confidentiality of the Confidential Information; (iii) shall not make unauthorized copies of documents containing any Confidential Information; (iv) shall take such reasonable steps as we may ask of you and/or Franchisee from time to time to prevent unauthorized use or disclosure of the Confidential Information; (v) shall immediately and permanently stop using the Confidential Information upon the expiration or termination of the Franchise Agreement; (vi) shall immediately and permanently stop using the Confidential Information if you are no longer an Owner of Franchisee and/or the Spouse of an Owner; (vii) shall immediately and permanently stop using the Confidential Information upon Franchisee's Transfer of the Franchise Agreement; and (viii) shall not disclose the Confidential Information to any third party except in a legal proceeding pursuant to an order of a court of competent jurisdiction and after affording us no less than 15 business days prior notice and an opportunity for us, at our election, to appear in such action.

(e) Immediate Family Members. You acknowledge that should you circumvent the purpose and protections (due to us) of this Agreement by disclosing Know-How to an immediate family member (*i.e.*, parent, sibling, child, or grandchild) we will, and the System will be irreparably harmed. You acknowledge that if you did disclose the Know-How to an immediate family member and your immediate family member used the Know-How to engage in activities that, for you, qualify as Prohibited Activities as defined above, that we and the System will be irreparably harmed. You agree that as between you and us that you are in a better position to know if you permitted and/or provide an immediate family member with access to the Know-How. Therefore, you agree that you will be presumed to have violated the terms of this Agreement if any member of your immediate family (i) engages in any Prohibited Activities during any period of time during which you are prohibited from engaging in the Prohibited Activities or (ii) uses or discloses the Know-How. However, you may rebut this presumption by providing evidence conclusively demonstrating that you did not disclose the Know-How nor permit disclosure of the Know-How to the family member.

(f) Reasonableness of Covenants and Restrictions. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **You waive any right to challenge the terms of this Agreement as being overly broad, unreasonable or otherwise unenforceable.** Although you and we both believe that the covenants in this Agreement are reasonable in terms of scope, duration and geographic are, we may at any time unilaterally modify the terms of this Article 4 (Intellectual Property, Brand Protection and Non-Competition Covenants and Restrictions) by limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon you under this Article 4 to ensure that the terms are enforceable under applicable law.

(g) Breach. You agree that failure to comply with these Article 4 Intellectual Property, Brand Protection and Non-Competition Covenants and Restrictions will cause irreparable harm to us and/or other Training Center franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of these covenants will entitle us to injunctive relief. You agree that we may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief

as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Article are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

5. Transfer Restrictions and Non-Competition Covenants and Restrictions.
Notwithstanding anything contained in this Agreement to the contrary, you expressly acknowledge and agree that if you are an Owner, and/or the Spouse of an Owner, that, prior to Transferring an Owner's equity and/or ownership interests in Franchisee that, among other things, Franchisee must notify us and obtain our written consent. Likewise, you acknowledge and agree that under the Franchise Agreement that prior to Franchisee's Transfer of the Franchise Agreement, among other things, Franchisee must notify us and obtain our written consent. For our protection and to prevent the subversion of the non-competition covenants contained in Article 4 of this Agreement and, to induce us to enter into the Franchise Agreement with Franchisee, you agree, that:

(a) if you are an Owner, should Franchisee fail to properly and timely notify us in writing of the proposed Transfer of your equity and/or ownership interests in Franchisee and/or should Franchisee, fail to obtain our consent to the proposed Transfer of your equity and/or ownership interests in Franchisee (which we may either reject or approve, in accordance with the terms and conditions of the Franchise Agreement), you shall remain subject to the non-competition covenants contained in Article 4 of this Agreement and irrespective of any purported and/or actual Transfer in violation of the terms and conditions of the Franchise Agreement;

(b) if you are a Spouse, should Franchisee fail to properly and timely notify us in writing of the proposed Transfer of your Spouse's equity and/or ownership interests in Franchisee and/or should Franchisee, fail to obtain our consent to the proposed Transfer of your Spouse's equity and/or ownership interests in Franchisee (which we may either reject or approve, in accordance with the terms and conditions of the Franchise Agreement), you shall remain subject to the non-competition covenants contained in Article 4 of this Agreement and irrespective of any purported and/or actual Transfer in violation of the terms and conditions of the Franchise Agreement;

(c) if you are an Owner, should Franchisee fail to properly and timely notify us in writing of the proposed Transfer of the Franchise Agreement to a third party and/or should Franchisee, fail to obtain our consent to the proposed Transfer of the Franchise Agreement to a third party (which we may either reject or approve, in accordance with the terms and conditions of the Franchise Agreement), you shall remain subject to the non-competition covenants contained in Article 4 of this Agreement and irrespective of any purported and/or actual Transfer in violation of the terms and conditions of the Franchise Agreement; and

(d) if you are the Spouse of an Owner, should Franchisee fail to properly and timely notify us in writing of the proposed Transfer of the Franchise Agreement to a third party and/or should Franchisee, fail to obtain our consent to the proposed Transfer of the Franchise Agreement to a third party (which we may either reject or approve, in accordance with the terms and conditions of the Franchise Agreement), you shall remain subject to the non-competition covenants contained in Article 4 of this Agreement and irrespective of any purported and/or actual Transfer in violation of the terms and conditions of the Franchise Agreement.

6. Personal Guaranty of Franchise Agreement and Financial Obligations.
To secure Franchisee's financial obligations under the Franchise Agreement and all ancillary agreements executed by Franchisee in connection with the Franchise Agreement, including, but not limited to, any agreement for the purchase of goods or services from us or an affiliate of ours (collectively the "Ancillary Agreements") you individually, jointly and severally, and personally and unconditionally:

(a) guarantee to us and our successor and assigns, that Franchisee shall punctually satisfy and pay all of Franchisee's payment and other obligations under the Franchise Agreement;

(b) guarantee to us and our successor and assigns, that Franchisee shall punctually satisfy and pay all of Franchisee's payment and other obligations under the Ancillary Agreements;

(c) agree, at all times, to be personally bound by and personally liable for each and every fee, payment and monetary obligation due from Franchisee to us pursuant to the terms of the Franchise Agreement (including, but not limited to, the fee obligations of Article 5 of the Franchise Agreement, the advertising obligations of Article 9 of the Franchise Agreement, and the indemnification obligations of Article 10 of the Franchise Agreement);

(d) agree, at all times, to be personally bound by and personally liable for each and every fee, payment and monetary obligation due from Franchisee to us and/or our affiliates under the Ancillary Agreements;

(e) do, at all times, hereby personally guarantee payment of each and every fee, payment and monetary obligation due or that may become due from Franchisee to us pursuant to the terms of the Franchise Agreement including, but not limited to, the fee obligations of Article 5 of the Franchise Agreement, the advertising obligations of Article 9 of the Franchise Agreement, and the indemnification obligations of Article 10 of the Franchise Agreement; and

(f) do, at all times, hereby personally guarantee payment of each and every fee, payment and monetary obligation due or that may become due from Franchisee to us pursuant to the terms of the Ancillary Agreements.

You waive: (a) acceptance and notice of acceptance by us of the foregoing undertakings; (b) notice of demand for payment of any indebtedness guaranteed; (c) protest and notice of default to any party with respect to the indebtedness guaranteed; (d) any right you may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (e) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness hereby guaranteed.

You agree that: (a) your direct and immediate liability under this guaranty shall be joint and several with Franchisee and all other signatories to this Agreement; (b) you will render any payment required under the Franchise Agreement and the Ancillary Agreements upon demand if Franchisee fails or refuses punctually to do so; (c) your liability shall not be contingent or conditioned upon pursuit by us of any remedies against Franchisee or any other person; and (d) liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence that we may grant to Franchisee or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guarantee, which shall be continuing and irrevocable during the term of each of the Franchise Agreement and the Ancillary Agreements and following the termination, expiration or Transfer of each of the Franchise Agreement and the Ancillary Agreements to the extent any financial obligations under any such Franchise Agreement and Ancillary Agreements survive such termination, expiration or Transfer. This guaranty will continue unchanged by the occurrence of any

bankruptcy with respect to Franchisee or any assignee or successor of Franchisee or by any abandonment of one or more of the Franchise Agreement and/or and Ancillary Agreements by a trustee of Franchisee. Neither your obligation to make payment in accordance with the terms of this undertaking nor any remedy for enforcement shall be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Franchisee or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency.

7. Arbitration, Consent to Jurisdiction and Venue, and Cross-Default.
Any dispute between the parties relating to this Agreement shall be brought in accordance with the dispute resolution procedures set forth in the Franchise Agreement. Notwithstanding the foregoing, if any of the dispute resolution procedures set forth in the Franchise Agreement conflict with any of the terms of this Agreement, the terms of this Agreement shall prevail. Without limitation to the foregoing, you agree that:

(a) Arbitration – Except, at our option, as to any claims or disputes related to or concerning a breach of this Agreement by you that may entitle us to the award of injunctive relief, you agree that any and all disputes, controversies, and claims, arising from and/or related to this Agreement, shall be submitted to the American Arbitration Association ("AAA") for binding arbitration. Arbitration shall be conducted by one arbitrator in accordance with the AAA's then current rules for commercial disputes, except as may be otherwise required in this Agreement. All arbitration proceedings shall be conducted in a suitable location selected by the arbitrator that is within Merrimack County, New Hampshire or the closest suitable location nearest to our corporate headquarters at the time the arbitration proceeding is commenced.

In connection with binding arbitration, you agree that:

(i) All matters relating to arbitration, will be governed by the United States Federal Arbitration Act, except as expressly or otherwise set forth in this Agreement;

(ii) The arbitration hearing shall be conducted within 180 days of the demand for arbitration;

(iii) The arbitrator shall render written findings of fact and conclusions of law;

(iv) Except as may be otherwise required and/or prohibited by this Agreement, the arbitrator has the right to award or include in his or her award any relief that he or she determines to be proper, including monetary damages, interest on unpaid sums, specific performance, injunctive relief, attorneys' fees, and costs and expenses as allowable under this Agreement. Notwithstanding the foregoing, under no circumstance shall the Arbitrator be authorized to award or declare the Licensed Marks to be generic or invalid; and

(v) Judgment upon the arbitrator's award may be entered in any court of competent jurisdiction.

(b) **Consent to Jurisdiction and Venue – You agree that any judicial action or legal proceeding must be brought in a court of competent jurisdiction located within Merrimack County, New Hampshire or, as applicable, the state court or Federal District Court located nearest to our corporate headquarters at the time the legal proceeding is commenced. You do hereby irrevocably consent to and waive any objection to such jurisdiction or venue. Without limitation to the foregoing and notwithstanding same, you agree that we, at our election, may bring any legal action or proceeding (i) seeking a temporary restraining order, preliminary injunction, or any action seeking our enforcement of an arbitration award or any judicial decision; (ii) for**

monies owed; and/or (iii) involving relief related to real property in the federal or state court located in the county and state where you reside.

(c) Acknowledgment as to Cross-Default – You acknowledge and agree that a breach of this Agreement by you shall constitute a material event of default under the Franchise Agreement, permitting us, among other things, to terminate the Franchise Agreement in accordance with the terms thereof.

8. Miscellaneous.

(a) If either party hires an attorney or files suit against the other party in relating to and alleging a breach of this Agreement, the losing party agrees to pay the prevailing party's reasonable attorneys' fees and costs incurred in connection with such breach.

(b) This Agreement will be governed by, construed and enforced under the laws of New Hampshire and the courts in that state shall have jurisdiction over any legal proceeding arising out of this Agreement.

(c) Any claim, defense or cause of action that you may have against us or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

(d) Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration and geographic area.

(e) You agree that we may deliver to you any notice or other communication contemplated by this Agreement in the same manner and to the same address listed in the notice provisions of the Franchise Agreement and any such delivery shall be deemed effective for purposes of this Agreement. You may change the address to which notices must be sent by sending us a written notice requesting such change, which notice shall be delivered in the manner and to the address listed in the Franchise Agreement.

IN WITNESS WHEREOF, each undersigned has executed this Agreement as of the dates set forth below.

Owner / Spouse:	**Owner / Spouse:**
Signature of Owner / Spouse	Signature of Owner / Spouse
Name (please print individual name)	Name (please print individual name)
Date	Date
Signature of Owner / Spouse	Signature of Owner / Spouse

Name (please print individual name)	Name (please print individual name)
Date	Date

Franchise Agreement – Exhibit 2
Confidentiality Agreement

[THIS EXHIBIT IS FOR REFERENCE PURPOSES ONLY AS A SAMPLE FORM CONFIDENTIALITY AGREEMENT THAT FRANCHISOR MAY APPROVE FOR USE BY FRANCHISEE – BEFORE USING WITH AN EMPLOYEE OR CONTRACTOR FRANCHISEE SHOULD HAVE THIS AGREEMENT REVIEWED AND APPROVED BY AN INDEPENDENT LOCAL ATTORNEY HIRED BY FRANCHISEE]

CONFIDENTIALITY AGREEMENT (Sample Only)

This Agreement (the "Agreement") is entered into by the undersigned ("you") in favor of:

[Insert on the Line Below Name of Franchisee that Owns and Operates the USA Ninja Challenge Franchised Business]

_____ (hereinafter referred to as "us", "our" or "we")

Recitals and Representations

WHEREAS, we are the owners of a licensed USA Ninja Challenge Business (hereinafter referred to as the "USA Ninja Challenge Business") that we independently own and operate as a franchisee;

WHEREAS, you are or are about to be an employee, independent contractor, officer and/or director of a USA Ninja Challenge Business that is independently owned and operated by us;

WHEREAS, in the course of your employment, independent contractor relationship and/or association with us, you may gain access to Confidential Information (defined below in this Agreement) and you understand that it is necessary to protect the Confidential Information and for the Confidential Information to remain confidential;

WHEREAS, our Franchisor, Ninja Franchising, Inc., is not a party to this agreement and does not own or manage the USA Ninja Challenge Business but is an intended third party beneficiary of this Agreement; and

WHEREAS, this Agreement is not an employment agreement and is only a confidentiality agreement in connection with information, materials and access that may be provided to you in connection with the USA Ninja Challenge Business.

NOW THEREFORE, you acknowledge and agree as follows:

1. Recitals and Representations. You agree that the foregoing Recitals and Representations are true and accurate and shall constitute a part of this Agreement and are hereby incorporated into the main body of this Agreement.

2. Definitions. For purposes of this Agreement, the following terms have the meanings given to them below:

"Business Management System" refers to and means the software and/or internet or cloud based system and/or systems, point of sale system or systems and customer relationship management system or systems as used in connection with the operations of the USA Ninja Challenge Business.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

"Business Management System Data" refers to and means the forms, data, tools, customer information, inventory and sales information, and other information that is entered into and/or maintained on the Business Management System of the USA Ninja Challenge Business.

"Confidential Information" refers to and means: (a) non-public methods, specifications, standards, policies, procedures, information, concepts, programs and systems relating to the development, establishment, marketing, promotion and operation of the USA Ninja Challenge Business; (b) information concerning customers, customer lists, email lists, database lists, product sales, operating results, financial performance and other financial data of the USA Ninja Challenge Business; (c) customer lists and information related to the USA Ninja Challenge Business; (d) Business Management System Data; (e) current and future information contained in the USA Ninja Challenge Operations Manual made available to the USA Ninja Challenge Business by Ninja Franchising, Inc.; and (f) merchandise, inventory, and service procedures that are not disclosed to the public but used by the USA Ninja Challenge Business.

"*Digital Media*" refers to and means any interactive or static electronic document, application or media including, but not limited to, www.usaninjachallenge.com, social media platforms and applications such as Facebook, LinkedIn, Twitter / X, Pinterest, Instagram, SnapChat, YouTube, and world wide web and internet based directories and local directories that refers, references, identifies, reviews, promotes and/or relates, in any way, to the USA Ninja Challenge Business or other USA Ninja Challenge Business.

"Licensed Marks" refers to and means the word marks, trademarks, service marks, and logos now or hereafter utilized in the operation of a USA Ninja Challenge Business, including, but not limited to, the "USA Ninja Challenge" word mark, associated logos, and any other trademarks, service marks or trade names that we designate for use in a USA Ninja Challenge Business.

"Operations Manual" refers to and means the confidential Operations Manual made available to the USA Ninja Challenge Business by our Franchisor or as otherwise designated by us. The Operations Manual may consist of one or more volumes, handbooks, manuals, written materials, video, electronic media files, cloud/internet based list-service, intra-net, internet based and accessed databases, computer media, webinars and other materials as may be modified, added to, replaced or supplemented.

"Trade Dress" refers to and means the USA Ninja Challenge designs, images, marketing materials, packaging, branding and/or branding images used in connection with the operation of the USA Ninja Challenge Business.

3. **Your Access to Confidential Information.** In addition to the representations and acknowledgments contained in the Recitals and Representations, above, you acknowledge and represent that in your capacity as an employee, independent contractor, officer and/or director of the USA Ninja Challenge Business that you will be gaining access to, among other things, the Confidential Information. You acknowledge that the terms of this Agreement are fair and reasonable.

4. Protection of the Confidential Information. You agree that: (i) you will not use the Confidential Information in any business or capacity other than the USA Ninja Challenge Business; (ii) you will maintain the confidentiality of the Confidential Information at all times; (iii) you will not make unauthorized copies of documents containing the Confidential Information; (iv) you will take such reasonable steps as the we may ask of you from time to time to prevent unauthorized use or disclosure of the Confidential Information; and (v) you will stop using the Confidential Information immediately at our request or demand. You will

not use the Confidential Information for any purpose other than for the performance of your duties on behalf of us and in accordance with the scope of your work with us.

5. Reasonableness of Covenants and Restrictions. You agree that: the terms of this Agreement are reasonable and fair and that you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **You hereby waive any right to challenge the terms of this Agreement as being overly broad, unreasonable or otherwise unenforceable.**

6. Breach. You agree that failure to comply with the terms of this Agreement will cause irreparable harm to us and to our Franchisor, Ninja Franchising, Inc., and other USA Ninja Challenge franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of these covenants will entitle us or our Franchisor, Ninja Franchising, Inc., to injunctive relief. You agree that we and/or our Franchisor, Ninja Franchising, Inc., may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, you agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Article are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

7. Miscellaneous.

(a) If we hire an attorney or file suit against you because you have breached this Agreement and if we prevail in such lawsuit, you agree to pay the reasonable attorney fees and costs that we incur.

(b) Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration and geographic area.

(c) YOU ACKNOWLEDGE THAT THIS IS NOT AN EMPLOYMENT AGREEMENT.

(d) YOU ACKNOWLEDGE AND AGREE THAT OUR FRANCHISOR, NINJA FRANCHISING, INC., IS NOT A PARTY TO THIS AGREEMENT BUT IS AN INTENDED THIRD PARTY BENEFICIARY OF THIS AGREEMENT.

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement as of the date or dates set forth below.

