

FRANCHISE DISCLOSURE DOCUMENT



Vital Care Franchisor LLC
A Delaware limited liability company
12 Cadillac Drive, Unit 230
Brentwood, Tennessee 37027
1-800-447-4095
www.vitalcare.com
info@vitalcare.com

The franchisee will operate a patient infusion and pharmaceutical business under the Vital Care® service mark. Products and services offered by the franchisee include infusion drugs, infusion supplies and equipment, infusion nursing, and other associated professional services for administration of related healthcare.

The total investment necessary to begin operation of a Vital Care® franchise is \$555,750 to \$1,005,785. This includes \$60,000 that must be paid to franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats contact John H. King, 12 Cadillac Drive, Unit 230, Brentwood, Tennessee 37027, (601) 4827490.

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

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

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

Issuance Date: December 19, 2025

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 E and F.
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 B 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 Vital Care franchised 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 Vital Care franchisee?	Item 20 or Exhibits E and F 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 requires you to resolve disputes with us by arbitration only in Tennessee. Out-of-state arbitration may force you to accept a less favorable settlement for disputes. It may also cost you more to arbitrate with us in Tennessee than in your home state.
2. **Mandatory Minimum Payments.** You must maintain minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make these payments may result in termination of your franchise and loss of your investment.
3. **Sales Performance Required.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.
4. **Unopened Franchises.** The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets, largely due to governmental delays in granting applicable licenses. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your own outlet.

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.

**THE FOLLOWING PROVISIONS APPLY ONLY TO TRANSACTIONS GOVERNED BY THE
MICHIGAN FRANCHISE INVESTMENT LAW**

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

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

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

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its 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, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations 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 ENFORCEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan Consumer Protection Division
Attn: Franchise Section
670 G. Mennen Williams Building
525 West Ottawa, Lansing, Michigan 48933
(517) 335-7567

Notwithstanding paragraph (f) above, we intend to enforce fully the provisions of the arbitration sections in our Franchise Agreement. We believe that paragraph (f) is unconstitutional and cannot preclude us from enforcing our arbitration provision. If you acquire a franchise, you acknowledge that we will seek to enforce that section as written, and that the terms of the Franchise Agreement will govern our relationship with you, including the specific requirements of the arbitration section.

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Item 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor is Vital Care Franchisor LLC. To make references easier in this disclosure document (the “**Disclosure Document**”), we will refer to the Franchisor as “**Vital Care**,” or as “**we**,” “**us**” or “**our**.” “**You**” or “**Franchisee**” means the corporation, general partnership, limited partnership, limited liability, or any other type of entity (an “**Entity**”) that buys the franchise. If you are an individual, we require you to form an Entity before purchasing a franchise. Each individual with direct or indirect Ownership Interest in your Entity shall be referred to as an “**Owner**.”

The Franchisor

We are a Delaware limited liability company formed on October 28, 2025. Our principal business address is 12 Cadillac Drive, Unit 230, Brentwood, Tennessee 37027. We do business under our entity name and the names “Vital Care Infusion Services” and “Vital Care.” We began offering franchises for the operation of Vital Care® businesses as of the issuance date of this Disclosure Document. We have not offered franchises in any other line of business, and we do not engage in any other line of business. We have not operated any businesses of the type to be offered under this Disclosure Document. Our agents for service of process are disclosed in Exhibit A.

Parents, Affiliates, and Predecessors

Our immediate predecessor and indirect parent company is Vital Care Infusion Services, LLC (“**VCIS**”), a Delaware limited liability company. VCIS shares our principal business address. From May 1986 to October 2020, VCIS operated as Vital Care, Inc. In October 2020, VCIS converted from an Alabama corporation to a Delaware limited liability company and changed its name to Vital Care Infusion Services, LLC. VCIS offered Vital Care® business franchises from May 1986 to December 2025. VCIS has never offered franchises in any other line of business or engaged in any other line of business. As of December 31, 2024, there were 108 franchised Vital Care® businesses and 2 company-owned Vital Care® businesses in operation. VCIS’s affiliate, KCC Infusion, LLC, currently operates the affiliate-owned Vital Care® businesses in Shreveport, Louisiana and Meridian, Mississippi. Another affiliate, Community Infusion Services, LLC, will be opening a new Vital Care® business in Lakehurst, New Jersey in 2026.

We are a wholly-owned subsidiary of Vital Care Issuer LLC, a Delaware limited liability company (“**Vital Care Issuer**”). Vital Care Issuer is a wholly-owned subsidiary of Vital Care Subnote Issuer LLC (“**Vital Care Subnote Issuer**”), a Delaware limited liability company, which is a wholly-owned subsidiary of Vital Care Holdco Guarantor LLC (“**Vital Care Holdco**”), a Delaware limited liability company. The principal business address of Vital Care Issuer, Vital Care Subnote Issuer, and Vital Care Holdco is 12 Cadillac Drive, Unit 230, Brentwood, Tennessee. Neither Vital Care Issuer, Vital Care Subnote Issuer, nor Vital Care Holdco have offered franchises in any other line of business or operated any business of the type to be offered under this Disclosure Document. Vital Care Issuer, Vital Care Subnote Issuer and Vital Care Holdco were formed as part of the Securitization Transaction (as defined and described below).

VCIS is the direct parent company of Vital Care Holdco. VCIS is an indirect, wholly-owned subsidiary of Vital Care Holdings, LLC, a Delaware limited liability company (“**Vital Care Holdings**”). Vital Care Holdings has a principal business address at 12 Cadillac Drive, Unit 230, Brentwood, Tennessee 37027. Vital Care Holdings is owned by private equity funds managed by Berkshire

Partners, a Boston-based private equity firm located at 200 Clarendon Street, 35th Floor, Boston, MA 02116, Leonard Green & Partners, a Los Angeles-based private equity firm located at 11111 Santa Monica Blvd # 2000, Los Angeles, CA 90025, and Linden Capital Partners, a Chicago-based private equity firm located at 110 N. Wacker Drive, 55th Floor, Chicago, Illinois 60606.

We do not have any affiliates that offer franchises in any line of business, except that Leonard Green & Partners (one of Vital Care Holdings' owners) owns a minority interest in Zaxby's SPE Franchisor LLC ("**Zaxby's Franchisor**"), which offers franchises for quick service restaurants that operate under the "Zaxby's" trademark. Zaxby's Franchisor began offering Zaxby's franchises in July 2021 following a securitization transaction. Prior to the securitization and since 1994, Zaxby's Franchisor's predecessor, Zaxby's Franchising LLC, offered Zaxby's franchises. As of December 31, 2024, there were approximately 950 franchised, and approximately 50 affiliate-owned, Zaxby's restaurants in the United States.

Although not an affiliate, a portfolio company that Linden Capital Partners acquired in June 2024, IVX Health of 214 Centerview Drive, Suite 250. Brentwood, TN 37027, provides infusion services (although not home infusion) through approximately 130 company-owned clinics (as described in Item 12 below). Further, our affiliates do not provide products or services to our franchisees, except that (as described in Item 8 below) a portfolio company of Leonard Green & Partners, Wellsky Corporation, provides CareTend software to the franchise System, including by sublicense to our franchisees.

The Securitization Transaction

As a result of a secured financing transaction which closed in December 2025 (the "**Securitization Transaction**"), VCIS and its affiliates were restructured. All Vital Care[®] franchise agreements (and all ancillary agreements) were transferred to us. As a result, we became the franchisor of the Vital Care[®] system. Ownership and control of all U.S. trademarks and certain intellectual property relating to the operation of Vital Care[®] businesses were also transferred to us.

We became a party to a management agreement with VCIS, the former franchisor of the Vital Care[®] system, pursuant to which VCIS provides required support and services to Vital Care[®] businesses and franchisees under their franchise agreements with us. VCIS also acts as our sales agent. However, as franchisor, we will be responsible for and accountable to you for all support and services we agree or promise to provide and perform under the Franchise Agreement (defined below) or other agreement you may sign with us, regardless of who performs these services on our behalf.

The Vital Care Franchise

We offer franchises for the establishment and operation of a patient infusion and pharmaceutical business operating under the Vital Care[®] mark that offers, sells, dispenses, or provides the VC Offerings (a "**VC Business**"). The "**VC Offerings**" include (i) the Therapies (as defined below), (ii) patient-specific, physician prescribed pharmaceuticals that are compounded by the VC Business; (iii) patient-specific, physician-prescribed biologicals, nutrients, and solutions for administration via infusion and enteral routes in the home and other outpatient settings; (iv) pharmacy consulting services and nursing services necessary for the provision of Therapies; (v) products, supplies, and equipment necessary to the provision of Therapies; and (vi) other products or services that we may specify in our Confidential Franchise Operations Manuals, including the Standard Operating Manual and related policies and procedures (the "**Manuals**") periodically.