_____	_____
Individual Signature of Restricted Party	Individual Signature of Restricted Party
_____	_____
Name (please print)	Name (please print)
Date: _____	Date: _____

Franchise Agreement – Exhibit 3
Site Selection Acknowledgment

USA Ninja Challenge

SITE SELECTION ACKNOWLEDGMENT

(THIS DOCUMENT DOES NOT CONSTITUTE THE APPROVAL OF A TRAINING CENTER LOCATION, DOES NOT GRANT OR DESIGNATE AN OPERATING TERRITORY AND DOES NOT GRANT ANY TERRITORIAL RIGHTS)

Date of this Acknowledgment:_____(the "Site Selection Acknowledgment Date")

Pursuant to and subject to the terms of the Franchise Agreement dated _____ by and between Ninja Franchising, Inc., as Franchisor, and _____, as Franchisee (the "Franchise Agreement"), Franchisee has identified a potential area in which Franchisee may seek to identify a potential training center location for Franchisee's USA Ninja Challenge Training Center. Based on Franchisee's request, Franchisor agrees that during the limited period of time that commences on the Site Selection Acknowledgment Date and automatically expires 12 months after the Site Selection Acknowledgment Date, that Franchisor shall not grant to any third party the license or right to establish a USA Ninja Challenge Training Center Location within the following geographic area constituting the Site Selection Area, as such term is defined in the Franchise Agreement:

Site Selection Area: [Must be completed by Franchisor]

The terms contained in this Site Selection Acknowledgment shall have the meaning set forth in the Franchise Agreement including, but not limited to Article 1 and Article 2 of the Franchise Agreement. In the event of any inconsistency or conflict between this Site Selection Acknowledgment and the terms of the Franchise Agreement, the terms of the Franchise Agreement shall take precedence and govern. If Franchisor does not complete the Site Selection Acknowledgment Date and sign this Site Selection Acknowledgment then this Site Select Addendum shall not be effective and there shall be no Site Selection Area. As set forth in the Franchise Agreement, among other things, A SITE SELECTION AREA IS NOT AN OPERATING TERRITORY, DOES NOT CONSTITUTE THE APPROVAL AS TO ANY TRAINING CENTER LOCATION AND DOES NOT AFFORD FRANCHISEE ANY TERRITORIAL RIGHTS.

Franchisor:
Ninja Franchising, Inc.

By:_____
Signature

_____
Name and Title (please print)

_____
Dated

Franchise Agreement – Exhibit 4
Lease Agreement Rider

USA Ninja Challenge

LEASE AGREEMENT RIDER

(for the benefit of Ninja Franchising, Inc. and its assigns)

Landlord: _____

Notice Address: _____

_____

_____

Telephone:_____

Tenant: _____

Leased Premises: _____

Franchisor: Ninja Franchising, Inc.
Address: 14 Chenell Dr, Concord, NH 03301
Telephone: 603-566-9560

WHEREAS, Ninja Franchising, Inc., (the "Franchisor") is the franchisor of the USA Ninja Challenge franchise system (the "USA Ninja Challenge Franchise System");

WHEREAS, Tenant is a franchisee of Franchisor pursuant to the terms of a Franchise Agreement entered into between Franchisor and Tenant (the "Franchise Agreement") and the Leased Premises is to be used and operated by Tenant for the purpose of developing, establishing and operating a USA Ninja Challenge Training Center in accordance with the USA Ninja Challenge Franchise System standards.

NOW THEREFORE, Landlord and Tenant acknowledge and agree to the following:

1. Rider Governs. This Rider supplements and amends the Lease. In the event of any inconsistency or conflict between the terms of this Rider and the Lease, the terms of this Rider shall prevail. Landlord and Tenant acknowledge that the rights set forth in this Rider may not be reduced, modified, or altered without the express written consent of Franchisor.

2. Intended Use. The Ninja Challenge Franchise System relates to and includes a Training Center featuring youth fitness-based programs utilizing obstacle course equipment, progressive training and other products and services that the Franchisor authorizes under the "USA Ninja Challenge" name and marks (the "Intended Use"). The lease premises shall be used only for the operation of a USA Ninja Challenge business (or any name authorized by Franchisor.

3. Termination of Lease. Landlord shall provide Franchisor, at the same time that Landlord provides Tenant, with a copy of all default notices, notices of Landlord's intent to terminate the Lease (or any rights of Tenant under the Lease), and eviction notices, that Landlord sends to Tenant relating to the Lease or the Leased Premises to Franchisor's above referenced address. If Landlord terminates the Lease for Tenant's

Default, Franchisor shall have the option to enter into a new Lease with Landlord on the same terms and conditions as the terminated Lease. To exercise this option, Franchisor must notify Landlord within 15 days after Franchisor receives notice of the termination of the Lease.

4. Termination of Franchise Agreement. If the Franchise Agreement between Franchisor and Tenant is terminated, for any reason, during the term of the Lease, Franchisor shall have the option, but not the obligation, to assume the Lease and occupancy of the leased premises. If Franchisor elections to exercise said option, upon the written notice of Franchisor, Tenant shall assign the Lease to Franchisor. Landlord hereby consents to the assignment or sublease of the Lease to Franchisor.

5. Assignment and Subletting. Tenant shall have the right to sublet the Lease to Franchisor, provided that no such assignment or sublease shall relieve Tenant or any guarantor of liability under the Lease. In the event Franchisor assumes Tenant's leasehold interest in the Lease pursuant to the terms of this Rider, Franchisor shall have the right to sublease and/or assign the Lease to another franchisee or licensee of the USA Ninja Challenge Franchise System or a designee of Franchisor that will occupy the Leased Premises with the Intended Use (collectively, a "Designee"). In the event Franchisor assumes Tenant's leasehold interest in the Lease pursuant to the terms of this Rider and subsequently assigns the Lease and its leasehold interest to a Designee approved by Landlord (which approval shall not be unreasonably withheld), Franchisor shall not be responsible for any obligations, debts, liabilities, or payments arising and/or accruing under the Lease after the effective date of such assignment and the Designee and any guarantor of Designee shall assume all liability under the Lease upon the effective date of such assignment. Only upon such re-assignment will the original tenant and/or guarantor then be released from liability under the Lease.

6. Authorization. Tenant authorizes Landlord and Franchisor to communicate directly with each other about Tenant and Tenant's business.

7. Right to Enter. Upon expiration and non-renewal or termination of the Lease or the Franchise Agreement or the termination of Tenant's right of possession of the leased premises, Franchisor or Franchisor's designated representative shall have the right, but not the obligation, upon reasonable notice to Landlord, to enter the Leased Premises to remove, alter, or repaint any proprietary items, interior and exterior signs, and trade fixtures, without damage to the Leased Premises. In the event of any damage Franchisor or Franchisor's designated representative caused by the removal of said items, Franchisor will be responsible. Landlord further agrees that Franchisor's rights to any such proprietary items, signs, or fixtures shall be superior to any rights Landlord may have to such proprietary items, signs, and fixtures (by lien or otherwise) set forth in the Lease or otherwise.

8. No Liability. Landlord and Tenant acknowledge and agree that Franchisor is an intended third party beneficiary of this Rider and that Franchisor may bring an action to enforce Franchisor's rights under this Rider. Franchisor makes no representations or warranties regarding this Rider or in connection with the Lease and Franchisor's approval of the Lease and Leased Premises only indicates that the Lease and the Leased Premises meets Franchisor's minimum criteria. The parties agree that Franchisor's approval or disapproval of the Lease will not impose any liability or obligation on Franchisor. Tenant must have a competent real estate attorney review the Lease and Tenant must do its own due diligence, at Tenant's expense

8. Franchisor's Successors and Assigns. Franchisor's rights under this Rider shall inure to the benefit of Franchisor's successors and assigns.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

Landlord:	**Tenant:**
Signature	Signature
Name and Title (please print)	Name and Title (please print)
Dated	Dated

Franchise Agreement – Exhibit 5
Collateral Assignment of Lease

COLLATERAL ASSIGNMENT OF LEASE

(for the benefit of Ninja Franchising, Inc. and its assigns)

For Value Received, the undersigned ("Assignor") hereby assigns and transfers to Ninja Franchising, Inc., ("Assignee"), all of Assignor's right, title and interest as tenant in, to and under a certain lease, a copy of which is attached hereto as Exhibit "A" (the "Lease") for the following premises (the "Leased Premises"):

_____

_____

This Assignment is for collateral purposes only and except as may be otherwise expressly stated and specified herein under no circumstance shall Assignee have any liability or obligation under the Lease and/or Leased Premises, unless: (a) Assignee provides an express written statement that is addressed to Assignor and the landlord for the Leased Premises, is delivered by Assignee to Assignor and the landlord for the Leased Premises, is signed by an officer of Assignee, and that expressly states that Assignee is assuming all rights and interests in and to the Lease pursuant to this Assignment; and (b) Assignee takes possession of the Leased Premises pursuant to the terms hereof, and Assignee assumes the obligations of Assignor under the Lease.

Assignor represents that Assignor possesses full power and authority to enter into this Assignment and that at no time prior to executing this Assignment has Assignor assigned and/or transferred Assignor's interests and/or rights in or to the Lease and/or the Leased Premises.

Assignee has the right and possesses full power and authority to take possession of the Leased Premises, to eject and expel Assignor from possession and occupancy of the Leased Premises and to terminate Assignor's right, title and interest in and to the Lease in the event of: (a) a default by Assignor under the terms of the Lease and Assignor's failure to timely cure such default, assuming that such default is capable of curing; (b) a default by Assignor (in Assignor's capacity as a USA Ninja Challenge Training Center franchisee) under the terms and conditions of the USA Ninja Challenge Training Center Franchise Agreement between Assignor, as franchisee, and Assignee, as franchisor (the "Franchise Agreement"), and Assignor's failure to timely cure such default, assuming that such default is capable of curing; (c) upon default of any agreement supporting or guaranteeing the Franchise Agreement; or (d) the expiration or termination of the Franchise Agreement.

Assignor agrees that Assignor will not and shall not permit, grant or suffer any termination, surrender or modification of the Lease without the prior written consent of Assignee. Throughout the term of the

Franchise Agreement, Assignor shall elect and exercise all options to extend or renewal the Lease not less than 120 days prior to the last day that the option must be exercised unless Assignee otherwise agrees in writing. Should Assignor fail to comply with the foregoing, Assignor does hereby appoint Assignee (subject to Assignees acceptance and invocation of such right) to act on behalf of Assignor for the purpose of effectuating extensions and renewals of the Lease.

Assignor:

_____
Signature

_____
Name and Title (please print)

_____
Dated

NOTARY SIGNATURE, SEAL AND INFORMATION: On _____before me, the undersigned, personally appeared _____ personally known to me or proven to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity/capacities, and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Signature and Seal

Franchise Agreement – Exhibit 6
Assignment of Telephone Numbers and Digital Media Accounts



ASSIGNMENT OF TELEPHONE NUMBERS AND DIGITAL MEDIA ACCOUNTS

(for the benefit of Ninja Franchising, Inc. and its assigns)

THIS ASSIGNMENT OF TELEPHONE NUMBERS AND DIGITAL MEDIA ACCOUNTS ASSIGNMENT ("Assignment") is entered into between _____ (the "Assignor") and Ninja Franchising, Inc. and its successors and assigns (the "Assignee").

WHEREAS, Assignee is the franchisor of the USA Ninja Challenge Training Center franchise system (the "USA Ninja Challenge Training Center Franchise System");

WHEREAS, Assignor, as franchisee, and Assignee, as franchisor, are parties to a USA Ninja Challenge Training Center Franchise Agreement (the "Franchise Agreement");

WHEREAS, the term "Digital Media" shall refer to and mean "any interactive or static electronic document, application or media that is connected to and/or in a network of computers, servers and/or other devices linked by communications software, part of the world wide web (including, but not limited to websites), linked by the internet or part of a web based application, software application, smart phone based application or social media platform including, but not limited to social media platforms and applications such as Facebook, LinkedIn, Twitter / X, Pinterest, Instagram, SnapChat, and YouTube, and world wide web and internet based directories and local directories that refers, references, identifies, reviews, promotes and/or relates, in any way, to a USA Ninja Challenge Training Center, USA Ninja Challenge Training Centers, Assignor's USA Ninja Challenge Training Center and/or trademarks associated with the USA Ninja Challenge Training Center Franchise System and/or Assignee. Digital Media further includes the USA Ninja Challenge Training Center website, web pages and website subdomains (including those related to, associated with and/or a part of the USA Ninja Challenge Training Center Franchise System) associated with and/or related to Assignor's USA Ninja Challenge Training Center and all web pages, blog posts, videos, articles, information, sub-domains, and all other media and/or publications relating to the USA Ninja Challenge Training Center Franchise System that is displayed and/or transmitted digitally"; and

WHEREAS, in connection with Assignor's establishment and operation of a USA Ninja Challenge Training Center, Assignor will be utilizing accounts, information, phone numbers and Digital Media subject to strict requirements set forth in the Franchise Agreement.

NOW THEREFORE, Assignor, in exchange for good and valuable consideration provided and paid by Assignee (receipt of which is hereby acknowledged), agrees:

1. That Assignor does hereby assign to assignee all telephone numbers, facsimile numbers, listings, domain names and Digital Media that is associated with Assignor's USA Ninja Challenge Training Center including, the following (all collectively referred to as the "Media"):

(a) All phone numbers, facsimile numbers and listings that are currently, or in the future, associated with Assignor's USA Ninja Challenge Training Center;

(b) The following telephone and facsimile numbers:

_____
_____; and

(c) All Digital Media, all Digital Media accounts and all Digital Media log-in information.

The foregoing shall not be construed and/or interpreted as Assignees acknowledgment and/or agreement that Assignor owns and/or possesses any ownership interests in the foregoing telephone numbers, accounts and/or Digital Media. Any and all rights of Assignor in and to same exist subject to a limited license pursuant to the USA Ninja Challenge Training Center Franchise Agreement which shall take precedence and govern. However, this Assignment is intended by Assignor and Assignee to be an instrument that may be relied upon by all third parties to authorize and permit the assignments and transfers set forth in this Assignment and to facilitate the transfer of accounts and media to within the control of Assignee. Nothing contained in this Assignment shall be used to construe nor imply that Assignor possesses any ownership interests or rights in the Digital Media and in the event of any inconsistency or conflict between this Assignment and the Franchise Agreement, the Franchise Agreement shall take precedence and govern.

2. This Assignment will become effective automatically upon the termination or expiration of the Franchise Agreement for any reason. As to all third parties, proof of the expiration or termination of the Franchise Agreement shall exist exclusively upon the written declaration of Assignee and Assignee's declaration shall be dispositive and not subject to challenge. Assignor agrees that all third parties may rely on this Assignment for the purpose of taking any and all actions to ensure that access to and control of the Media is maintained by Assignee.

UTILIZATION OF THIS ASSIGNMENT SHALL EXIST AT THE SOLE DISCRETION OF ASSIGNEE AND FOR THE SOLE BENEFIT OF ASSIGNEE.

Assignee: Ninja Franchising, Inc.	**Assignor:**
_____ Signature	_____ Signature
_____ Name and Title (please print)	_____ Name (please print)
_____ Dated	_____ Dated

Franchise Agreement – Exhibit 7
ACH Authorization Form

AUTOMATED CLEARING HOUSE PAYMENT AUTHORIZATION FORM

Franchisee Information:

Franchisee Name	Business No.
Franchisee Mailing Address (street)	Franchisee Phone No.
Franchisee Mailing Address (city, state, zip)	
Contact Name, Address and Phone Number (if different from above)	
Franchisee Fax No.	Franchisee Email Address

Bank Account Information:

Bank Name		
Bank Mailing Address (street, city, state, zip)		
Bank Account No.	[ ] Checking [ ] Savings (check one)	Bank Routing No.
Bank Phone No.		

Authorization:

Franchisee hereby authorizes Ninja Franchising, Inc., ("Franchisor") to initiate debit entries to Franchisee's account with the Bank listed above and Franchisee authorizes the Bank to accept and to debit the amount of such entries to Franchisee's account. Each debit shall be made from time to time in an amount sufficient to cover any fees payable to Franchisor pursuant to any agreement between Franchisor and Franchisee as well as to cover any purchases of goods or services from Franchisor or any affiliate of Franchisor. Franchisee agrees to be bound by the National Automated Clearing House Association (NACHA) rules in the administration of these debit entries. Debit entries will be initiated only as authorized above. This authorization is to remain in full force and effect until Franchisor has received written notification from Franchisee of its termination in such time and in such manner as to afford Franchisor and the Bank a reasonable opportunity to act on it. Franchisee shall notify Franchisor of any changes to any of the information contained in this authorization form at least 30 days before such change becomes effective.

Signature: _____ Date: _____

Name: _____ Federal Tax TD No.: _____

Its: _____

NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO THE BANK ACCOUNT

Franchise Agreement – Exhibit 8
General Release

FORM OF GENERAL RELEASE

GENERAL RELEASE

THIS GENERAL RELEASE (the "Release") is made as of _____ (the "Effective Date") by:

(a) _____, a(n) _____, and _____, a(n) _____ (individually, jointly, severally, and collectively referred to as "Franchisee"), and

(b) if Franchisee is a Corporate Entity, the following individuals: _____, an individual residing at _____, and _____, an individual residing at _____ (individually, jointly, severally, and collectively referred to as the "Individual Guarantors") (Franchisee and the Individual Guarantors, respectively, are hereinafter individually, jointly, severally, and collectively referred to as the "Releasor"),

In Favor of, Ninja Franchising, Inc., a New Hampshire corporation with a principal address at 14 Chenell Drive, Concord, New Hampshire 03301, and Ninja Franchising, Inc.'s predecessors, affiliates, successors, assigns, officers, directors, managers, employees, and agents (hereinafter individually, jointly, severally, and collectively referred to as the "Releasee").

IN EXCHANGE FOR GOOD AND VALUABLE CONSIDERATION FROM NINJA FRANCHISING, INC., AND/OR RELEASEE, AND WITH THE RECEIPT AND SUFFICIENCY OF SUCH CONSIDERATION BEING HEREBY ACKNOWLEDGED BY RELEASOR, RELEASOR DOES HEREBY, FOR ITSELF AND FOR RELEASOR'S SUCCESSORS AND ASSIGNS HEREBY RELEASE AND FOREVER DISCHARGE RELEASEE FROM:

Any and all claims including, but not limited to Franchise Claims (defined below), causes of action, violations, damages, actions, contracts, covenants, promises, judgments, suits, indebtedness, liabilities, accounts, and demands of every kind and nature (hereinafter all collectively referred to as the "Claims" or "Claim"), whether or not such Claims are presently known or unknown, disclosed or undisclosed, actual or potential, accrued or unaccrued and whether in law, admiralty, common law, or equity which against the Releasee, Releasor ever had, now has or hereafter can, shall or may, have for, upon, or by reason of any Claim, matter, cause or thing whatsoever from the beginning of the world to the Effective Date of this Release.

Without limitation to the foregoing, the definition of the term "Claims" or "Claim," includes and, thereby this Release shall apply to, any and all claims, causes of action, violations, damages, actions, contracts, covenants, promises, judgments, suits, indebtedness, liabilities, accounts, and demands of every kind and nature, whether or not such Claims are presently known or unknown, disclosed or undisclosed, actual or potential, accrued or unaccrued, relating to and/or with regard to each and every violation and breach of any and all federal and state franchise laws, franchise rules, or franchise regulations, including those franchise laws, rules, and regulations that relate to and govern the offer or sale of franchises, the offer or sale of business opportunities, the terms of the Franchise Agreement, and the offer and sale of the franchise opportunity related to the Franchise Agreement (collectively, referred to as "Franchise Claims").

This Release may not be changed orally.

This Release may be signed in counterparts, with each counterpart being binding against the party executing it and considered as an original.

This Release shall be interpreted in accordance with the laws of the State of New Hampshire. In the event that any action or legal proceeding is commenced respecting or related to this Release or the enforceability of this Release, the prevailing party in such legal action or proceeding shall be entitled to the recovery of reasonable attorneys' fees.

IN WITNESS WHEREOF, the Releasor has hereunto set Releasor's hand and seal on the date set forth below.

Releasor:

Signature	Signature
Name (please print)	Name (please print)
Dated	Dated
Signature	Signature
Name (please print)	Name (please print)
Dated	Dated

Franchise Agreement – Exhibit 9
Equipment Liability and Indemnification Agreement



EQUIPMENT LIABILITY AND INDEMNIFICATION AGREEMENT

This Equipment Liability and Indemnification Agreement (this "Agreement") is made effective as of _____ (the "Effective Date") by and between Ninja Franchising Inc., a Delaware corporation with a principal place of business located at 14 Chenell Drive, Concord, New Hampshire 03301, (the "Franchisor") and _____(the "Franchisee"). Franchisor and Franchisee are from time to time referred to as a "Party" or collectively as the "Parties".

1. **Definitions**.

(a) "Approved Supplier" means any supplier or vendor that Franchisor has designated or approved in writing, in Franchisor's Reasonable Business Judgment, as an authorized source for the purchase of Equipment for use in connection with the Franchised Business, which may include Franchisor and/or Franchisor's affiliates, as designated and updated by Franchisor from time to time in the Operations Manual or otherwise in writing.

(b) "Equipment" means any and all obstacles, cargo netting, floor beams, climbing ropes, rock wall holds, ring systems, safety mats, gym flooring, truss systems, and all other objects, obstacles, and equipment used in connection with the operation of the Franchised Business at Franchisee's Training Center Location, as designated by Franchisor from time to time.

(c) "Established Vendors" means Franchisor's designated and approved suppliers and vendors for Equipment, as set forth in the Operations Manual or as otherwise designated by Franchisor in writing from time to time, which may include Franchisor and/or Franchisor's affiliates.

(d) "Equipment Package" means Franchisee's initial purchase of all Equipment necessary for Franchisee to open and commence operation of the Franchised Business, as designated by Franchisor, which shall include, without limitation, obstacle equipment, cargo netting, gym flooring, floor beams, climbing ropes, rock wall holds, truss systems, safety mats, and other select equipment items designated by Franchisor.

(e) "Non-Approved Equipment" means any Equipment that is: (i) purchased from a vendor or supplier that is not an Established Vendor or that has not been approved in writing by Franchisor; (ii) homemade, non-professionally manufactured, or altered in any way without Franchisor's prior written consent; or (iii) otherwise not in conformity with Franchisor's standards and specifications as designated by Franchisor in the Operations Manual or otherwise in writing.

(f) "Franchise Agreement" means the USA Ninja Challenge Franchise Agreement entered into between Franchisor and Franchisee, as the same may be amended, modified, or supplemented from time to time.

(g) "Franchised Business" means the USA Ninja Challenge Training Center that Franchisee is required to develop, maintain, and operate as part of the System and in accordance with the terms, conditions, and obligations set forth in the Franchise Agreement and the Operations Manual.

(h) "Franchisor's Reasonable Business Judgment" shall have the meaning set forth in the Franchise Agreement.

(i) "Operations Manual" means, individually and collectively, the manual(s) designated by Franchisor and relating to the development and/or operations of USA Ninja Challenge Training Centers, as may be modified, added to, replaced, or supplemented by Franchisor from time to time.

(j) "Training Center Location" means the fixed location from which Franchisee develops, operates, and manages the Franchised Business, as approved by Franchisor in accordance with the Franchise Agreement.

(k) "System Supplies" shall have the meaning set forth in the Franchise Agreement.

2. **Equipment Purchasing, Delivery, and Standards**.

(a) Equipment Purchasing. Franchisee shall purchase the Equipment Package from Franchisor or Franchisor's designated affiliate or Approved Supplier, as designated by Franchisor in Franchisor's Reasonable Business Judgment. Franchisee shall pay to Franchisor or Franchisor's designated affiliate the Equipment Package Fee and the Equipment Installation Fee, as defined and set forth in the Franchise Agreement, in connection with the purchase and installation of the Equipment Package. Franchisee shall also be responsible for all applicable taxes and transportation costs incurred by Franchisor in connection with shipping the Equipment Package to Franchisee's Training Center Location. Following the initial Equipment Package purchase, Franchisee shall continue to purchase all additional Equipment exclusively from Established Vendors, as designated by Franchisor from time to time in the Operations Manual or otherwise in writing. Franchisor reserves the right, in Franchisor's Reasonable Business Judgment, to designate itself and/or its affiliates as the sole and exclusive supplier of any or all Equipment. Franchisee shall not purchase any Equipment from any vendor or supplier that has not been designated or approved in writing by Franchisor.

(b) Equipment Standards. All Equipment used in connection with the Franchised Business must meet the quality, appearance, and safety standards designated and determined by Franchisor from time to time in Franchisor's Reasonable Business Judgment, as set forth in the Operations Manual or as otherwise communicated by Franchisor in writing. Franchisee shall maintain all Equipment in a clean, safe, functional, and well-maintained condition and in compliance with all applicable federal, state, and local laws, rules, regulations, and ordinances. Any use of Non-Approved Equipment in connection with the Franchised Business shall be at Franchisee's sole risk and expense, and Franchisor shall have no liability whatsoever with respect to any Non-Approved Equipment.

(c) Delivery. Franchisor or its designated affiliate or Approved Supplier shall use commercially reasonable efforts to deliver the Equipment Package to Franchisee's Training Center Location within the timeframe designated by Franchisor. Franchisor shall not be liable for any delays, loss, or damage in transit. Delivery may be subject to the issuance of required licensing and approvals by local, state, and federal regulatory bodies. Franchisor may, in its sole discretion and without liability or penalty, make partial shipments of the Equipment Package to Franchisee. If, for any reason, Franchisee fails to accept delivery of any Equipment on the date fixed pursuant to Franchisor's notice that the Equipment has been delivered at Franchisee's Training Center Location, or if Franchisor is unable to deliver the Equipment at Franchisee's Training Center Location because Franchisee has not provided appropriate instructions, documents, licenses, or authorizations: (i) risk of loss to the Equipment shall pass to Franchisee; (ii) the Equipment shall be deemed to have been delivered; and (iii) Franchisor, at its option, may store the

Equipment until collected by Franchisee, whereupon Franchisee shall be liable for all related costs and expenses (including, without limitation, storage and insurance).

(d) Title and Risk of Loss. Title and risk of loss with respect to the Equipment shall pass to Franchisee upon delivery of the Equipment at Franchisee's Training Center Location. As collateral security for the payment of the purchase price of the Equipment, Franchisee hereby grants to Franchisor a lien on and security interest in and to all of the right, title, and interest of Franchisee in, to, and under the Equipment, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing.

(e) Inspection and Rejection of Nonconforming Equipment. Franchisee shall inspect the Equipment within three (3) days of receipt (the "Inspection Period"). Franchisee will be deemed to have accepted the Equipment unless it notifies Franchisor in writing of any nonconforming Equipment during the Inspection Period and furnishes such written evidence or other documentation as reasonably required by Franchisor. "Nonconforming Equipment" means only the following: (i) the make or model of the product shipped is materially different than identified in the applicable purchase order or invoice; or (ii) the product's label or packaging incorrectly identifies its contents. If Franchisee timely notifies Franchisor of any Nonconforming Equipment, Franchisor shall, in its sole discretion, (i) replace such Nonconforming Equipment with conforming Equipment, or (ii) credit or refund the applicable purchase price for such Nonconforming Equipment. The remedies set forth in this Section 2(e) are Franchisee's exclusive remedies for the delivery of Nonconforming Equipment. Except as provided in this Section 2(e), all sales of Equipment to Franchisee are made on a one-way basis and Franchisee has no right to return Equipment purchased under this Agreement to Franchisor.

3. **Training**. Franchisor shall provide training to Franchisee and, if Franchisee is a Corporate Entity, Franchisee's Managing Owner, Operating Manager, and designated Lead Instructor, with respect to the proper use of Equipment and systems provided by and/or purchased through Franchisor or its designated Approved Suppliers only, in accordance with the training program set forth in the Franchise Agreement. Franchisor shall not be responsible for providing any training with respect to Equipment obtained from vendors or suppliers not designated or approved by Franchisor, or with respect to Non-Approved Equipment, processes, or systems. Franchisee expressly assumes all liability for Non-Approved Equipment, processes, and systems, including all liability in connection with installation, training, and use thereof.

4. **Indemnification**. Franchisee and each owner of Franchisee shall indemnify, defend through counsel acceptable to Franchisor, and hold harmless Franchisor, Franchisor's affiliates, and their respective officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, employees, assigns, and successors (each, a "Franchisor Indemnified Party") against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys' fees, incurred or sustained by, or imposed upon, any Franchisor Indemnified Party based upon, arising out of, with respect to, or associated with:

(a) any Non-Approved Equipment used in connection with the Franchised Business;

(b) any Equipment that has been subjected to misuse, neglect, negligence, improper testing, improper installation, improper storage, improper handling, abnormal physical stress, abnormal environmental conditions, or use contrary to any instructions issued or training provided by Franchisor, an Approved Supplier, or the manufacturer of such Equipment;

(c) any Equipment that has been reconstructed, repaired, or altered by persons other than Franchisor, Franchisor's affiliates, or an Approved Supplier authorized by Franchisor in writing; or

(d) any Equipment that has been used with any third party product, hardware, or product that has not been previously approved in writing by Franchisor.

(e) Franchisee and each owner of Franchisee acknowledge and agree that the terms of this Section 4 shall survive the termination, expiration, or transfer of this Agreement and the Franchise Agreement. Under no circumstances are the Franchisor Indemnified Parties required or obligated to seek recovery from third parties or otherwise mitigate their respective losses in order to maintain a claim against Franchisee or any owner of Franchisee.

5. **Miscellaneous**.

(a) Notices. All written notices and reports permitted or required to be delivered by this Agreement shall be deemed so delivered at the time delivered by hand, one (1) business day after being placed in the hands of a national commercial courier service for overnight delivery (properly addressed and with tracking confirmation), or three (3) business days after placed in the U.S. mail by registered or certified mail, postage prepaid, and addressed to the party to be notified at its most current principal business address of which the notifying party has been notified. Either party may change its address by a written notice sent in accordance with this Section. All notices required by this Agreement shall be sent to Franchisor at the following address:

Ninja Franchising, Inc.
Attn: Mr. Curtis Crow, Jr.
14 Chenell Drive
Concord, New Hampshire 03301

(b) Entire Agreement. This Agreement, the Franchise Agreement, and the Operations Manual constitute the entire agreement between the parties with respect to the subject matter hereof and supersede any and all prior negotiations, understandings, representations, and agreements relating to the subject matter hereof. Nothing in this Agreement or in any related agreement is intended to disclaim the representations Franchisor made in the Franchise Disclosure Document furnished to Franchisee. All capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Franchise Agreement. In the event of any conflict between this Agreement and the Franchise Agreement, the terms of the Franchise Agreement shall prevail.

(c) Severability. Except as expressly provided to the contrary in this Agreement, each paragraph, part, term, and provision of this Agreement shall be considered severable and independent of each other. Although each term and provision of this Agreement is considered by the parties to be reasonable and intended to be enforceable, if any such term or provision of this Agreement is found by a court of competent jurisdiction, agency, or other governmental authority to be unenforceable as written or otherwise, then such term and provision shall be modified, rewritten, interpreted, or "blue-lined" to include as much of its nature and scope as will render it enforceable. If such term and provision cannot be so modified, rewritten, interpreted, or "blue-lined" in any respect, then it will not be given effect and shall be severed from this Agreement, and the remainder of this Agreement shall be interpreted, construed, and enforced as if such term and provision was not included in this Agreement. If Franchisor determines that a finding of invalidity adversely affects the basic consideration of this Agreement, Franchisor has the right, at its option, to terminate this Agreement.

(d) No Third Party Beneficiaries. Anything to the contrary notwithstanding, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisor, Franchisee, and their respective successors and permitted assigns as may be contemplated by this Agreement, any rights or remedies under or by reason of this Agreement.

(e) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Hampshire (without reference to its conflict of laws principles).

(f) Venue. Subject to the non-binding mediation and arbitration provisions set forth in Section 5(h) of this Agreement, any judicial action or legal proceeding must be brought in a court of competent jurisdiction located within Merrimack County, New Hampshire or, as applicable, the state court or Federal District Court located nearest to Franchisor's corporate headquarters at the time the legal proceeding is commenced. The parties do hereby irrevocably consent to and waive any objection to such jurisdiction or venue. Notwithstanding the foregoing, Franchisor, at Franchisor's election, may bring any legal action or proceeding (i) seeking a temporary restraining order, preliminary injunction, or any action seeking Franchisor's enforcement of an arbitration award or any judicial decision; (ii) for monies owed; and/or (iii) involving relief related to real property, in the federal or state court located in the county and state where either the Franchised Business is or was located or where Franchisee resides. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments or arbitration awards in any appropriate jurisdiction.

(g) Waiver of Jury Trial. FRANCHISOR AND FRANCHISEE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER A LEGAL ACTION, IN MEDIATION, OR IN ARBITRATION.

(h) Dispute Resolution.

(i) Non-Binding Mediation. Before either party may bring any action, dispute, and/or controversy arising from or related to this Agreement in arbitration, the parties must first mediate the dispute through non-binding mediation. Mediation shall be non-binding and shall be conducted by the American Arbitration Association ("AAA") in accordance with the AAA's then current rules for the mediation of commercial disputes. All mediation proceedings shall be conducted in a suitable location selected by the mediator that is within Merrimack County, New Hampshire or the closest suitable location nearest to Franchisor's corporate headquarters at the time the mediation proceeding is commenced. Mediation shall be conducted by one mediator and, if Franchisor and Franchisee cannot agree on a mediator, the mediator shall be selected by the AAA. Mediation shall be conducted within forty-five (45) days of the AAA's designation and/or acknowledgment of the selected mediator or such longer period as may be agreed to between Franchisor and Franchisee in writing signed by each respective party. Franchisor and Franchisee shall each be responsible for their own costs associated with mediation and shall each pay fifty percent (50%) of the mediator's fee and the AAA's mediation fees. Notwithstanding the foregoing, the prerequisite requirement of non-binding mediation shall not, at Franchisor's election, apply to: (A) any claims or disputes related to or concerning a breach of this Agreement by Franchisee that may entitle Franchisor to the award of injunctive relief; and/or (B) claims by either Franchisor or Franchisee that relate to either party's failure to pay fees or other monetary obligations due under this Agreement.

(ii) Binding Arbitration. Subject to the prerequisite requirements of non-binding mediation as set forth in Section 5(h)(i) above, and except, at Franchisor's election, as to any claims or disputes related to or concerning a breach of this Agreement by Franchisee that may entitle Franchisor to the award of injunctive relief, Franchisor and Franchisee agree that all disputes, controversies, and claims arising from and/or related to this Agreement or the relationship between Franchisor and Franchisee shall be submitted, on demand of either party, to the AAA for binding arbitration. Arbitration shall be conducted by one arbitrator in accordance with the AAA's then current rules for commercial disputes. All arbitration proceedings shall be conducted in a suitable location selected by the arbitrator that is within Merrimack County, New Hampshire or the closest suitable location nearest to Franchisor's corporate headquarters at

the time the arbitration proceeding is commenced. All matters relating to arbitration shall be governed by the United States Federal Arbitration Act. The arbitration hearing shall be conducted within one hundred eighty (180) days of the demand for arbitration. The arbitrator shall render written findings of fact and conclusions of law. Judgment upon the arbitrator's award may be entered in any court of competent jurisdiction. In all matters, the laws of the State of New Hampshire shall apply.

(i) Counterparts; Electronic Signatures. This Agreement may be executed electronically. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Executed electronic or print duplicates of this Agreement and their respective signatures shall be deemed originals.

(j) No Right to Offset. Franchisee shall not, on grounds of the alleged nonperformance, material breach, or default by Franchisor of this Agreement, the Franchise Agreement, or any other agreement between Franchisor and Franchisee, or for any other reason, withhold any payment, fee, or any other amount payable by Franchisee to Franchisor pursuant to this Agreement. Franchisee shall not have the right to offset or withhold any liquidated or unliquidated amount allegedly due to Franchisee from Franchisor against any payment, fee, or any other amount payable to Franchisor pursuant to this Agreement.

(k) Force Majeure. If either Franchisor or Franchisee is delayed in performing any obligation under this Agreement by any cause reasonably beyond its control when such cause would affect any person or entity similarly situated, including, without limitation, war, civil disorder, catastrophic weather, power outage, acts of God, natural disasters, tornadoes, earthquakes, wildfires, pandemics, and/or labor strikes unassociated with Franchisee or Franchisor (collectively, "Force Majeure"), then the time period for performing such obligation shall be extended by a period of time equal to the period of delay. Notwithstanding the foregoing, any delay resulting from Force Majeure shall not excuse Franchisee's payment of any fee, charge, amount, and/or any other monetary or financial obligation to Franchisor under this Agreement, and the non-performance of any obligation under this Agreement due to Force Majeure shall not be extended or otherwise excused for more than six (6) months.

(l) Assignment. Franchisee shall not assign, transfer, delegate, or subcontract any of its rights or obligations under this Agreement without the prior written consent of Franchisor, which Franchisor may withhold in Franchisor's sole discretion. Any purported assignment, transfer, delegation, or subcontract in violation of this Section shall be null and void. No assignment, transfer, delegation, or subcontract shall relieve Franchisee of any of its obligations hereunder. Franchisor may at any time assign, transfer, delegate, or subcontract any or all of its rights or obligations under this Agreement without Franchisee's prior written consent.

(m) Compliance with Law. Franchisee is in compliance with and shall comply with all applicable laws, regulations, and ordinances in connection with the purchase, installation, maintenance, and use of the Equipment and the operation of the Franchised Business. Franchisee has and shall maintain in effect all licenses, permissions, authorizations, consents, and permits that it needs to carry out its obligations under this Agreement and the Franchise Agreement.

(n) Survival. All obligations under this Agreement that expressly, or by their nature, survive or are intended to survive the expiration or termination of this Agreement shall continue in full force and effect subsequent to, and notwithstanding, this Agreement's termination or expiration until such obligations are satisfied in full or, by their nature and/or terms, such obligations expire. Without limiting the foregoing, the indemnification obligations set forth in Section 4 of this Agreement shall survive the termination or expiration of this Agreement.

(o) Termination. Franchisor shall have the right to terminate this Agreement, effective immediately upon written notice to Franchisee, if: (i) Franchisee fails to pay any amount when due under this Agreement and such failure continues for five (5) days after Franchisor's written notice thereof; (ii) Franchisee has not otherwise performed or complied with any of the terms, covenants, or conditions of this Agreement, in whole or in part; (iii) Franchisee is in breach of any agreement between Franchisee and Franchisor or any of their respective affiliated persons and entities, including, without limitation, the Franchise Agreement, in whole or in part; (iv) Franchisee becomes insolvent, files a petition for bankruptcy, or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization, or assignment for the benefit of creditors; or (v) the Franchise Agreement is terminated or expires for any reason. Notwithstanding the foregoing, this Agreement shall automatically terminate, without the requirement of notice from Franchisor, upon the termination or expiration of the Franchise Agreement. Termination of this Agreement shall not relieve Franchisee of any obligations accrued prior to the effective date of such termination, including, without limitation, any payment obligations and the indemnification obligations set forth in Section 4 of this Agreement.