The “**Therapies**” include all therapies delivered by intramuscular, intradermal, subcutaneous, intrathecal, epidural, intraspinal, enteral, and intravenous routes (including but not limited to infusion, IV push, and IV bolus), including (i) parenteral nutrition and parenteral products, (ii) enteral nutrition and enteral products, (iii) antimicrobial therapy, (iv) pain management, (v) hydration therapy with or without electrolytes, (vi) tocolytic therapy, (vii) chemotherapy and related products, (viii) blood modifiers, (ix) specialty pharmaceuticals, (x) antihemophilic factors, (xi) immune globulins, (xii) chelation, (xiii) monoclonal antibodies, (xiv) antivirals, (xv) antifungals, (xvi) antiprotozoals, (xvii) glucocorticoids, (xviii) growth hormones, (xix) fertility therapy, (xx) inotropic/cardiac therapy, (xxi) blood products, (xxii) antiemetics, (xxiii) transplant support, (xxiv) anticoagulation, (xxv) biological response modifiers, (xxvi) antihistamine therapy, (xxvii) colony stimulating factors, (xxviii) diuretics, (xxix) immunosuppressive therapy, (xxx) plasma expanders, (xxxi) IV services, and (xxxii) other forms of pharmaceutical therapy, including developing therapies consistent with the Therapies, and as otherwise specified by us periodically in the Manuals.

VC Businesses operate under the Vital Care® mark and certain other trademarks, service marks, trade names, signs, associated designs, artwork, and logos (collectively, the “**Marks**”). We may designate other trade names, service marks, and trademarks as Marks and may change the Marks at any time.

VC Businesses operate under a prescribed system of specifications and operating procedures that we and VCIS have developed and will continue to develop (the “**System**”). The distinguishing characteristics of the System include, but are not limited to, our business designs, layouts, and identification schemes (collectively, the “**Trade Dress**”); site selection assistance; our billing and claims processing software and methods; our specifications for equipment, equipment layout, inventory, and supplies; our website or series of websites for the Businesses (the “**System Website**”); our relationships with vendors; the accumulated experience reflected in our training program, operating procedures, customer service standards methods, inventory and cost control techniques, and marketing techniques; and the mandatory and suggested policies, procedures, standards, specifications, rules, and requirements (“**System Standards**”) set out in our Manuals and otherwise in writing. We may change, improve, add to, and further develop the elements of the System periodically.

If you decide to purchase a VC Business, and we, in our sole discretion, decide to grant you a VC Business to be operated in a territory that we designate (the “**Territory**”), you must sign our then-current form of franchise agreement, the current form of which is attached as Exhibit C to this Disclosure Document (the “**Franchise Agreement**”). If you own an existing VC Business and are renewing your right to operate your VC Business, in addition to signing the Franchise Agreement, you will be required to sign a renewal addendum, the current form of which is attached as Exhibit J to this Disclosure Document (the “**Renewal Addendum**”). If you are executing the Franchise Agreement as a condition of our consent to the transfer of an existing VC Business, and the VC Business is, at the time of the transfer, operated under a franchise agreement executed prior to April 2, 2021, you will be required to sign a transfer addendum, the current form of which is attached as Exhibit K to this Disclosure Document (the “**Transfer Addendum**”). The Renewal Addendum and Transfer Addendum will delay your obligation to comply with certain provisions of the Franchise Agreement until the one-year anniversary of signing such addendum.

In addition, when you sign the Franchise Agreement, you also must also sign our then-current form of Business Associate Agreement, the current form of which is attached as Exhibit D to this Disclosure Document. The Business Associate Agreement is required by the Health

Insurance Portability & Accountability Act of 1996 (“**HIPAA**”) to guarantee the privacy of personal health information related to your customers or patients (the “**Patients**”).

Each VC Business must operate a primary infusion center (a “**Primary Center**”) within the Territory that includes at the same location (i) a closed-door infusion pharmacy and clean room (collectively, an “**Infusion Pharmacy**”) and (ii) a suite consisting of one or more treatment rooms where Therapies may be administered to Patients (an “**Infusion Suite**”). Your VC Business will be headquartered and operated from your Primary Center.