IN WITNESS WHEREOF, the Parties have executed, sealed and delivered this Agreement as of the Effective Date set forth in the first paragraph of this Agreement.

Franchisor:	**Franchisee:**
Ninja Franchising, Inc.	
By: _____	_____
Signature	Signature
_____	_____
Name and Title (please print)	Name (please print)
_____	_____
Dated	Dated

FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT F
MULTI-UNIT DEVELOPMENT AGREEMENT

USA NINJA CHALLENGE

MULTI-UNIT DEVELOPMENT AGREEMENT

FRANCHISEE:

USA Ninja Challenge Multi-Unit Development Agreement

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Schedule

Schedule A Development Information Term Sheet

MULTI-UNIT DEVELOPMENT AGREEMENT

This Multi-Unit Development Agreement (the "Agreement") is made and entered into on _____ ("Effective Date"), by and between Ninja Franchising, Inc., a Delaware corporation with a principal place of business located at 14 Chenell Drive, Concord, New Hampshire 03301, (the "Franchisor") and _____ (the "Franchisee").

RECITALS

WHEREAS, Franchisor has developed a distinctive and proprietary system (the "System") for the development, and operation of a USA Ninja Challenge Training Center featuring youth fitness-based programs utilizing obstacle course equipment, progressive training and other products and services (each, a "Franchised Business" or "Training Center");

WHEREAS, the System and, therefore, each Training Center is identified by the Marks (defined below) and distinctive trade dress, service offerings, business formats, equipment, products, supplies, operating procedures, programs, methods, procedures, and marketing and advertising standards, all of which are part of the System and all of which Franchisor may modify from time to time;

WHEREAS, simultaneous or prior to the execution of this Agreement, Franchisor and Franchisee have entered into a Training Center Franchise Agreement for Franchisee's development and operation of a Training Center (the "First Development Training Center") to be located within a territory located within the Development Area (defined below);

WHEREAS, Franchisee has requested the right to develop and operate multiple Training Centers (each a "Development Training Center") to be located with a defined geographical area (the "Development Area") in accordance with a development schedule that must be strictly adhered to, with each Training Center within the Development Area being opened and operating utilizing the Marks and System pursuant to the terms and conditions set forth in a separate form of Franchisor's then current Franchise Agreement for USA Ninja Challenge Training Centers (each, a "Franchise Agreement"); and

WHEREAS, Franchisee agrees that adherence to the terms of this Agreement, each and every Training Center individual unit Franchise Agreement, Franchisor's Operations Manual, and Franchisor's System standards and specifications, are essential to the operation of all USA Ninja Challenge Training Centers and the System as a whole.

NOW THEREFORE, the parties, in consideration of the mutual undertakings and commitments of each party set forth herein, agree, as follows:

SECTION 1
DEFINITIONS

Supplementing the definitions contained in the Recitals, above, the following terms will have the meaning as defined below:

"**Abandonment**" means the conduct of the Franchisee, including acts of omission as well as commission, indicating the willingness, desire or intent of the Franchisee to discontinue the development and/or operation of the USA Ninja Challenge Training Centers in the Development Area in accordance with the terms of this Agreement.

"**Affiliates**" means individually or collectively, any and all entities controlling, controlled by, or under common ownership with Franchisor.

"**Corporate Entity**" means a corporation, limited liability company, partnership or other corporate legal entity that is not an individual person.

"**Cumulative Development Training Centers**" shall, respectively, have the meaning defined and set forth in Section 4.4 of this Agreement.

"**Development Area**" shall have the meaning set forth in the Recitals and as further defined and set forth in Section 2.1 of this Agreement.

"**Development Area Fee**" shall have the meaning defined and set forth in Section 4.1 of this Agreement.

"**Development Information Term Sheet**" means the Development Information Term Sheet attached to this Agreement as Schedule A.

"**Development Obligations**" shall have the meaning defined and set forth in Section 2.1 of this Agreement.

"**Development Period**" shall, respectively, have the meaning defined and set forth in Section 4.4 of this Agreement.

"**Development Schedule**" shall have the meaning defined and set forth in Section 4.4 of this Agreement.

"**Development Training Center**" shall have the meaning set forth in the Recitals and as further defined and set forth in Section 2.1 of this Agreement.

"**Development Training Center Initial Franchise Fee**" shall have the meaning defined and set forth in Section 4.2 of this Agreement.

"**Effective Date**" shall be the date set forth, defined and referred to in the first paragraph of this Agreement.

"**First Development Training Center**" shall have the meaning set forth in the Recitals and shall further refer to and mean the Training Center to be developed by Franchisee as the first Development Training Center to be developed and operated by Franchisee within the Development Area.

"**Franchise Agreement**" means Franchisor's individual unit USA Ninja Challenge Training Center Franchise Agreement as designated and determined by Franchisor from time to time.

"**Licensed Marks**" means such service marks, trademarks, trade dress, trade names, logos, commercial symbols and all configurations and derivations thereof, as may presently exist, or which may be modified, changed, or acquired by Franchisor or Franchisor's affiliates, in connection with the operation of Training Centers.

"**Newly Opened Development Training Center(s)**" shall, respectively, have the meaning defined and set forth in Section 4.4 of this Agreement.

"**Operations Manual**" means, individually and collectively, the manual(s) designated by Franchisor and relating to the development and/or operations of USA Ninja Challenge Training Centers including, but not limited to, the policies, procedures and requirements for the development and operation of USA Ninja Challenge Training Centers. The Operations Manual may consist of one or more volumes, handbooks, manuals, written materials, videos, electronic media files, cloud/internet based list-service, intranet, internet based and accessed databases, computer media, email, webinars and other materials as may be modified, added to, replaced or supplemented by Franchisor from time to time in Franchisor's Reasonable Business Judgment, whether by way of supplements, replacement pages, franchise bulletins, or other official pronouncements or means. Subject to Franchisor's modification from time to time and based on Franchisor's Reasonable Business Judgment, the Operations Manual shall, among other things, designate the Approved Products and Services that must be offered and provided by the Franchised Business.

"**Owner**" means collectively, individually and jointly: (a) the officers and directors of Franchisee (including the officers and directors of any general partner of Franchisee) who hold an ownership interest in Franchisee as of the Effective Date; (b) the managing member(s) or manager(s) of Franchisee as of the Effective Date, if franchisee is a limited liability company; and (c) all holders of a 5% or more direct or indirect ownership interest in Franchisee as of the Effective Date and/or of any entity directly or indirectly controlling Franchisee.

"**System**" means Franchisor's business format and systems for the development and operation of a training center offering and providing youth fitness-based programs utilizing obstacle course equipment, progressive training, and other products and services including, the methods, proprietary merchandise products, services, procedures, signs, designs, layouts, equipment, standards, specifications, Marks, and Operations Manual, including, the contents thereof as they exist and as they are modified and supplemented, marketing and advertising methods, vendor lists, trade secrets and confidential information as the same may be modified, amended or replaced from time to time hereafter by Franchisor.

"**Term**" means the period of time set forth and defined in Section 3.1 of this Agreement.

"**Total Development Training Centers**" means the aggregate number of Development Training Centers as defined in Section 2.1 of this Agreement.

"**Training Center**" shall have the meaning set forth in the Recitals and shall refer to all Training Centers operating under the System and Marks, whether owned by us or any Affiliate, or licensed or franchised by us or any Affiliate.

"**Training Center Location(s)**" means the fixed locations from which USA Ninja Challenge Training Centers are established, operated and managed.

"**Transfer**" means and shall include, without limitation, the following, whether voluntary or involuntary, conditional or unconditional, and/or direct or indirect: (a) an assignment, sale, gift,

transfer, pledge or sub-franchise; (b) the grant of a mortgage, charge, lien or security interest, including, without limitation, the grant of a collateral assignment; (c) a merger, consolidation, exchange of shares or other ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or redemption of ownership interests; (d) a sale or exchange of voting interests or securities convertible to voting interests, or an agreement granting the right to exercise or control the exercise of the voting rights of any holder of ownership interests or to control the operations or affairs of Franchisee; and/or (e) the legal and/or equitable transfer and/or sale of an Owners interests and/or voting rights in Franchisee.

"**USA Ninja Challenge Training Center(s)**" shall have the meaning defined in the Recitals section of this Agreement and, without limitation to the Recitals section definition of "USA Ninja Challenge Training Centers", shall further include, refer to and mean: every business and all businesses owned and/or operated by Franchisor, Franchisor's affiliates and/or authorized franchisee(s) that utilize and/or is/are required to utilize the System and/or Licensed Marks including, but not limited to, the Franchised Business.

SECTION 2
DEVELOPMENT RIGHTS

2.1 DEVELOPMENT GRANT AND DEVELOPMENT OBLIGATIONS

Franchisor grants to Franchisee the right, and Franchisee accepts the right and obligation to develop a fixed number of USA Ninja Challenge Training Centers to be developed and opened by Franchisee within the Development Area (each, respectively, a "Development Training Center") in strict accordance with the Development Schedule and development obligations set forth in this Agreement (collectively, the "Development Obligations") and, in accordance with the terms and provisions of each respective Development Training Center Franchise Agreement. Franchisee further agrees that:

(a) Aggregate Number of Development Training Center and Total Development Training Center – The aggregate number of Development Training Centers (including the First Development Training Center) (collectively, referred to as the "Total Development Training Centers") that are required for development, subject to the terms of this Agreement and each respective Franchise Agreement, is set forth and defined in the Development Information Term Sheet attached as Schedule A.

(b) Development Area – The Development Area is and shall constitute the geographic area set forth and identified in the Development Information Term Sheet attached as Schedule A.

(c) Effectiveness – To be effective the Development Information Term Sheet must be completed and signed by Franchisor.

(d) Performance of Development Obligations – Franchisee must: (a) open and commence the operations of each new Development Training Center in accordance with the Development Schedule for each respective Development Period; and (b) maintain in operation the minimum cumulative number of Development Training Centers in accordance with the Development Schedule for each respective Development Period. Franchisee agrees that *"time is of the essence"* with respect to Franchisee's development obligations under this Agreement, and that Franchisee's failure to comply with the Development Schedule shall, at the election of Franchisor, result in the immediate termination of this Agreement and of all rights granted to Franchisee under this Agreement.

(e) Incorporation of Development Information Term Sheet – The Development Information Term Sheet attached as Schedule A is hereby incorporated into this Agreement.

During the Term of this Agreement, provided that Franchisee is in compliance with the terms of this Agreement including, but not limited to, the Development Obligations, and each respective Franchise Agreement, Franchisor will not develop and open or license any third party the right to develop and open any new USA Ninja Challenge Training Centers with a Training Center Location within the Development Area. Franchisee agrees that the designated territory for each Development Training Center shall be determined by the Franchise Agreement for each respective Development Training Centers and that, in aggregate, the operating territories for Franchisee's Development Training Centers may be smaller than the Development Area.

2.2 LIMITED EXCLUSIVITY AND RESERVED RIGHTS

Except as provided in Section 2.1 of this Agreement, the rights granted in this Agreement are non-exclusive. Franchisor, on Franchisor's own behalf and on behalf of Franchisor's affiliates, successors and assigns, reserves all other rights not expressly granted to Franchisee in this Agreement.

2.3 PERSONAL RIGHTS

Franchisee does not and shall not have or possess the right to franchise, subfranchise, license, sublicense and/or otherwise Transfer Franchisee's rights under this Agreement. The rights and privileges granted and conveyed to the Franchisee in this Agreement may not be Transferred, and, among other things, relate only to Development Area and subject to the terms and conditions of each respective Franchise Agreement for each Development Training Center.

SECTION 3
TERM AND TERMINATION

3.1 TERM

This Agreement will be for a term (the "Term") that commences as of the Effective Date and, unless earlier terminated by Franchisor, will automatically end on the earlier of (a) the last day of the calendar month that the final Development Training Center is required to be opened in accordance with the terms of the Development Schedule, (b) the day that the designated territory for the last Development Training Center is designated by Franchisor, or (c) the date of termination of this Agreement pursuant to the terms of this Agreement. Upon expiration or termination of this Agreement for any reason, Franchisee will not have any rights within the Development Area. The Term may not be renewed or extended.

3.2 TERMINATION BY FRANCHISOR

Franchisor possesses the right, at Franchisor's option, to terminate this Agreement and all rights granted to Franchisee hereunder, without affording Franchisee with any opportunity to cure such default, effective upon written notice to Franchisee, or automatically upon the occurrence of any of the following events: (a) if Franchisee Abandons Franchisee's obligations under this Agreement; (b) if Franchisee for four consecutive months, or any shorter period that indicates an intent by Franchisee to discontinue Franchisee's development of Training Centers within the Development Area, fails to engage in commercially reasonable efforts and actions necessary for Franchisee's timely satisfaction of the Development Obligations; (c) As to any one Development Training Center, Franchisee's failure to timely enter into a Franchise Agreement as set forth in Section 4.3 of this Agreement; (d) if Franchisee becomes insolvent or is adjudicated bankrupt, or if any action is taken by Franchisee, or by others against the Franchisee, under any insolvency, bankruptcy or reorganization act, or if Franchisee makes an assignment for the benefit or creditors or a receiver is appointed by the Franchisee; (e) if Franchisee fails to meet its development obligations under the Development Schedule for any single Development Period including, but not limited to, Franchisee's failure to establish, open and/or maintain the cumulative number of USA Ninja Challenge Training Centers in accordance with Development Schedule; and/or (f) in the event that any one Franchise Agreement is terminated respecting any Development Training Center and/or any other Franchise Agreement between Franchisor and Franchisee.

SECTION 4
DEVELOPMENT AREA FEE, INITIAL FEES AND DEVELOPMENT SCHEDULE

4.1 DEVELOPMENT AREA FEE

In exchange for the rights set forth and granted pursuant to the terms of this Agreement, upon execution of this Agreement, Franchisee shall pay to Franchisor development area fee (the "Development Area Fee"). The Development Area Fee is not refundable. The amount of the Development Area Fee is set forth in the Development Information Term Sheet.

Franchisee agrees that the Development Area Fee is not a franchise fee and, that at the time of signing each respective Franchise Agreement, Franchisee shall pay to Franchisor an initial franchise fee and all other fees in accordance with the terms and conditions of each respective Franchise Agreement, except that the initial franchise fee shall conform to the amounts set forth in Section 4.2 of this Agreement. If the then current standard Franchise Agreement to be signed by the Franchisee respecting a Development Training Center to be established and operated by Franchisee specifies an initial franchise fee that is greater than or different from the initial franchise fee specified in Section 4.2, below, then the amount of the initial franchise fee as specified in Section 4.2 shall govern. However, all other terms and provisions of each respective Franchise Agreement, as to each Respective Development Training Center, shall take precedence and govern.

4.2 DEVELOPMENT TRAINING CENTER INITIAL FRANCHISE FEES

The initial franchise fee for each respective Development Training Center (the "Development Training Center Initial Franchise Fee"), to be developed and operated pursuant to the terms and conditions of each respective Franchise Agreement, shall be comprised of the applicable fixed sums set forth in the Development Information Term Sheet.

4.3 PAYMENT OF INITIAL FRANCHISE FEES AND FRANCHISE AGREEMENTS

The applicable initial franchise fee as set forth in Section 4.2 of this Agreement for the first Development Training Center shall be payable as set forth in accordance with the terms of the Franchise Agreement for Franchisee's first Development Training Center. The applicable initial franchise fees, if any, as may be set forth in Section 4.2 of this Agreement for all other Development Training Centers authorized by this Agreement, shall be paid in such amounts as set forth in Section 4.2 of this Agreement at the time of signing the Franchise Agreement for each respective Development Training Center.

Either prior to or simultaneous to the execution of this Agreement, Franchisee has signed the Franchise Agreement for Franchisee's first Development Training Center. Franchisee's second Development Training Center and all Development Training Centers thereafter, respectively, are to be developed and operated by Franchisee pursuant to the terms and conditions of Franchisor's then current Franchise Agreement which Franchisee must sign, on or before the earlier of: (a) the date Franchisee (subject to Franchisor's approval of the Training Center Location) executes a lease for the Training Center Location for each respective Development Training Center; (b) the date Franchisee (subject to Franchisor's approval of the Training Center Location) enters into a purchase agreement for the real estate for the Training Center Location for each respective Development Training Center; or (c) six months prior to the date that each respective Development Training Center must be open and in operation pursuant to the Development Schedule.

4.4 DEVELOPMENT SCHEDULE

Franchisee agrees to timely develop, establish, commence the operations of, and operate each respective Development Training Centers in strict accordance with the requirements of the development schedule (the "Development Schedule") set forth in the Development Information Term Sheet attached to and incorporated into this Agreement as Schedule A. The Development Schedule, among other things, sets forth and defines each respective measurement period / measurement periods (each, respectively, a "Development Period") and the number of Development Training Centers that Franchisee must establish and open (a "Newly Opened Development Training Center(s)") within the respective Development Period and, the minimum number of cumulative Development Training Centers (the "Cumulative Development Training Centers") that must be open and in operation as of the last day of each applicable Development Period.

Franchisee agrees that, as to the Development Training Centers, Franchisee shall meet the requirements of the Development Schedule including, without limitation, requirements as to the number of Development Training Centers that must be timely developed, established, open, and in operation by Franchisee within the Development Area and as to each respective Development Period.

4.5 REASONABLENESS OF DEVELOPMENT SCHEDULE

Franchisee agrees and represents that it has conducted its own independent investigation and analysis of the prospects for the establishment of USA Ninja Challenge Training Centers within the Development Area, that Franchisee approves of the Development Schedule as being reasonable and viable, and that Franchisee recognizes that failure to achieve the results described in the Development Schedule will constitute a material breach of this Agreement with time being of the essence.

SECTION 5
OTHER OBLIGATIONS OF FRANCHISEE

5.1 EXECUTION OF FRANCHISE AGREEMENTS

For each USA Ninja Challenge Training Center owned, developed and opened for business by the Franchisee in the Development Area, Franchisee must execute Franchisor's then current standard Franchise Agreement. A then current standard Franchise Agreement must be executed by the Franchisee for each and every Development Training Center on or before the earlier of: (a) the date Franchisee (subject to Franchisor's approval of the Training Center Location) executes a lease for the Training Center Location for each respective Development Training Center; (b) the date Franchisee (subject to Franchisor's approval of the Training Center Location) enters into a purchase agreement for the real estate for the Training Center Location for each respective Development Training Center; or (c) six months prior to the date that each respective Development Training Center must be open and in operation pursuant to the Development Schedule.

5.2 ROYALTY FEES AND OTHER FRANCHISE AGREEMENT FEES ACKNOWLEDGMENT

Franchisee agrees that pursuant to the terms of each respective Franchise Agreement respecting and/or concerning the Development Area and/or this Agreement, that nothing contained in this Agreement shall obviate and/or reduce Franchisees obligations as set forth in each respective Franchise Agreement including, without limitation, Franchisees obligations, respectively, to pay royalty and all other fees in accordance with each respective Franchise Agreement. Nothing contained in this Agreement shall modify, reduce or mitigate Franchisee's obligations to Franchisor. The only fee and right contained in the Franchise Agreement that is modified by this Agreement is the fixed one-time initial franchise fee paid by Franchisee to Franchisor at the time of signing the Franchise Agreement, as such initial franchise fee is set forth and defined in Section 4.2 of this Agreement as to the Development Training Centers.

5.3 MODIFICATIONS TO FRANCHISE AGREEMENT

Franchisee agrees that what constitutes Franchisor's then current Franchise Agreement shall be determined by Franchisor, in Franchisor's exclusive discretion and that, among other things, the Franchise Agreement may be modified from time to time by Franchisor and that reasonable modification and amendments to the Franchise Agreement will not alter Franchisee's obligations under this Agreement.

5.4 COMPLIANCE WITH FRANCHISE AGREEMENTS

Franchisee will operate the Development Training Centers and all other USA Ninja Challenge Training Centers in strict compliance with the terms and conditions of each respective Franchise Agreement.

5.5 SITE SELECTION

Franchisee will be solely responsible for selecting the site(s) for the Franchisee's Training Center Locations. In accordance with the terms and conditions of each respective Franchise Agreement, Franchisee must obtain Franchisor's prior written approval as to each potential Training Center Location selected by Franchisee. Franchisee will retain an experienced commercial real estate broker or salesperson who has sufficient experience in locating Training Center sites to locate, acquire, purchase or lease the site for the Franchisee's Development Training Centers. Accordingly, no provision of this Agreement will be construed or interpreted to impose any obligation upon Franchisor to locate a site for the Development Training Centers, to assist Franchisee in the selection of a suitable site for the Development Training Centers, or to provide any assistance to the Franchisee in the purchase or lease of the site for the Development Training Centers.

5.6 SITE SELECTION CRITERIA

Franchisee will not lease, purchase, or otherwise acquire a Training Center Locations for the Development Training Centers until such information as Franchisor may require regarding the proposed site has been provided to Franchisor by Franchisee and has been approved by Franchisor. Information requested by Franchisor may include, without limitation, information regarding the proposed Training Center Location as to accessibility, visibility, potential traffic flows, lease terms and other demographic information. Franchisee shall not enter into any lease or purchase agreement with respect to any proposed Training Center Location until Franchisor has approved the site.

SECTION 6
TRANSFER OF INTEREST

6.1 BY FRANCHISOR

At all times, Franchisor possesses and maintains the sole and absolute right to transfer and/or assign Franchisor's rights and obligations under this Agreement, in whole and/or in part (for any purpose and in any form of transaction as may be designated and/or elected by Franchisor, in Franchisor's sole discretion) to any person, entity, Corporate Entity and/or third party without the consent of Franchisee and without the approval of Franchisee.

6.2 BY FRANCHISEE

Franchisee shall not Transfer and/or assign this Agreement without the express written consent of Franchisor which, Franchisor may withhold in Franchisor's sole discretion and Franchisor's Reasonable Business Judgment. If Franchisee is a Corporate Entity the Owners of Franchisee shall not Transfer their ownership and/or equity interests in Franchisee without the express written consent of Franchisor which, Franchisor may withhold in Franchisor's sole discretion and Franchisor's Reasonable Business Judgment. Any Transfer and/or assignment in violation of the foregoing shall constitute a material default of this Agreement and shall result in the immediate and automatic termination of this Agreement.

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SECTION 7
ENFORCEMENT AND CONSTRUCTION

7.1 SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS

(1) Except as expressly provided to the contrary in this Agreement, each term and provision of this Agreement shall be interpreted or otherwise construed to be independent of each other and severable. Although each term and condition of this Agreement are considered by the parties to be reasonable and intended to be enforceable, if any such term and condition of this Agreement is found by a court of competent jurisdiction, agency, or other governmental agency to be unenforceable as written or otherwise, then such term and condition shall be modified, rewritten, interpreted, or "blue-lined" to include as much of its nature and scope as will render it enforceable. If such term and condition cannot be so modified, rewritten, interpreted, or "blue-lined" in any respect, then it will not be given effect and severed from this Agreement, and the remainder of this Agreement shall be interpreted, construed and enforced as if such term and condition was not included in this Agreement.

(2) If any applicable and binding law or rule requires a greater prior notice of the termination of this Agreement than is required in this Agreement, or the taking of some other action not required by this Agreement, or if under any applicable and binding law or rule, any term and condition of this Agreement, or any specification, standard, or operating procedure Franchisor prescribes is invalid or unenforceable, then the greater prior notice and/or other action required by law or rule shall be substituted for the comparable provisions, and Franchisor has the right, in its sole discretion, to modify the invalid or unenforceable term and condition, specification, standard, or operating procedure to the extent required to be valid and enforceable. Franchisee agrees to be bound by any such substituted and/or modified term and condition of this Agreement imposing the maximum duty permitted by law that is prescribed within the terms of any provision of this Agreement as though it were originally and separately articulated in, and made a part of, this Agreement as of the Effective Date and/or any specification, standard or operating procedure Franchisor prescribes, which may result from striking from any terms and conditions, specifications, standards, or operating procedures, and any portion or portions thereof, a court may hold to be unenforceable or from reducing the scope of any promise or covenant to the extent required to comply with a court order. Modifications to this Agreement shall be effective only in those jurisdictions in which such terms and conditions, specifications, standards, or operating procedures are found to be unenforceable, unless Franchisor elects to give them greater applicability, in which case, this Agreement shall be enforced as originally made in all other jurisdictions.

7.2 WAIVER OF OBLIGATIONS

No delay, waiver, omission, or forbearance on the part of Franchisor to enforce any term and condition of this Agreement or exercise any of Franchisor's rights, options, or powers under this Agreement constitutes a waiver by Franchisor to enforce any other term and condition of this Agreement or exercise any of Franchisor's other rights, options, or powers under this Agreement. No such delay, waiver, omission, or forbearance shall constitute a waiver by Franchisor to subsequently enforce such term and condition of this Agreement or subsequently exercise such right, option, or power. Acceptance by Franchisor of any payments, fees, charges, or other amount from Franchisee payable to Franchisor pursuant to this Agreement shall not constitute a waiver or acceptance of Franchisee's default or breach of this Agreement or otherwise a waiver of any term and condition of this Agreement, and Franchisor reserves the right to pursue any and all additional remedies set forth in this Agreement, at law, or in equity. Franchisor shall likewise not be

deemed to have waived or impaired any term and condition, right, option or power set forth in this Agreement by virtue of any custom or practice of the parties at variance with the terms and conditions of this Agreement or Franchisor's insistence upon Franchisee's strict compliance with Franchisee's obligations, including any mandatory specification, standard or operating procedure. No waiver by Franchisor of any term and condition of this Agreement shall be valid unless in writing and signed by Franchisor.

7.3 SPECIFIC PERFORMANCE AND INJUNCTIVE RELIEF

Nothing in this Agreement bars Franchisor's right to obtain specific performance of the provisions of this Agreement and injunctive relief under legal and/or equity rules against threatened conduct that will cause damages or loss to it, the Licensed Marks or the System.

7.4 RIGHTS OF PARTIES ARE CUMULATIVE

The rights of Franchisor and Franchisee under this Agreement are cumulative and no exercise or enforcement by a party of any right or remedy precludes the exercise or enforcement by that party of any other right or remedy which Franchisor or Franchisee is entitled by law to enforce.

7.5 GOVERNING LAW

THIS AGREEMENT AND THE RELATIONSHIP BETWEEN THE PARTIES HERETO SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW HAMPSHIRE, EXCEPT THAT ITS CHOICE OF LAW AND CONFLICTS OF LAWS RULES SHALL NOT APPLY AND ANY FRANCHISE REGISTRATION, DISCLOSURE, RELATIONSHIP OR SIMILAR STATUTE WHICH MAY BE ADOPTED BY THE STATE OF NEW HAMPSHIRE SHALL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH.

7.6 CHOICE OF LAW, NON-BINDING MEDIATION, BINDING ARBITRATION, AND CONSENT TO JURISDICTION

(1) **Non-Binding Mediation** – Franchisee and Franchisor agree that before either party may bring any action, dispute and/or controversy arising from or related to this Agreement and/or the franchise relationship between Franchisor and Franchisee in arbitration, the parties must first mediate the dispute through non-binding mediation. Mediation shall be non-binding and shall be conducted by the AAA in accordance with the AAA's then current rules for the mediation of commercial disputes. All mediation proceedings shall be conducted in Merrimack County, New Hampshire or, if a mediator is not available in Merrimack County, New Hampshire then at a suitable location selected by the mediator that is located closest to Merrimack County, New Hampshire. Mediation shall be conducted by one mediator and if Franchisor and Franchisee cannot agree on a mediator then the mediator shall be selected by the AAA. Mediation shall be conducted within 45 days of the AAA's designation and/or acknowledgment of the selected mediator or such longer period as may be agreed to between Franchisor and Franchisee in writing signed by each respective party. Franchisor and Franchisee shall each be responsible for their own costs associated with mediation and Franchisor and Franchisee shall each be responsible for and shall each pay 50% of the mediator's fee and the AAA's mediation fees.

Notwithstanding the preceding paragraph, Franchisor and Franchisee agree this Sub-Section 7.6(1) and, thereby, the prerequisite requirement of non-binding mediation, shall not, at Franchisor's election, apply to: (a) any claims or disputes related to or concerning a breach of this Agreement by Franchisee that, under the terms of this Agreement, may entitle Franchisor to the award of injunctive relief; and/or (b) claims by either Franchisor or Franchisee under this Agreement that relate to either Franchisor's or Franchisee's failure to pay fees or other monetary obligations due under this Agreement.

(2) **Arbitration** – Subject to the prerequisite requirements of non-binding mediation as set forth in Sub-Section 7.6(1), and, except, at Franchisor's election, as to any claims or disputes related to or concerning a breach of this Agreement by Franchisee that, under the terms of this Agreement, may entitle Franchisor to the award of injunctive relief, Franchisor and Franchisee agree that all disputes, controversies, and claims, arising from and/or related to this Agreement, the relationship between Franchisor and Franchisee, the System, and/or the validity of this Agreement and/or the Ancillary Agreements, shall be submitted, on demand of either Franchisor or Franchisee, to the AAA for binding arbitration. Arbitration shall be conducted by one arbitrator in accordance with the AAA's then current rules for commercial disputes, except as may be otherwise required in this Section 7.6. All arbitration proceedings shall be conducted in Merrimack County, New Hampshire or, if suitable AAA facilities are not available in Merrimack County, New Hampshire, then at a suitable AAA location selected by the arbitrator that is located closest to Merrimack County, New Hampshire.

In connection with binding arbitration, Franchisor and Franchisee further agree that:

(a) All matters relating to arbitration, will be governed by the United States Federal Arbitration Act, except as expressly or otherwise set forth in this Agreement;

(b) The arbitration hearing shall be conducted within 180 days of the demand for arbitration;

(c) The arbitrator shall render written findings of fact and conclusions of law;

(d) Except as may be otherwise required and/or prohibited by this Agreement including, but not limited to Sections 7.8, 7.9, 7.13, 7.14, 7.17, and 7.23. of this Agreement, the arbitrator has the right to award or include in his or her award any relief that he or she determines to be proper, including monetary damages, interest on unpaid sums, specific performance, injunctive relief, attorneys' fees, and costs and expenses as allowable under this Agreement. Notwithstanding the foregoing, under no circumstance shall the Arbitrator be authorized to award or declare the Licensed Marks to be generic or invalid;

(e) They shall each be bound to the limitations periods set forth in Section 7.8 of this Agreement and that, in any arbitration proceeding, Franchisor and Franchisee must each timely submit, within the same arbitration proceeding, any claim that would constitute a compulsory counterclaim as such claims are defined and set forth under Rule 13 of the United States Federal Rules of Civil Procedure. Any claim that is not submitted or filed as required shall be forever barred;

(f) Judgment upon the arbitrator's award may be entered in any court of competent jurisdiction; and

(g) Arbitration and/or any arbitration award must be conducted in accordance with the terms of this Agreement including, but not limited to, the requirements set forth in this Section 7.

(3) **Consent to Jurisdiction and Venue** – Subject to the non-binding mediation and arbitration provisions set forth in this Section 7.6, Franchisor and Franchisee agree that any judicial action or legal proceeding must be brought in a court of competent jurisdiction located within New Hampshire and within Merrimack County or the county closest to Merrimack County. Franchisor and Franchisee do hereby irrevocably consent to and waive any objection to such jurisdiction or venue. Without limitation to the foregoing and notwithstanding same, Franchisor and Franchisee agree that Franchisor, at Franchisor's election, may bring any legal action or proceeding seeking a temporary restraining order, preliminary injunction, or any action seeking Franchisor's enforcement of an arbitration award or any judicial decision in the federal or state court located in the county and state where either the Franchised Business was located or where Franchisee resides.

7.7 VARIANCES

FRANCHISEE AGREES THAT FRANCHISOR HAS AND MAY AT DIFFERENT TIMES, IN FRANCHISOR'S ABSOLUTE AND SOLE DISCRETION, APPROVE EXCEPTIONS OR CHANGES FROM THE UNIFORM STANDARDS OF THE SYSTEM, WHICH FRANCHISOR DEEMS DESIRABLE OR NECESSARY UNDER PARTICULAR CIRCUMSTANCES. FRANCHISEE UNDERSTANDS THAT IT HAS NO RIGHT TO OBJECT TO OR AUTOMATICALLY OBTAIN SUCH VARIANCES, AND ANY EXCEPTION OR CHANGE MUST BE APPROVED IN ADVANCE BY FRANCHISOR IN WRITING. FRANCHISEE UNDERSTANDS THAT EXISTING FRANCHISEES MAY OPERATE UNDER DIFFERENT FORMS OF AGREEMENTS AND THAT THE RIGHTS AND OBLIGATIONS OF EXISTING FRANCHISEES MAY DIFFER MATERIALLY FROM THIS AGREEMENT.

7.8 LIMITATIONS OF CLAIMS

ANY AND ALL CLAIMS AND/OR CAUSES OF ACTION ARISING OUT OF, OR RELATING TO, THIS AGREEMENT, OR THE RELATIONSHIP BETWEEN FRANCHISEE AND FRANCHISOR RESULTING FROM THIS AGREEMENT, SHALL BE BARRED UNLESS SUCH CLAIM AND/OR CAUSE OF ACTION IS COMMENCED WITHIN TWO YEARS FROM THE DATE ON WHICH THE ACT OR EVENT GIVING RISE TO THE CLAIM OCCURRED OR ONE YEAR FROM THE DATE ON WHICH FRANCHISEE OR FRANCHISOR KNEW, OR SHOULD HAVE KNOWN, IN THE EXERCISE OF REASONABLE DILIGENCE, OF THE FACTS GIVING RISE TO SUCH CLAIM AND/OR CAUSE OF ACTION, WHICHEVER OCCURS FIRST IN TIME.

7.9 WAIVER OF PUNITIVE DAMAGES

FRANCHISOR AND FRANCHISEE HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, CONSEQUENTIAL OR SPECULATIVE DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM, EXCEPT AS OTHERWISE PROVIDED HEREIN, EACH SHALL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED BY IT, PROVIDED THAT SUCH WAIVER SHALL NOT APPLY TO ANY CLAIM (A) ALLOWED BY FRANCHISOR OR FRANCHISEE FOR ATTORNEY'S FEES OR COSTS AND EXPENSES UNDER THIS AGREEMENT; AND/OR (B) FOR LOST PROFITS BY FRANCHISOR OR FRANCHISEE AND THE OWNERS UPON OR ARISING OUT OF THE TERMINATION OF THIS AGREEMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, IF ANY OTHER TERM OF THIS AGREEMENT IS FOUND OR DETERMINED TO BE UNCONSCIONABLE OR UNENFORCEABLE FOR ANY REASON, THE FOREGOING PROVISIONS OF WAIVER BY AGREEMENT OF PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES SHALL CONTINUE IN FULL FORCE AND EFFECT.

7.10 WAIVER OF JURY TRIAL

FRANCHISOR AND FRANCHISEE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER A LEGAL ACTION, IN MEDIATION, OR IN ARBITRATION.

7.11 BINDING EFFECT

This Agreement is binding upon the parties of this Agreement and their respective executors, administrators, heirs, assigns and successors in interest, and shall not be modified except by written agreement signed by both Franchisee and Franchisor.

7.12 COMPLETE AGREEMENT

This Agreement and the Schedule A Development Information Term Sheet constitute the entire, full and complete Agreement between Franchisor and Franchisee concerning the subject matter of this Agreement and supersedes all prior related agreements between Franchisor and Franchisee. The foregoing shall not constitute and does not constitute any disclaimer as to the express representations made by Franchisor in the Franchise Disclosure Document disclosed to Franchisee in connection with this Multi-Unit Development Agreement.

7.13 ATTORNEY FEES AND EXPENSES

Franchisee agrees that in the event that an arbitrator in any arbitration proceeding and/or, a court of competent jurisdiction shall issue an award, judgment, decision and/or order finding, holding and/or declaring Franchisee's breach of this Agreement that Franchisor shall also be entitled to the recovery of all reasonable attorney fees, costs and expenses associated with and/or related to such arbitration and/or litigation. Said fees, costs and expenses shall include, but not be limited to, attorney fees, arbitration fees, arbitrator fees, deposition expenses, expert witness fees and filing fees.

7.14 WAIVER OF CLASS-ACTION:
INDIVIDUAL DISPUTE RESOLUTION AND NO MULTI-PARTY ACTIONS

FRANCHISOR AND FRANCHISEE AGREE THAT ALL PROCEEDINGS AND/OR LEGAL ACTIONS ARISING OUT OF OR RELATED TO THIS AGREEMENT AND/OR THE OFFER AND SALE OF THE USA NINJA CHALLENGE TRAINING CENTER FRANCHISE FROM FRANCHISOR TO FRANCHISEE, WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND NOT A CLASS-WIDE BASIS, AND, THAT ANY PROCEEDING BETWEEN FRANCHISEE, FRANCHISEE'S OWNERS, SPOUSES AND/OR GUARANTORS AND FRANCHISOR AND/OR FRANCHISOR'S AFFILIATES, OFFICERS, DIRECTORS AND/OR EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.

7.15 ACCEPTANCE BY FRANCHISOR

This Agreement will not be binding on Franchisor unless and until an authorized officer of Franchisor has signed it.

7.16 OPPORTUNITY FOR REVIEW BY FRANCHISEE'S ADVISORS

Franchisor recommends that Franchisee have this Agreement and the Franchise Disclosure Document reviewed by Franchisee's lawyer, accountant, and other business advisors, prior to signing this Agreement.

7.17 NO PERSONAL LIABILITY BY FRANCHISOR'S EMPLOYEES, OFFICERS AND/OR AUTHORIZED AGENTS

Franchisee agrees that the fulfillment of any of Franchisor's obligations written in this Agreement or based on any oral communications ruled to be binding in a court of law shall be Franchisor's sole obligation and none of Franchisor's employees, officers and/or authorized agents shall be personally liable to Franchisee for any reason. In addition to the foregoing, Franchisor and Franchisee are not joint employers.

7.18 NON-UNIFORM AGREEMENTS

Franchisee agrees that Franchisor makes no representations or warranties that all other agreements with Ninja Franchising, Inc. franchisees entered into before or after the Effective Date do or will contain terms substantially similar to those contained in this Agreement. Franchisee agrees that Franchisor may waive or modify comparable provisions of other Franchise Agreements to other System franchisees in a non-uniform manner.