In addition, we may, in our sole discretion, permit you to operate in the Territory additional Infusion Suites at locations other than the Primary Center (i) that are staffed by a trained attendant (a “**Remote Infusion Suite**”) or (ii) that are staffed by a doctor or nurse practitioner (a “**Remote Infusion Clinic**”) provided that they are located within your Territory and otherwise meet the conditions we establish. We refer to Remote Infusion Suites and Remote Infusion Clinics collectively as “**Remote Centers**,” and we refer to Primary Centers and Remote Centers collectively as “**Centers**.” If we, in our sole discretion, permit you to offer the VC Offerings from one or more Remote Centers located in the Territory, we, you, and, if applicable, the Clinic Operator (as defined below) will execute an “Authorization to Operate a Remote Center” (the “**Remote Center Authorization**”), the current form of which is attached as Appendix B to the Franchise Agreement, which will identify each Remote Center site. All pharmaceuticals used in providing the Therapies at all Remote Centers must be dispensed by your Primary Center’s Infusion Pharmacy; Remote Centers may not include an Infusion Pharmacy. If you desire to close your Remote Center, you must provide us with at least 45 days’ advance written notice.

A Remote Infusion Clinic may be owned and operated by you or an Entity that is majority-owned by your Owners and approved by us, or by an Entity owned by a third-party that is approved by us (the “**Clinic Operator**”). You must provide us with a copy of any agreements between you and the Clinic Operator. If applicable the Clinic Operator will also be required to execute the Remote Center Authorization and must comply with applicable terms of the Franchise Agreement. In addition, each direct or indirect owner of the Clinic Operator who is not one of your Owners will be required to sign our then-current form of guarantee to personally guarantee the Clinic Operator’s obligations under the Franchise Agreement. You will be responsible for ensuring that the Clinic Operator operates the Remote Infusion Clinic as required by the Franchise Agreement.

You must designate one individual Owner with at least a 25% Ownership Interest in your Entity as the “**Operating Principal**,” unless we modify this requirement in our sole discretion. The Operating Principal must have authority over all business decisions related to your VC Business and must have the power to bind you in all dealings with us.

In addition, you must appoint a full-time trained manager who is solely devoted to the management of the day-to-day business of your VC Business, and may be the Pharmacist-In-Charge (the “**Key Manager**”). Your Operating Principal may serve as your Key Manager, unless we believe that he or she does not sufficient experience or qualifications,. Your Key Manager is not required to have an Ownership Interest in your entity.

You must also appoint a compliance officer who has oversight of the VC Business and is authorized to make healthcare compliance-related decisions (the “**Compliance Officer**”). The Compliance Officer must be granted the resources necessary to perform the role and will be required to participate in any compliance initiative designated by us.

Depending on your type of Entity, “**Ownership Interest**” is defined as follows: (i) if your Entity is a corporation, Ownership Interest means share(s) of capital stock (whether common stock, preferred stock, or any other designation) or other equity interest(s); (ii) if your Entity is a limited liability company, Ownership Interest means membership interest(s) or other equity interest(s); (iii) if your Entity is a partnership, Ownership Interest is a general or limited partnership interest; (iv) if your Entity is a Trust, Ownership Interest is a beneficial interest in the trust; and (5) in relation to any Entity (including those described in (i) through (iv) above), any other interest in that Entity or its business that allows the holder of that interest (whether directly or indirectly) to direct or control the direction of the management of the Entity or its business (including a managing partner interest in a partnership, a manager or managing member interest in a limited liability company, and a trustee of a trust), or to share in the revenue, profits or losses of, or any capital appreciation relating to, the VC Business, that Entity or its business.

Competition

The business of providing health care products and services is intensely competitive with respect to both price and service. You will be competing with other businesses providing similar products and services, including Option Care Health, Coram CVS, Amerita, Kabafusion, IVX Health (as to your operation of Infusion Suites and Remote Centers), Optum Infusion Pharmacy, Palmetto Infusion, Soleo Health, and CarelonRx nationally, as well as regional, local, and hospital-owned providers. The business of providing health care products and services is developed in most areas. Your ability to compete in the market will depend in large part on your own capabilities, the individuals you hire, and the general economic conditions in your area. Our business is not substantially seasonal.

Industry Regulations

The business of providing health care products and services is strictly regulated by both federal and state laws, rules and regulations. You must comply with (i) federal laws relating to Medicare (42 U.S.C. 1320(a)-7(a)), the Federal Controlled Substances Act of 1970 (Title 21, Ch. 2, C.F.R., 21 C.F.R. 1300), and HIPAA, (ii) state pharmacy regulations applicable to drug distribution, and (iii) state Medicaid rules and regulations in the state in which the licensed business will be operated. You must also comply with all local, state and federal health and sanitation laws and building and zoning requirements, and laws governing your relationship with employees, including minimum wage requirements, overtime, working conditions and citizenship requirements. There may be other laws applicable to your business, and we urge you to make further inquiries about these laws.

Item 2

BUSINESS EXPERIENCE

Unless otherwise noted, the individuals listed below perform their duties in Brentwood, Tennessee.

Chief Executive Officer and President of Vital Care and VCIS: Mr. Stephen Foreman

Mr. Foreman has served as our Chief Executive Officer and President since October 2025. He has served as VCIS's Chief Executive Officer and President since October 2021. From June 2021 to October 2021, Mr. Foreman served as VCIS's Operating Advisor. From July 2020 to June 2021, Mr.

Foreman served as President and Chief Operating Officer for AdaptHealth Corp., located in Plymouth Meeting, Pennsylvania.

Chief Financial Officer of Vital Care and VCIS: Mr. Brett Edward Dethmers

Mr. Dethmers has served as our Chief Financial Officer since October 2025. He has served as VCIS's Chief Financial Officer since February 2021. From February 2019 to February 2021, Mr. Dethmers was the Chief Operating Officer/Chief Financial Officer for SMP Pharmacy Solutions in Miami, Florida. Mr. Dethmers serves in his present capacities in Nashville, Tennessee.

Chief Operations Officer of VCIS: Dr. Michael S. Kirkbride

Dr. Kirkbride has served as VCIS's Chief Operations Officer since January 2024. Dr. Kirkbride has also served as a surveyor for Accreditation Commission for Health Care since January 2010. From August 2022 to December 2023, Dr. Kirkbride served as VCIS's Chief Compliance and Ethics Officer. From August 2020 to August 2022, Dr. Kirkbride was the Division President of Compassus in Brentwood, Tennessee. Dr. Kirkbride serves in his present capacities in Arrington, Tennessee.

Executive Vice President of Trade Relations and Strategy of VCIS: Dr. Logan E. Davis

Dr. Davis has served as VCIS's Executive Vice President of Trade Relations and Strategy since September 2024. From April 2022 to September 2024, Dr. Davis served as VCIS's Vice President of Trade, and from January 2012 to April 2022, he served as VCIS's Director of Franchise Development. In addition, since October 2013, Dr. Davis has been an owner of Druid City Infusion, LLC, a multi-unit Vital Care franchisee. Dr. Davis served on the Board of Directors of the National Home Infusion Association from January 2013 to March 2023, and served as its Chairman of the Board from 2019 to 2021. Dr. Davis serves in his present capacities in Meridian, Mississippi.

Chief Marketing Officer of VCIS: Robert ("Tripp") McLaughlin, III

Mr. McLaughlin has served as VCIS's Chief Marketing Officer since January 2025. From June 2022 to January 2025, he served as the Chief Marketing Officer for the Honey Baked Ham Company, located in Atlanta, Georgia. From July 2013 to June 2022, Mr. McLaughlin served in various positions with Hilton, including as Vice President and Global Brand Head for Motto by Hilton, located in McLean, Virginia. Mr. McLaughlin serves in his present capacities in Atlanta, Georgia.

National Director, Franchise Sales of VCIS: Christian VonDrehle

Mr. VonDrehle has served as VCIS's National Director, Franchise Sales since August 2021. From January 2017 to August 2021, Mr. VonDrehle served as VCIS's Director of Sales. Mr. VonDrehle serves in his present capacities in Nashville, Tennessee.

Vice President of Franchise Onboarding and Development: Christopher Gates

Mr. Gates has served as VCIS's Vice President of Franchise Onboarding and Development since November 2025. From March 2025 to November 2025, Mr. Gates served as Senior Vice President of Development for Directional Capital, located in Atlanta, Georgia. From June 2019 to March 2025, Mr. Gates was the Senior Director of Development for The Honey Baked Ham Company, located in Alpharetta, Georgia. Mr. Gates serves in his present capacities in Cumming, Georgia.

General Counsel and Chief Compliance Officer of VCIS: Patricia A. McCormick

Ms. McCormick has served as VCIS's General Counsel and Chief Compliance Officer since May 2024. From September 2020 until May 2024, Ms. McCormick was General Counsel and Chief Compliance Officer for AEG Vision of Dallas, Texas. Ms. McCormick serves in her present capacities in Toledo, Ohio.

Chief Information Officer of VCIS: David Malatestinic

Mr. Malatestinic has served as VCIS's Chief Information Officer since January 2024. From October 2020 to January 2024, Mr. Malatestinic was Vice President and Head of Information Technology for Hopebridge, LLC located in Indianapolis, Indiana.