7.19 NO RIGHT TO OFFSET

Franchisee shall not, on grounds of the alleged nonperformance, material breach, or default by Franchisor of this Agreement, any other agreement between Franchisor and Franchisee, or for any other reason, withhold any payment, fee, or any other amount payable by Franchisee to Franchisor pursuant to this Agreement, including, without limitation, the payment of the Royalty Fee and Advertising Contributions, or any other payment obligation by Franchisee to Franchisor. Franchisee shall not have the right to offset or withhold any liquidated or unliquidated amount allegedly due to Franchisee from Franchisor against any payment, fee, or any other amount payable to Franchisor pursuant to this Agreement or any other payment obligation by Franchisee to Franchisor.

7.20 HEADINGS

The headings and subheadings in this Agreement are strictly for convenience and reference only, and they shall not limit, expand, or otherwise affect the interpretation and construction of the terms and conditions of this Agreement.

7.21 AUTHORITY TO EXECUTE AND BIND

Each party agrees, warrants and represents that it has all requisite power and authority to enter into this Agreement. The execution, delivery, and performance of this Agreement has been duly and lawfully authorized by all necessary actions of each party, and the signatory to this Agreement for each party has been duly and lawfully authorized to execute this Agreement for and on behalf of the party for whom each signatory has signed.

7.22 COUNTERPARTS; ELECTRONIC SIGNATURES; MULTIPLE COPIES

This Agreement may be executed in counterparts, all of which counterparts shall be deemed originals and taken together shall constitute a single agreement, and the signature pages of which may be detached from the several counterparts and attached to a single copy of this Agreement to physically form a single document.

7.23 JOINT AND SEVERAL LIABILITY

If Franchisee consists of more than one person or entity, then their liability under this Agreement shall be deemed joint and several.

7.24 RECITALS AND REPRESENTATIONS

The parties acknowledge and agree that the recitals and representations contained on the first page of this Agreement are true and accurate, shall constitute a material part of this Agreement, and are hereby fully incorporated into the terms and conditions of this Agreement.

SECTION 8
NOTICES

All written notices and reports permitted or required to be delivered by this Agreement shall be deemed so delivered, at the time delivered by hand, one business day after being placed in the hands of a national commercial courier service for overnight delivery (properly addressed and with tracking confirmation), or three business days after placed in the U.S. mail by registered or certified mail, postage prepaid, and addressed to the party to be notified at its most current principal business address of which the notifying party has been notified. The addresses for the parties set forth in the initial paragraph of this Agreement shall be used unless and until a different address has been designated by written notice to the other party. Any notice required under this Agreement shall not be deemed effective or given by Franchisee to Franchisor unless given in strict compliance with this Agreement.

In all cases where Franchisor's prior approval is required and no other method or timing for obtaining such

approval is prescribed, Franchisee shall request such approval in writing, and Franchisor shall respond within 10 business days after receiving Franchisee's written request and all supporting documentation, provided if Franchisor does not respond, such request shall be deemed unapproved. Franchisor's consent to, or approval of, any act or request by Franchisee shall be effective only to the extent specifically stated, and Franchisor's consent or approval shall not be deemed to waive, or render unnecessary, consent or approval of any other subsequent similar act or request.

IN WITNESS WHEREOF, the parties have executed, sealed and delivered this Agreement as of the Effective Date set forth in the first paragraph of this Agreement.

Franchisor:
Ninja Franchising, Inc.

_____
Signature

_____
Name and Title (please print)

_____
Dated

_____
Signature

_____
Name (please print)

_____
Dated

Franchisee:

_____
Signature

_____
Name (please print)

_____
Dated

Multi-Unit Development Agreement – Schedule A
DEVELOPMENT INFORMATION TERM SHEET

This Development Information Term Sheet is attached to, is incorporated into, and forms a part of the USA Ninja Challenge Multi-Unit Development Agreement between Ninja Franchising, Inc., a Delaware corporation with a principal place of business located at 14 Chenell Drive, Concord, New Hampshire 03301, (the "Franchisor") and _____(the "Franchisee").

Defined terms shall have the meanings set forth in the USA Ninja Challenge Multi-Unit Development Agreement between Franchisor and Franchisee and are further defined and set forth in this Development Information Term Sheet.

If Franchisee is a Corporate Entity, Franchisee represents and affirms to Franchisor that the following is a list of each Owner of Franchisee:		
Owner Name	**Owner Address**	**Ownership Interest Percentage**

Development Area Fee	**Total Development Training Centers**
$_____	**[----------]**

Development Area
[To be Effective this Schedule Must be Completed and Signed by Franchisor]

Development Training Center Initial Franchise Fee for the First Development Training Center
FIRST DEVELOPMENT TRAINING CENTER: The Development Training Center Initial Franchise Fee for the First Development Training Center is: $60,000, payable and due upon execution of the applicable Franchise Agreement for the First Development Training Center. This initial franchise fee is separate from and in addition to the Development Area Fee.

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Development Training Center Initial Franchise Fee for Other Development Training Centers
OTHER AUTHORIZED DEVELOPMENT TRAINING CENTERS: Provided that Franchisee is not in default of the terms of this USA Ninja Challenge Multi-Unit Development Agreement (including but not limited to the Development Schedule set forth below) and that neither Franchisee nor Franchisee's affiliates are in default of any Franchise Agreement or other agreement with Franchisor, the Development Training Center Initial Franchise Fee for each additional Development Training Center (over and above the First Development Training Center), is: $0 (Waived), payable at the time of signing the Franchise Agreement for each Development Training Center.

Development Schedule		
Development Period	Newly Opened Development Training Centers	Cumulative Development Training Centers
Development Period 1: **[--------- TO ---------]**	**[------]**	**[------]**
Development Period 2: **[--------- TO ---------]**	**[------]**	**[------]**
Development Period 3: **[--------- TO ---------]**	**[------]**	**[------]**
Development Period 4: **[--------- TO ---------]**	**[------]**	**[------]**
Development Period 5: **[--------- TO ---------]**	**[------]**	**[------]**

This Development Information Term Sheet shall be effective as of the Effective Date of the USA Ninja Challenge Multi-Unit Development Agreement.

Franchisor:
Ninja Franchising, Inc.

_____
Signature

_____
Name and Title (please print)

_____
Dated

_____
Signature

Franchisee:

_____
Signature

_____
Name (please print)

_____
Dated

FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT G
LIST OF FRANCHISEES

FRANCHISEES WITH OUTLETS OPEN (as of December 31, 2025)			
State	**Business Address**	**Franchisee Information**	**Telephone Number**
CA	6761 Sierra Court, Suite E Dublin, California 94568	Kaizenkidz LLC Aman Takhar	(925) 336-0673
	12222 Poway Road, Suites 25, 26, 27 Poway, California 92064	Opulentia, LLC Obi & Mark Amrine	(808) 223-5820
	1696 Monterey Road San Jose, California 95112	Mighty Warrior Academy, Inc. Arnaldo Brasil	(408) 212-5889
	371 Town Center East, Space H64 Santa Maria, CA 93454	Coulibaly Enterprises, LLC Djibril Coulibaly	(805) 268-7795
CO	2285 River Road Grand Junction, Colorado 81505	Legacy Academy Gymnastics and Ninja Brian Bensley	(970) 245-3610
CT	24A Robert Porter Road Southington, Connecticut 06489	PLA Ninja LLC Michael and Addie Park	(860) 736-5566
	405 Sullivan Avenue South Windsor, Connecticut 06074	The Three Ninjas David and Wendy McGinnis	(860) 436-3500
FL	9401 West Colonial Drive, Suite 338 Ocoee, Florida 34761	Deldeb Health & Fun, LLC Javier Delgado	(780) 860-8434
GA	1561 Highway 27 South, Unit B-1 Carrollton, Georgia 30117	Adams Family Entertainment Inc Robert & Millie Adams	(770) 757-0936
	185 Stockwood Drive, Suite 100 Woodstock, Georgia 30188	Intergalactic Ninja Agency, LLC Kristy Tyler	(470) 567-2790
IL	4860 W. Irving Park Road Chicago, Illinois 60641	Chicago Ninja Challenge, LLC Vladimir Fefer	(773) 346-1199
MA	19 Brigham Street Marlborough, Massachusetts 01752	Sarutobi Investment Company Paul Ryan and Matt Whelan	(774) 843-2066
	27 Charles Street North Andover, Massachusetts 01845	Wicked Ninja, LLC Amy Harley	(978) 918-7794
	265 Warren Drive Norton, Massachusetts 02056	Ninja Hat, LLC Nira Talati	(401) 651-3265
MO	8100 NW 101st Terrace Kansas City, MO 64153	KC Ninja, LLC Brad Staples	(816) 256-2562
NH	13 Caldwell Drive Amherst, New Hampshire 03301	Gymnastics Village Deanna Shenk	(603) 889-8092
	14 Chenell Drive Concord, New Hampshire 03301	MD Ninja, LLC Mike Degieux	(603) 223-2545
	19 Friars Drive Hudson, New Hampshire 03051	Ninja Kidz Obstacle Training Corp. Brian O'Connor	(603) 417-6820
NY	445 West Commercial Street East Rochester, New York 14445	Wicked Ninjas ROC City, Inc. Amy Harley & Patrick Gregory	(585) 504-8322
NC	540 Pitts School Road NW, Suite G Concord, North Carolina 28027	Tar Heel Ninja, LLC Wallace & Tracey Reed	(980) 780-9600
	1910-A Martin Luther King Jr. Pkwy Durham, North Carolina 27707	Mian Ventures Co, Inc. Stephen Saekoo	(984) 219-2559
OH	4727 Red Bank Road Cincinnati, Ohio 05227	USA Ninja Medford, LLC Steve Sharp	(513) 739-5528
	3320 Tylersville Road, Suite H Fairfield Township, Ohio 45011	Trident OCR Fairfield OH LLC Dan Upma, Stephen Saekoo, Paul Ryan	(513) 795-0244
	836 Reading Road Mason, Ohio 45040	Gym-Nation Mike and Tania Gauthier	(513) 229-7315
	8450 Warner Road, Suite 400 Plain City, Ohio 43064	5 & The Fox, LLC Jen McNamee	(419) 310-2302
	2700 East Aurora Drive	JLAF Ninja Cleveland South East, Inc.	(330) 272-6840

	Twinsburg, Ohio 44087	Jeff Flament	
PA	1909 State Street Camp Hill, Pennsylvania 17011	Cumberland Valley Ninja, LLC Justin and ChiChen Schreibeis	(717) 350-4756
	668 Bethlehem Pike, #2 Montgomeryville, Pennsylvania 19446	Smith Ninja, LLC Sean & Tracey Smith	(267) 677-9007
	249 North 11th Street Sunbury, Pennsylvania 17801	Reis Ninja, LLC Chris Reis	(717) 383-5443
TN	215 Gothic Court, Suite 206 Franklin, Tennessee 37067	HAVN LLC Kim Pool and Jolene Chen	(702) 271-8882
	7505 Appling Center Dr, Suite 108, Memphis, Tennessee 38133	901 Ninja, LLC Lisa Edwards	(901) 481-1993
TX	21227 Blair Road Conroe, Texas 77478	Woodlands Ninja, LLC Chad Kneller and Sam Robbins	(281) 667-6129
	5850 Kroger Drive, Suite 140 Fort Worth, Texas 76244 (Keller)	Impact Ninja, LLC Christina Ortiz and Antonie Horton	(682) 593-2795
	22564 Franz Road Katy, Texas 77449	Ninja Fitness HOU, Inc. Susan Schmaeling-Pielech	(281) 394-1986
	4620 S Hwy 377, Suite 2A Krugerville, Texas 76227	My Sports Athletics, LLC Cynthia Agbetuyi	(469) 809-8488
	6709 E I-30, Unit B Royse City, Texas 75189	Texas Legacy 5, Inc. Amanda Moore	(469) 707-9800
	202 Industrial Boulevard Sugar Land, Texas 77478	Clements Fitness Solution, LLC Joey Clements	(281) 667-6129
	309 Ibis Street, Suite B Webster, Texas 77598	USANC SE, LLC Wendy Holley & Ashlynn Babaahmadi	(281) 250-5912
UT	4731 South Commerce Drive Murray, Utah 84107	Wasatch Ninja Gym, LLC Brandon and Erin Anderson	(406) 640-1404
VA	250 Commonwealth Avenue Bristol, Virginia 24201	K3 Ninjas, Inc. Jana & Kris King	(423) 967-8269
	4207 Portsmouth Boulevard Chesapeake, Virginia 23321	AJ and Sons Ninja, Inc. Andrea May	(757) 262-6790
	905 Live Oak Dr. Chesapeake, Virginia 23320	AJ and Sons Ninja, Inc. Andrea and Jeff May	(757) 974-9789
	650 Corporate Dr., Ste. 185 Quantico, Virginia 22554	Ninja Nova, LLC Daniel Umpa	(301) 915-5979
WI	3225 Gateway Road, Suite 650 Brookfield, Wisconsin 53045	Waukesha County Ninjas, Inc. Trent Stonerook	(262) 337-5302

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FRANCHISEES WITH OUTLETS NOT YET OPEN (as of December 31, 2025)			
State	**Business Address**	**Franchisee Information**	**Contact Information**
CA	TBD, Pasadena, California	Entity Name – TBD Jagdeep & Navpreet Singh	(408) 209-8695
	TBD, Menlo Park, California	Jangju, Inc. Abid Mohsin	(650) 793-2933
FL	TBD, Fort Myers, Florida	Kidcraft Fitness, LLC Duane & Anna Wiggins**	(239) 339-3189
	TBD, Tampa, Florida	Fleur and Palm Ventures, LLC Paige Perilloux**	(813) 947-8272
ID	TBD, Boise, Idaho	ALC Enterprise Corp Hailey Mullen	(703) 975-8763
MD	TBD, Accokeek, Maryland	Hilson Enterprises, Inc. Tamara & Thomas Hilson	(239) 339-3189
	TBD, Annapolis, Maryland	Severn Stronghold, LLC Paul Ryan, Stephen Saekoo & Daniel Umpa	(301) 915-5979
NJ	1759 US-9 Howell Township, New Jersey 07731	New Jersey Ninja, LLC Jeff & Gina Miranda**	(732) 669-5289
	TBD, Rumson, New Jersey	Golden Gardens, LLC Andrew & Malia Thompson**	(214) 793-5855
TN	TBD, West Nashville, Tennessee	Page Family Fitness, LLC David Page	(626) 617-7496
TX	2323 South Houston Avenue, Bldg 1 Humble, Texas 77396	Sira Investments Group, Inc. Shaun Ramautarsingh**	(559) 906-9492
	1501 Leander Drive, A120 Leander, Texas 78641	NextGen Ninja, LLC Anand Panchal and Tarang Vora**	(920) 760-3400
	2897 NE Loop 410 San Antonio, Texas 78218	The Ninja Company, LLC Hortencia Hodge**	(301) 915-5979
WI	620 N Lynndale Drive Appleton, Wisconsin 54914	Wisconsin Ninja, LLC Orlando Munoz	(732) 669-5289

** This Franchisee has signed a Multi-Unit Development Agreement.

FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT H
LIST OF FRANCHISEES
THAT HAVE LEFT THE SYSTEM

FRANCHISEES THAT HAVE LEFT THE SYSTEM (January 1, 2025 to December 31, 2025)			
State	**Business Address**	**Franchisee Information**	**Contact Information**
CA	TBD – El Cajon, California	Elisabeth Ta and Raymond Kaczmarek	(619) 335-7804
FL	TBD – Boynton Beach, Florida	Rose Enterprise Group, LLC - Matt and Dessy Broch	(561) 777-5751
	TBD – Palm City, Florida	Entity Name – TBD Meghan Vaughn	(772) 529-5760
NJ	TBD – East Brunswick, New Jersey	Brian Lutzker	(908) 296-5417
NY	445 West Commercial Street East Rochester, New York 14445 (Transferred to New Franchisee)	Rebnoa Success, Inc. Melissa McCarthy	(585) 705-5701
OH	3320 Tylersville Road, Suite H Fairfield Township, Ohio 45011 (Transferred to New Franchisee)	ANM Fitness, LLC Mike Porter	(513) 543-3012
TX	5850 Kroger Drive, Suite 140 Keller, Texas 76244 (Transferred to New Franchisee)	Trinity Ninja, LLC Marcus Heyn	(469) 616-4322

FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT I
STATE SPECIFIC ADDENDA

California FDD Amendment
Amendments to the USA Ninja Challenge
Franchise Disclosure Document

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

1. Item 17 "Renewal, Termination, Transfer and Dispute Resolution: The Franchise Relationship," is supplemented by the addition of the following:

A. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

B. The franchisor, any person or franchise broker in Item 2 of the FDD is not subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a *et seq.*, suspending or expelling such persons from membership in such association or exchange.

C. California Business and Professions Code Sections 20000 through 20043 establish the rights of the franchisee concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

D. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law. (11 U.S.C.A. Sec. 101 et seq.).

E. The Franchise Agreement contains a covenant not to compete, which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

F. The Franchise Agreement requires binding arbitration. The arbitration will occur in New Hampshire with the costs being borne by the franchisee and franchisor.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5 Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a Franchise Agreement restricting venue to a forum outside the State of California.

G. The Franchise Agreement requires application of the laws of the State of New Hampshire. This provision may not be enforceable under California law.

2. Section 31125 of the California Corporations Code requires us to give you a Disclosure Document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

3. You must sign a general release of claims if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516).

4. Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

5. Item 6 "Other Fees," is supplemented by the addition of the following statement: "The highest interest rate allowed by law in the State of California is 10%."

6. The following URL address is for the franchisor's website: www.usaninjachallenge.com.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF CORPORATIONS AT www.dfpi.ca.gov.

7. California's Franchise Investment Law (Corporations Code Sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees or its agents make to you, (ii) our ability to rely on any representations it makes to you, or (iii) any violation of the law.

8. No statement, questionnaire or acknowledgement 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.

Connecticut FDD Amendment

Amendments to the USA Ninja Challenge
Franchise Disclosure Document

1. Item 3 "Litigation," is supplemented by the addition of the following:

A. Neither the Franchisor nor any person identified in Items 1 or 2 above has any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) pending against him alleging a violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, business opportunity law, securities law, misappropriation of property or comparable allegations.

B. Neither the Franchisor nor any other person identified in Items 1 or 2 above has during the 10 year period immediately preceding the date of this Disclosure Document, been convicted of a felony or pleaded nolo contendere to a felony charge or been held liable in any civil action by final judgment, or been the subject of any material complaint or other legal proceeding where a felony, civil action, complaint or other legal proceeding involved violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, business opportunity law, securities law, misappropriation of property or comparable allegations or which was brought by a present or former purchaser-investor or which involves or involved the business opportunity relationship.

C. Neither the Franchisor nor any person identified in Items 1 or 2 above is subject to any currently effective injunctive or restrictive order or decree relating to the franchise, or under any federal, state

or Canadian franchise, securities, business opportunity, antitrust, trade regulation or trade practice law as a result of concluded or pending action or proceeding brought by a public agency, or is a party to a proceeding currently pending in which an order is sought, relating to or affecting business opportunity activities or the seller-purchaser-investor relationship, or involving fraud, including but not limited to, a violation of any business opportunity law, franchise law, securities law or unfair or deceptive practices law, embezzlement, fraudulent conversion, misappropriation of property or restraint of trade.

D. Neither Company nor any person identified in Item 2 above is subject to any currently effective order of any national securities association or national securities exchange (as defined in the Securities & Exchange Act of 1934) suspending or expelling these persons from membership in the association or exchange.

2. Item 4 "Bankruptcy," is supplemented by the addition of the following:

No entity or person listed in Items 1 and 2 of this Disclosure Document has, at any time during the previous 10 fiscal years (a) filed for bankruptcy protection, (b) been adjudged bankrupt, (c) been reorganized due to insolvency, or (d) been a principal, director, executive officer or partner of any other person that has so filed or was adjudged or reorganized, during or within one year after the period that the person held a position with the other person.

If the seller fails to deliver the products, equipment or supplies or fails to render the services necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract be cancelled.

No statement, questionnaire or acknowledgement 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.

DISCLOSURES REQUIRED BY CONNECTICUT LAW

The State of Connecticut does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

BUSINESS OPPORTUNITY DISCLOSURE

The following business opportunity disclosure is provided by Ninja Franchising, Inc., a registered business in the State of Connecticut.

Disclosure Document is dated: April 7, 2026, amended June 30, 2026

Hawaii FDD Amendment

Amendments to the USA Ninja Challenge
Franchise Disclosure Document

Exhibit K "FDD Receipts," is supplemented with the addition of the following:

The Receipt for this Disclosure Document (Exhibit "K") is supplemented to add the following:

1. THIS FRANCHISE WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

2. THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS BEFORE THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS BEFORE THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

3. THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT AND THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

4. NO STATEMENT, QUESTIONNAIRE OR ACKNOWLEDGEMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF: (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

Illinois FDD Amendment

Amendments to the USA Ninja Challenge
Franchise Disclosure Document

DISCLOSURE REQUIRED BY THE STATE OF ILLINOIS

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a Franchise Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a Franchise Agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

No statement, questionnaire or acknowledgement 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.

Indiana FDD Amendment

Amendments to the USA Ninja Challenge
Franchise Disclosure Document

1. Item 8, "Restrictions on Sources of Products and Services," is supplemented by the addition of the following:

> Under Indiana Code Section 23-2-2.7-1(4), the franchisor will not obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted by the franchisee.

2. Item 6, "Other Fees" and Item 9, "Franchisee's Obligations", are supplemented, by the addition of the following:

> The franchisee will not be required to indemnify franchisor for any liability imposed upon franchisor as a result of franchisee's reliance upon or use of procedures or products that were required by franchisor, if the procedures or products were utilized by franchisee in the manner required by franchisor.

3. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," is supplemented, by the addition of the following:

> A. Indiana Code 23-2-2.7-1(7) makes unlawful unilateral termination of a franchise unless there is a material violation of the Franchise Agreement and termination is not in bad faith.
>
> B. Indiana Code 23-2-2.7-1(5) prohibits a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Law.
>
> C. ITEM 17(r) is amended subject to Indiana Code 23-2-2.7-1(9) to provide that the post-term non-competition covenant shall have a geographical limitation of the territory granted to Franchisee.
>
> D. ITEM 17(v) is amended to provide that Franchisees will be permitted to commence litigation in Indiana for any cause of action under Indiana Law.
>
> E. ITEM 17(w) is amended to provide that in the event of a conflict of law, Indiana Law governs any cause of action that arises under the Indiana Disclosure Law or the Indiana Deceptive Franchise Practices Act.

Maryland FDD Amendment
Amendments to the USA Ninja Challenge
Franchise Disclosure Document

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," is supplemented, by the addition of the following:

A. 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.

B. A Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

C. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

D. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.).

No statement, questionnaire or acknowledgement 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.

Michigan FDD Amendment
Amendments to the USA Ninja Challenge
Franchise Disclosure Document

1. 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 of your right to join an association of Franchisees.

B. A requirement that you assent to a release, assignment, novation, waiver or estoppel that deprives you of rights and protections provided in this act. This shall not preclude you, after entering into a Franchise Agreement, from settling any and all claims.

C. A provision that permits us to terminate a franchise before the expiration of this term except for good cause. Good cause shall include your failure to comply with any lawful provision of the Franchise Agreement and to cure the failure after being given written notice of the failure and a reasonable opportunity, which in no event need be more than 30 days, to cure the failure.

D. A provision that permits us to refuse to renew a franchise without fairly compensating you by repurchase or other means for the fair market value at the time of expiration of your inventory, supplies, equipment, fixtures and furnishings. Personalized materials that have no value to us and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (a) the term of the franchise

is less than five years, and (b) you are prohibited by the Franchise Agreement or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or you do not receive at least six months advance notice of our intent not to renew the franchise.

E. A provision that permits us to refuse to renew a franchise on terms generally available to other Franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

F. A provision requiring that litigation be conducted outside this state. This shall not preclude you from entering into an agreement, at the time of litigation, to conduct litigation at a location outside this state.

G. A provision that permits us to refuse to permit a transfer of ownership of a franchise, except for good cause. The subdivision does not prevent us from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet our then current reasonable qualifications or standards.
(ii) The fact that the proposed transferee is our or Sub-franchisor's competitor.
(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
(iv) Your or proposed transferee's failure to pay us any sums or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.

H. A provision that requires you to resell to us items that are not uniquely identified with us. This subdivision does not prohibit a provision that grants us a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants us the right to acquire the assets of a franchise for the market or appraised value and has failed to cure the breach in the manner provided in Item 17(g).

I. A provision that permits us to directly or indirectly convey, assign or otherwise transfer our obligations to fulfill contractual obligations to you unless a provision has been made for providing the required contractual services.

2. If our most recent financial statements are unaudited and show a net worth of less than $100,000, you may request that we arrange for the escrow of initial investment and other funds you paid until our obligations, if any, to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At our option, a surety bond may be provided in place of escrow.

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

4. Any questions regarding this notice should be directed to: State of Michigan, Consumer Protection Division, Attention: Franchise Bureau, 670 Law Building, Lansing, MI 48913; telephone number (517) 373-3800.

Minnesota FDD Amendment
Amendments to the USA Ninja Challenge
Franchise Disclosure Document

ADDITIONAL RISK FACTORS:

1. THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

2. THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

AMENDMENT OF FDD DISCLOSURES:

A. Item 6, "Other Fees", Not sufficient funds are governed by Minnesota Statute 604.113, which puts a cap of $30 on service charges.

B. Item 13, "Trademarks", Item 13 is supplemented by the addition of the following: As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), we will reimburse you for any costs incurred by you in the defense of your right to use the marks, so long as you were using the marks in the manner authorized by us, and so long as we are timely notified of the claim and given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

C. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17 is supplemented by the addition of the following: With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days- notice of termination (with 60 days to cure) and 180 days-notice of non-renewal of the Agreement.

D. Item 17 "Renewal, Termination, Transfer and Dispute Resolution," Item 17 is supplemented by the addition of the following: Item 17 shall not provide for a prospective general release of claims against us that may be subject to the Minnesota Franchise Law. Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.

E. Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate

or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

F. No statement, questionnaire or acknowledgement 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 FDD Amendment

Amendments to the USA Ninja Challenge
Franchise Disclosure Document

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 A 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 FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CAN NOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

With the exception of what is stated above, the following applies 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 a 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 the franchisee by Article 33 of the General Business Law of the State of New York

6. 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.

7. 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, 10 business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

North Dakota FDD Amendment
Amendments to the USA Ninja Challenge
Franchise Disclosure Document

1. Item 5, "Initial fees", Item 5 is supplemented by the addition of the following:

Refund and cancellation provisions will be inapplicable to franchises operating under North Dakota Law, North Dakota Century Code Annotated Chapter 51-19, Sections 51-19-01 through 51-19-17. If franchisor elects to cancel this Franchise Agreement, franchisor will be entitled to a reasonable fee for its evaluation of you and related preparatory work performed and expenses actually incurred.

2. Item 6, "Other Fees", Item 6 is supplemented by the addition of the following:

No consent to termination or liquidated damages shall be required from franchisees in the State of North Dakota.

3. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17 is supplemented by the addition of the following:

A. Any provision requiring a franchisee to sign a general release upon renewal of the Franchise Agreement has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

B. Any provision requiring a franchisee to consent to termination or liquidation damages has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

C. Covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statute, are unfair, unjust and inequitable. Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.

D. Any provision in the Franchise Agreement requiring a franchisee to agree to the arbitration or mediation of disputes at a location that is remote from the site of the franchisee's business has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The site of arbitration or mediation must be agreeable to all parties and may not be remote from the franchisee's place of business.

E. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of North Dakota is void with respect to any cause of action which is otherwise enforceable in North Dakota.

F. Apart from civil liability as set forth in Section 51-19-12 of the N.D.C.C., which is limited to violations of the North Dakota Franchise Investment Law (registration and fraud), the liability of the franchisor to a franchisee is based largely on contract law. Despite the fact that those provisions are not contained in the franchise investment law, those provisions contain substantive rights intended to be afforded to North Dakota residents and it is unfair to franchise investors to require them to waive their rights under North Dakota Law.

G. Any provision in the Franchise Agreement requiring that the Franchise Agreement be construed according to the laws of a state other than North Dakota are unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

H. Any provision in the Franchise Agreement which requires a franchisee to waive his or her right to a jury trial has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

4. No statement, questionnaire or acknowledgement 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.

Rhode Island FDD Amendment
Amendments to the USA Ninja Challenge
Franchise Disclosure Document

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17 is supplemented by the addition of the following:

A. The Rhode Island Franchise Investment Act, R.I. Gen. Law Ch. 395 Sec. 19-28.1-14 provides that a provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

B. Any general release as a condition of renewal, termination or transfer will be void with respect to claims under the Rhode Island Franchise Investment Act.

Virginia FDD Amendment
Amendments to the USA Ninja Challenge
Franchise Disclosure Document

Item 12, "Territory" Item 12 is supplemented by the addition of the following:

Prospective Virginia franchisees are hereby notified that, to the extent required by Va. Code § 13.1-563(A)(4), the Franchise Agreement does not restrict the right of a former Virginia franchisees to engage in a competitive business following termination or expiration of their franchise agreement. Accordingly, a former franchisee whose territory, operating territory, designated territory, and/or market is within or adjacent to your territory, operating territory, designated territory, and/or market — or who elects to operate in any other geographic area, including outside of Virginia — may, subject to Virginia law, offer goods and/or services competitive with those of the USA Ninja Challenge System following the end of their franchise relationship, without geographic or time restriction. The Franchisor's ability to enforce post-term competitive restrictions against former Virginia franchisees is limited by Virginia law.

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17(h) is supplemented by the addition of the following:

Under Va. Code § 13.1-564, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the USA Ninja Challenge Franchise Agreement do not constitute "reasonable cause," as that term is interpreted under the Virginia Retail Franchising Act and applicable Virginia law, any such ground for termination may not be enforceable against a Virginia franchisee to that extent.

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17(r) is supplemented by the addition of the following:

Item 17(r) is amended to the extent required by Va. Code § 13.1-563(A)(4) to provide that the post-termination non-competition obligations set forth in Article 6.E. of the Franchise Agreement shall not restrict a Virginia franchisee's right to own any legal or equitable interest in, or to operate, manage, or perform services for, a Competitive Business following termination or expiration of the Franchise Agreement. Consistent with Va. Code § 13.1-563(B), in the event that Franchisee sells the Franchised Business at a mutually agreed-upon price, a restriction of not more than two (2) years on engaging in the business of offering, selling, or distributing competitive goods or services at retail may be included as part of such sale transaction.

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17(w) is supplemented by the addition of the following:

Item 17(w) is amended to the extent required by Va. Code § 13.1-559(D) to provide that, to the extent the Franchise Agreement and any related agreements — including the Owner and Spouse Agreement and Guaranty — are subject to the Virginia Retail Franchising Act, such agreements shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

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

Washington FDD Amendment

Amendments to the USA Ninja Challenge
Franchise Disclosure Document

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws**. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights**. RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation**. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release**. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial**. Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees**. Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee**. The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions**. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing**. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages**. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement**. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification**. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees**. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants**. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements**. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

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

17. **Prohibitions on Communicating with Regulators**. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers**. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

Wisconsin FDD Amendment

Amendments to the USA Ninja Challenge
Franchise Disclosure Document

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17 is supplemented by the addition of the following:

The Wisconsin Fair Dealership Law Title XIV-A Ch. 135, Section 135.01-135.07 may affect the termination provision of the Franchise Agreement.

STATE SPECIFIC AMENDMENTS TO FRANCHISE AGREEMENT
AND, IF APPLICABLE, MULTI-UNIT DEVELOPMENT AGREEMENT

CALIFORNIA FRANCHISE AGREEMENT AMENDMENT

Amendments to the USA Ninja Challenge Franchise Agreement

No statement, questionnaire or acknowledgement 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.

IN WITNESS WHEREOF, the parties have duly executed and delivered this California State amendment to the Ninja Franchising, Inc., Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor: Ninja Franchising, Inc.	**Franchisee:**
_____ Signature	_____ Signature
_____ Name and Title (please print)	_____ Name (please print)
_____ Dated	_____ Dated

HAWAII FRANCHISE AGREEMENT AMENDMENT

Amendments to the USA Ninja Challenge Franchise Agreement

In recognition of the requirements of the Hawaii Franchise Investment Law, the undersigned agree to the following modifications to the Ninja Franchising, Inc., Franchise Agreement (the "Franchise Agreement"), as follows:

1. Sub-Article 14.C.(6). Sub-article 14.C.(6), under the Article section titled "Conditions for Approval of Transfer," is supplemented by the addition of the following language:

> ; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee's favor from the provisions of the Hawaii Franchise Investment Law, shall remain in force; it being the intent of this provision that the non-waiver provisions of the Hawaii Franchise Investment Law be satisfied; and
>
> The Hawaii Franchise Investment Law provides rights to the franchisee concerning non-renewal, termination and transfer of the Franchise Agreement. If this Sub-article contains a provision that is inconsistent with the Hawaii Franchise Investment Law, the Hawaii Franchise Investment Law will control.

2. Sub-Article 15.B.(8). Sub-article 15.B.(8), under the Article section titled "Conditions for Renewal," is supplemented by the addition of the following:

> ; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee's favor from the provisions of the Hawaii Franchise Investment Law, shall remain in force; it being the intent of this provision that the non-waiver provisions of the Hawaii Franchise Investment Law be satisfied; and
>
> The Hawaii Franchise Investment Law provides rights to the franchisee concerning non-renewal, termination and transfer of the Franchise Agreement. If this subarticle contains a provision that is inconsistent with the Hawaii Franchise Investment Law, the Hawaii Franchise Investment Law will control.

3. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this amendment.

4. No statement, questionnaire or acknowledgement 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.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have duly executed and delivered this Hawaii State amendment to the Ninja Franchising, Inc. Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor:	**Franchisee:**
Ninja Franchising, Inc.	
_____	_____
Signature	Signature
_____	_____
Name and Title (please print)	Name (please print)
_____	_____
Dated	Dated

ILLINOIS FRANCHISE AND DEVELOPMENT AGREEMENT AMENDMENT

Amendments to the USA Ninja Challenge Franchise Agreement

In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 ILCS 705/1 to 705/45, and Ill. Admin. Code tit. 15, §200.100 et seq., the undersigned agree to the following modifications to the Ninja Franchising, Inc. Franchise Agreement (the "Franchise Agreement") and, if Franchisor and Franchisee both sign the Ninja Franchising, Inc. Multi-Unit Development Agreement (the "Development Agreement"), as follows:

1. Article 18.F. of the Franchise Agreement, and if Franchisee executes a Development Agreement, Section 7.5 of the Development Agreement, under the heading "Governing Law", shall be amended by the addition of the following statement added after the end of the last sentence of Article 18.F. of the Franchise Agreement and Section 7.5 of the Development Agreement:

Illinois Addendum: Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act Provides that any provision in a Franchise Agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a Franchise Agreement may provide for arbitration in a venue outside Illinois.

Your rights upon termination and non-renewal of a Franchise Agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Section 41 of the Illinois Franchise Disclosure Act Provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act, or any other law of Illinois is void

2. Article 18.G. of the Franchise Agreement, and if Franchisee executes a Development Agreement, Section 7.6 of the Development Agreement, under the heading "Choice of Law, Non-Binding Mediation, Binding Arbitration, and Consent to Jurisdiction", shall be amended by the addition of the following statement added after the end of the last sentence of Article 18.G. of the Franchise Agreement and Section 7.6 of the Development Agreement:

Illinois Addendum: Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act Provides that any provision in a Franchise Agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a Franchise Agreement may provide for arbitration in a venue outside Illinois.

Your rights upon termination and non-renewal of a Franchise Agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Section 41 of the Illinois Franchise Disclosure Act Provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act, or any other law of Illinois is void.

3. Article 18.K. of the Franchise Agreement, and if Franchisee executes a Development Agreement,

4. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act (815 ILCS 705/1 to 705/45) are met independently without reference to this amendment.

5. No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Illinois amendment to the Ninja Franchising, Inc. Franchise Agreement and, if applicable, the Development Agreement on the same date as the Franchise Agreement and Development Agreement were, respectively, executed.

Franchisor: Ninja Franchising, Inc.	**Franchisee:**
Signature	Signature
Name and Title (please print)	Name (please print)
Dated	Dated

MARYLAND FRANCHISE AND DEVELOPMENT AGREEMENT AMENDMENT

Amendments to the USA Ninja Challenge Franchise Agreement

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the parties to the attached Ninja Franchising, Inc. Franchise Agreement (the "Franchise Agreement") and, if Franchisor and Franchisee both sign the Ninja Franchising, Inc. Multi-Unit Development Agreement (the "Development Agreement"), as follows:

1. Article 14.C of the Franchise Agreement, under the heading "Conditions for Approval of Transfer," subarticle 14.C(6) is supplemented with the addition of the following language:

> ; provided, however, that all rights and causes of action arising in favor of Franchisee from the provisions of the Maryland Franchise Registration and Disclosure Law and the regulations issued thereunder, shall remain in force; it being the intent of this provision that the non-waiver provisions of the Maryland Franchise Registration and Disclosure Law be satisfied.

2. Article 15.B. of the Franchise Agreement, under the heading "Conditions for Renewal," the subarticle 15.B(8) is supplemented with the addition of the following language:

> ; provided, however, that all rights and causes of action arising in favor of Franchisee from the provisions of the Maryland Franchise Registration and Disclosure Law and the regulations issued thereunder, shall remain in force; it being the intent of this provision that the non-waiver provisions of the Maryland Franchise Registration and Disclosure Law be satisfied.

3. Article 18.G. of the Franchise Agreement and, if Franchisee executes a Development Agreement, Section 7.6 of the Development Agreement, under the heading "Choice of Law, Non-Binding Mediation, Binding Arbitration, and Consent to Jurisdiction," shall be amended by the addition of the following statement added to Article 18.G. of the Franchise Agreement and Section 7.6 of the Development Agreement:

> A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. Article 18.I. of the Franchise Agreement and, if Franchisee executes a Development Agreement, Section 7.8 of the Development Agreement, under the heading "Limitations of Claims," shall be amended by the addition of the following statement added to Article 18.I. of the Franchise Agreement and Section 7.8 of the Development Agreement:

> Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

5. Article 18 of the Franchise Agreement and, if Franchisee executes a Development Agreement, Section 7 of the Development Agreement, under the heading "Enforcement and Construction," shall be supplemented by the addition of the following new subarticle 18.Z. to the Franchise Agreement and Section 7.24 of the Development Agreement:

> Nothing in this Agreement should be considered a waiver of any right conferred upon franchisee by the Maryland Franchise Registration and Disclosure Law.
>
> 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.

A general release required as a condition of renewal, sale and/or assignment or transfer of a Franchise Agreement shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law

6. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this amendment.

7. 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.

8. No statement, questionnaire or acknowledgement 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.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Maryland amendment to the Ninja Franchising, Inc. Franchise Agreement and, if applicable, the Development Agreement on the same date as the Franchise Agreement and Development Agreement were, respectively, executed.

Franchisor:
Ninja Franchising, Inc.

_____
Signature

_____
Name and Title (please print)

_____
Dated

Franchisee:

_____
Signature

_____
Name (please print)

_____
Dated

_____
Signature

_____
Name (please print)

_____
Dated

MINNESOTA FRANCHISE AND DEVELOPMENT AGREEMENT AMENDMENT

Amendments to the USA Ninja Challenge Franchise Agreement

In recognition of the requirements of the Minnesota Statutes, Chapter 80C. and Minnesota Franchise Rules, Chapter 2860, the parties to the attached Ninja Franchising, Inc. Franchise Agreement (the "Franchise Agreement") and, if Franchisor and Franchisee both sign the Ninja Franchising, Inc., Multi-Unit Development Agreement (the "Development Agreement"), as follows:

1. THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

2. THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

3. Article 14.C. of the Franchise Agreement, under the heading "Conditions for Approval of Transfer," subarticle 14.C(6) is supplemented with the addition of the following language:

> ; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee's favor from the provisions of the Minnesota Franchise Act, Minn. Stat. Section 80C.14 et seq. and Minnesota Rules 2860.4400(D), shall remain in force; it being the intent of this provision that the non-waiver provisions of the Minnesota Rules 2860.4400(D) be satisfied; and
>
> Minnesota law provides a franchisee with certain termination and non-renewal rights. Minn. Stat. Sect. 80C.14 Subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given 180 days-notice of nonrenewal of this Agreement by Franchisor.

4. Article 15.B. of the Franchise Agreement, under the heading "Conditions for Renewal," subarticle 15.B(8) is supplemented with the addition of the following language:

> ; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee's favor from the provisions of the Minnesota Franchise Act, Minn. Stat. Section 80C.14 et seq. and Minnesota Rules 2860.4400(D), shall remain in force; it being the intent of this provision that the non-waiver provisions of the Minnesota Rules 2860.4400(D) be satisfied; and
>
> Minnesota law provides a franchisee with certain termination and non-renewal rights. Minn. Stat. Sect. 80C.14 Subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given 180 days-notice of nonrenewal of this Agreement by Franchisor.

5. Under Article 11 of the Franchise Agreement, under the heading "Notification of Infringement and Claims," the subarticle 11.C. shall be supplemented by the addition of the following:

Franchisor agrees to protect Franchisee, to the extent required by the Minnesota Franchise Act, against claims of infringement or unfair competition with respect to Franchisee's use of the Marks when, in the opinion of Franchisor's counsel, Franchisee's rights warrant protection pursuant to Article 11.E. of this Agreement.

6. Under Article 14 of the Franchise Agreement, under the heading "Conditions for Approval of Transfer," the subarticle 14.C. shall be supplemented by the addition of the following:

Franchisor shall not unreasonably withhold consent to transfer the Franchise Agreement.

7. Under Article 16 of the Franchise Agreement, under the heading "Defaults and Automatic Termination Upon Written Notice Without Cure Period," the subarticle 16.A.(2). shall be supplemented by the addition of the following:

Article 16.A.(2) will not be enforced to the extent prohibited by applicable law.

8. Under Article 16 of the Franchise Agreement, under the heading "Defaults and Automatic Termination After 30 Day Cure Period," the subarticle 16.A.(4)(f), shall be supplemented by the addition of the following:

Subarticle 16.A.(4)(f) will not be enforced to the extent prohibited by applicable law.

9. Under both subarticles 16.A.(2) and 16.A.(4) of the Franchise Agreement, the following is added:

Minnesota law provides a franchisee with certain termination rights. Minn. Stat. Sect. 80C.14 Subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given 90 days-notice of termination (with 60 days to cure) of this Agreement.

10. Article 18.F. of the Franchise Agreement, under the heading "Governing Law", shall be amended by the addition of the following statement added to the end of the last sentence of Article 18.F.:

; except to the extent otherwise prohibited by applicable law with respect to claims arising under the Minnesota Franchise Act.

11. Article 18.G. of the Franchise Agreement and, if Franchisee executes a Development Agreement, Section 7.6 of the Development Agreement, under the heading "Choice of Law, Non-Binding Mediation, Binding Arbitration, and Consent to Jurisdiction", shall be amended by the addition of the following statement added to the end of the last sentence of Article 18.G. of the Franchise Agreement and Section 7.6 of the Development Agreement:

; except to the extent otherwise prohibited by applicable law with respect to claims arising under the Minnesota Franchise Act.

12. Article 18.K. of the Franchise Agreement, and if Franchisee executes a Development Agreement, Section 7.10 of the Development Agreement, under the heading "Waiver of Jury Trial", shall be supplemented by the addition of the following statement at the end of the sentence contained in Article 18.K. of the Franchise Agreement and Section 7.10 of the Development Agreement:

; except that nothing in this Agreement should be considered a waiver of any right conferred upon Franchisee by the Minnesota Franchise Act.

13. Article 18.I. of the Franchise Agreement and, if Franchisee executes a Development Agreement, Section 7.8 of the Development Agreement, under the heading "Limitations of Claims," shall be supplemented by the addition of the following statement:

> Under the Minnesota Franchise Act, any claims between the parties must be commenced within three years of the occurrence of the facts giving rise to such claim, or such claim shall be barred.

14. Article 18 of the Franchise Agreement and if Franchisee executes a Development Agreement, Section 7 of the Development Agreement, under the heading "Enforcement and Construction," shall be supplemented by the addition of the following new subarticle 18.Z. to the Franchise Agreement and Section 7.24 of the Development Agreement:

> Any foregoing acknowledgments are not intended to nor shall they act as a release, estoppel or waiver or any liability under the Minnesota Franchise Act.

15. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act are met independently without reference to this amendment.

16. No statement, questionnaire or acknowledgement 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.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Minnesota State amendment to the Ninja Franchising, Inc. Franchise Agreement and, if applicable, the Development Agreement on the same date as the Franchise Agreement and Development Agreement were, respectively, executed.

Franchisor: Ninja Franchising, Inc.	**Franchisee:**
_____ Signature	_____ Signature
_____ Name and Title (please print)	_____ Name (please print)
_____ Dated	_____ Dated
	_____ Signature
	_____ Name (please print)
	_____ Dated

NEW YORK FRANCHISE AND DEVELOPMENT AGREEMENT AMENDMENT

Amendments to the USA Ninja Challenge Franchise Agreement

In recognition of the requirements of the New York General Business Law, Article 33, Sections 680 through 695, and of the regulations promulgated thereunder (N.Y. Comp. Code R. & Regs., tit. 13, §§ 200.1 through 201.16), the parties to the attached Ninja Franchising, Inc. Franchise Agreement (the "Franchise Agreement") and, if Franchisor and Franchisee both sign the Ninja Franchising, Inc. Multi-Unit Development Agreement (the "Development Agreement"), as follows:

1. Under Article 14.C. of the Franchise Agreement, under the heading "Conditions for Approval of Transfer," the subarticle 14.C(6) is supplemented with the addition of the following language:

> ; provided, however, that all rights and causes of action arising in favor of Franchisee from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force; it being the intent of this provision that the non-waiver provisions of N.Y. Gen. Bus. Law Sections 687.4 and 687.5 be satisfied.

2. Under Article 15.B. of the Franchise Agreement, under the heading "Conditions for Renewal," the subarticle 15.B(8) is supplemented with the addition of the following language:

> ; provided, however, that all rights and causes of action arising in favor of Franchisee from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force; it being the intent of this provision that the non-waiver provisions of N.Y. Gen. Bus. Law Sections 687.4 and 687.5 be satisfied.

3. Article 18 of the Franchise Agreement and, if Franchisee executes a Development Agreement, Section 7 of the Development Agreement, under the heading "Enforcement and Construction," shall be supplemented by the addition of the following new subarticle 18.Z. to the Franchise Agreement and Section 7.24 of the Development Agreement:

> Nothing in this Agreement should be considered a waiver of any right conferred upon franchisee by New York General Business Law, Sections 680-695.

4. There are circumstances in which an offering made by Ninja Franchising, Inc., would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the State of New York. However, an offer or sale is deemed made in New York if you are domiciled in New York or the Outlet will be opening in New York. Ninja Franchising, Inc., is required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33.

5. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York General Business Law, are met independently without reference to this amendment.

6. No statement, questionnaire or acknowledgement 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.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have duly executed and delivered this New York amendment to the Ninja Franchising, Inc. Franchise Agreement and, if applicable, the Development Agreement on the same date as the Franchise Agreement and Development Agreement were, respectively, executed.

Franchisor:
Ninja Franchising, Inc.

Signature

Name and Title (please print)

Dated

Franchisee:

Signature

Name (please print)

Dated

Signature

Name (please print)

Dated

NORTH DAKOTA FRANCHISE AGREEMENT AMENDMENT

Amendments to the USA Ninja Challenge Franchise Agreement

In recognition of the North Dakota Franchise Investment Law, Section 51-19, the parties to the attached Ninja Franchising, Inc. Franchise Agreement (the "Franchise Agreement") agree as follows:

The North Dakota Addendum is only applicable if you are a resident of North Dakota or if your USA Ninja Challenge Training Center outlet will be located within the State of North Dakota.

1. Article 15 of the Franchise Agreement is hereby amended by the addition of the following language: "Provisions requiring North Dakota franchisees to sign a general release upon renewal of the Franchise Agreement are not enforceable in North Dakota."

2. Article 16 of the Franchise Agreement is hereby amended by the addition of the following language: "Provisions requiring North Dakota Franchisees to consent to termination or liquidated damages are not enforceable in North Dakota."

3. Articles 6 of the Franchise Agreement are hereby amended by the addition of the following language: "Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota."

4. Article 18 of the Franchise Agreement is hereby amended by the addition of the following language: "Covenants requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota may not be enforceable in North Dakota."

5. Article 18 of the Franchise Agreement is hereby amended by the addition of the following language: "for North Dakota Franchisees, North Dakota law shall apply."

6. Article 18 of the Franchise Agreement is hereby amended by the addition of the following language: "Provisions requiring a franchisee to consent to a waiver of trial by jury are not enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law."

7. Article 18 of the Franchise Agreement is hereby amended by the addition of the following language: "Provisions requiring the franchisee to consent to a waiver of exemplary and punitive damages are not enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law."

8. Article 18 of the Franchise Agreement is hereby amended by the addition of the following language: "Provisions requiring a franchisee to consent to a limitation of claims within one year have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, for North Dakota franchisees, the statute of limitations under North Dakota Law will apply."

9. No statement, questionnaire or acknowledgement 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.

[SIGNATURE PAGE TO FOLLOW]

Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of North Dakota Law are met independently without reference to this amendment.

Franchisor:
Ninja Franchising, Inc.

Signature

Name and Title (please print)

Dated

Franchisee:

Signature

Name (please print)

Dated

Signature

Name (please print)

Dated

VIRGINIA FRANCHISE AGREEMENT AMENDMENT

Amendments to the USA Ninja Challenge Franchise Agreement:

This Virginia Addendum ("Addendum") to the Franchise Agreement (the "Agreement") is entered into as of _____ between Ninja Franchising, Inc. ("Franchisor") and the undersigned franchisee ("Franchisee"). This Addendum modifies the Agreement solely to the extent necessary to comply with the Virginia Retail Franchising Act (Va. Code § 13.1-557 et seq.) ("VRFA") and is applicable only if and to the extent this Agreement is subject to the VRFA (i.e., this Agreement contemplates or requires Franchisee to establish or maintain a place of business within the Commonwealth of Virginia). To the extent of any conflict between this Addendum and the Agreement, this Addendum shall control. All capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement.

1. **Governing Law** - Notwithstanding Article18.F. (Governing Law) of the Agreement to the contrary, to the extent and for all purposes required by the VRFA (Va. Code § 13.1-559(D)), this Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia. The foregoing provision shall: (a) apply, exclusively, to agreements that are subject to the VRFA; and (b) not apply to franchise agreements that do not contemplate or require the establishment or maintenance of a place of business within the Commonwealth of Virginia.

2. **Restrictive Covenants: Unfair Competition and Post-Termination Non-Competition Obligations** – Notwithstanding Article 6.E. of the Agreement, to the extent required by Va. Code § 13.1-563(A)(4), the term "Prohibited Activities" as defined in Article 6.D. of the Agreement, as incorporated and applied in Article 6.E. during the Post-Term Restricted Period, shall not include:

(i) the activity described in Section 6.D(a) — owning and/or having any legal or equitable interest, whether as an individual proprietor, owner, partner, member, or shareholder of a Corporate Entity, or in any similar capacity, in a Competitive Business; and

(ii) the activity described in Section 6.D(b) — operating, managing, funding, and/or performing services, whether as an employee, officer, director, manager, consultant, representative, agent, and/or creditor, or in any similar capacity, for or benefitting a Competitive Business.

For the avoidance of doubt, the modification set forth in this Section 2 applies solely to the post-termination application of Prohibited Activities under Article 6.E. during the Post-Term Restricted Period. Nothing in this Addendum modifies, limits, alters, or affects the in-term restrictive covenants and obligations set forth in the Agreement, including Article 6.D., which remain in full force and effect.

The foregoing modification set forth in this Section 2 shall not apply to the sale of the Franchised Business at a mutually agreed-upon price. Consistent with Va. Code § 13.1-563(B), in the event that Franchisee sells the Franchised Business at a mutually agreed-upon price to a third party or back to Franchisor, such sale may, as part of the sale transaction, include a restriction on the right of the selling Franchisee to engage in the business of offering, selling, or distributing goods or services at retail for a period not to exceed two (2) years after the date of such sale.

Notwithstanding the foregoing, all other provisions, covenants, restrictions, and obligations set forth in the Agreement including, but not limited to, Articles 6.A., 6.B., 6.C., 6.D., 6.E. (subject to the changes set forth in this Addendum Section 2), 6.F., 6.G., and 6.H. are not limited or modified by this Addendum, and each such provision, covenant, restriction, and/or obligation shall be independently enforceable without regard to the modification of Prohibited Activities as set forth in this Addendum.

3. Owner and Spouse Agreement and Guaranty - To the extent the Owner and Spouse Agreement and Guaranty (Exhibit 1 to the Agreement) (the "Guaranty") is subject to the VRFA and is executed by Franchisee and/or any individual owner or spouse associated with Franchisee:

(a) **Governing Law.** - Notwithstanding Section 8(b) (Governing Law) of the Guaranty to the contrary, and to the same extent and on the same terms as set forth in Section 1 of this Addendum, the Guaranty shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

(b) **Post-Relationship Non-Competition -** Notwithstanding Section 4(c) (Non-Competition After Franchise Relationship) of the Guaranty, to the extent required by Va. Code § 13.1-563(A)(4), the term "Prohibited Activities" as defined in the Guaranty, as incorporated and applied in Section 4(c) during the Restricted Period, shall not include:

(i) owning and/or having any legal or equitable interest, whether as an individual proprietor, owner, partner, member, or shareholder of a Corporate Entity, or in any similar capacity, in a Competitive Business; and

(ii) operating, managing, funding, and/or performing services, whether as an employee, officer, director, manager, consultant, representative, agent, and/or creditor, or in any similar capacity, for or benefitting a Competitive Business.

The foregoing shall not apply to the sale of the Franchised Business at a mutually agreed-upon price. Consistent with Va. Code § 13.1-563(B), in the event that the Franchisee sells the Franchised Business at a mutually agreed-upon price to a third party or back to Franchisor, such sale may, as part of the sale transaction, include a restriction on the right of the selling Franchisee and/or any individual owner or spouse to engage in the business of offering, selling, or distributing goods or services at retail for a period not to exceed two (2) years after the date of such sale.

Notwithstanding the foregoing, all other provisions, covenants, restrictions, and obligations set forth in the Guaranty, including without limitation Section 4(b) (Non-Competition During Franchise Relationship), Section 4(d) (Confidentiality Restrictions), and Section 6 (Personal Guaranty), are not limited or modified by this Addendum, and each such provision, covenant, restriction, and/or obligation shall be independently enforceable without regard to the modification of Prohibited Activities as set forth in this Addendum Section 3.

IN WITNESS WHEREOF, the parties have duly executed and delivered this amendment to Ninja Franchising, Inc. Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor:	**Franchisee:**
Ninja Franchising, Inc.	
By: _____	_____
Signature	Signature
_____	_____
Name and Title (please print)	Name (please print)
_____	_____
Dated	Dated

WASHINGTON STATE FRANCHISE AGREEMENT AMENDMENT

Amendments to the USA Ninja Challenge Franchise Agreement

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws**. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights**. RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation**. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release**. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial**. Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees**. Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee**. The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions**. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing**. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages**. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement**. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification**. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees**. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants**. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements**. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

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

17. **Prohibitions on Communicating with Regulators**. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers**. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Washington State amendment to the Ninja Franchising, Inc. Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor: Ninja Franchising, Inc.	**Franchisee:**
Signature	Signature
Name and Title (please print)	Name (please print)
Dated	Dated



FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT J
STATE EFFECTIVE DATES

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, 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:

Effective Dates	
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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.

FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT K
RECEIPTS

Ninja Franchising, Inc.

RECEIPT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all the agreements carefully.

If Ninja Franchising, Inc. 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 of ours in connection with the proposed franchise sale, or sooner if required by applicable law.

Applicable state laws in New York and Rhode Island require that we give you this document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreements or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this Disclosure Document at least 10 business days before the signing of any binding franchise or other agreement, or the payment of any consideration, whichever occurs first.

If Ninja Franchising, Inc. does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the applicable state administrator identified in Exhibit A of this Disclosure Document. We authorize the respective state agencies identified in Exhibit B of this Disclosure Document to receive service of process for us in the particular state.

The Issuance Date of this Disclosure Document is: April 7, 2026, amended June 30, 2026

The franchise sellers for this offering are:

Name	Principal Business Address	Telephone Number
Richard Knight	14 Chenell Drive, Concord, NH 03301	603-566-9560
Dale Grant	14 Chenell Drive, Concord, NH 03301	603-566-9560

I received a Disclosure Document issued on April 7, 2026, amended June 30, 2026 that included the following exhibits:

A. List of State Administrators	G. List of Franchisees
B. List of Agents for Service of Process	H. List of Franchisees Who Have Left the System
C. Operations Manual Table of Contents	I. State Specific Addenda
D. Financial Statements	J. State Effective Dates
E. Franchise Agreement	K. Receipts
F. Multi-Unit Development Agreement	

Date	**Print Name**	**Signature**
Date	**Print Name**	**Signature**

Please sign this copy of the receipt, date your signature, and return it to Ninja Franchising, Inc., 14 Chenell Drive, Concord, New Hampshire 03301.

Ninja Franchising, Inc.

RECEIPT

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