Vice President of Managed Marketing and Strategy of VCIS: Mark E. Flexsenhar

Mr. Flexsenhar has been VCIS's Vice President, Managed Markets and Strategy since May 2022. From January 2017 to May 2022, Mr. Flexsenhar was Vice President, Managed Markets for Option Care Health, Inc. located in Bannockburn, Illinois.

Sales Manager of VCIS: Marcus L. Williams

Mr. Williams has served as VCIS's Sales Manager since October 2021. From October 2015 to July 2021, Mr. Williams served as the Human Resources Manager for Kroger Specialty Pharmacy in Lake Mary, Florida. Mr. Williams serves in his present capacities in Lake Mary, Florida.

Item 3

LITIGATION

No litigation is required to be disclosed in this Item.

Item 4

BANKRUPTCY

No bankruptcies are required to be disclosed in this Item.

Item 5

INITIAL FEES

The initial franchise fee (the "**Franchise Fee**") is \$60,000 for your first VC Business and \$40,000 for your second and each subsequent VC Business. The Franchise Fee is due in full upon your execution of the Franchise Agreement and is not refundable under any circumstances. In its fiscal year ending on December 31, 2024, VCIS collected Franchise Fees ranging between \$25,000 and \$60,000.

You are not required to pay us or our affiliates any other fees for services or goods before your VC Business opens.

Item 6

OTHER FEES

OTHER FEES (1)

Type of Fee	Amount	Due Date	Remarks
Royalty Fees	The aggregate of: 19.25% of Gross Revenue related to the sale of Non-Specialty Therapies; 10.25% of Gross Revenue related to the sale of Specialty Therapies; 3.25% of Gross Revenue related to the sale of Select Specialty Therapies; 1.75% of Gross Revenue related to the sale of Access Therapies; and 19.25% of Gross Revenue related to any other products or services sold by your VC Business.	Currently due monthly by the 10 th . See Note 4.	See Note 2 for the definition of Gross Revenue. See Note 3 regarding the designation of Therapy types. See Note 6 regarding the timing of the calculation of Royalty Fees.
Increased Royalty Fee	An additional royalty fee of between 0% and 2%.	Currently due monthly by the 10 th . See Note 4.	Payable if your trailing twelve-month (“ TTM ”) Gross Revenue exceeds \$10,000,000 in any month. See Note 2 for the definition of Gross Revenue, See Note 5 for the Increased Royalty Fee rates and corresponding TTM Gross Revenue levels. See Note 6 regarding the timing of the calculation of Royalty Fees.
Marketing Fee	Currently not collected, but we may collect a fee of up to 1% of Gross Revenue.	Currently due monthly by the 10 th . See Note 4.	You must begin contributing the Marketing Fee to the Vital Care Brand Fund (the “ Brand Fund ”) when and if we form the Brand Fund. See Note 2 for the definition of Gross Revenue.

Type of Fee	Amount	Due Date	Remarks
Marketing Spending Requirement	A minimum of 1% of Gross Revenue	As incurred.	In addition to your Marketing Fee, each calendar year, you must spend a minimum of 1% of the Gross Revenue earned in the previous calendar year on local advertising and promotional activities, which will be payable directly to third-party vendors. If you fail to pay the required amount in any period, we may require you to pay us the shortfall as an additional Marketing Fee or to pay us the shortfall for us to spend on local marketing for your VC Business. Any amounts that you contribute to an Advertising Cooperative (as defined in Item 11) will count towards your Marketing Spending Requirement.
Technology Fee	Currently not collected, but we may collect a fee of up to 0.5% of Gross Revenue.	Monthly by the 10 th . See Note 4.	We may collect the Technology Fee, which is in addition to the Pharmacy Software Fee and the Cyber Security Fees, to cover the costs of technology-related products and services (other than the Pharmacy Software) that we may provide, or arrange for third parties to provide, to you, such as a CRM platform, PCI-DSS support, national website, helpdesk, and brand marketing technology and applications. We may add, delete, or otherwise modify the products and services that are included in the Technology Fee. We may change the Technology Fee at any time and in any incremental amount (up to 0.5% of Gross Revenue) by providing you at least 30 days' prior written notice of any change.

Type of Fee	Amount	Due Date	Remarks
Pharmacy Software Fee	Currently, \$1,500 per month for the first Center (which includes a block of 5 concurrent users); \$750 per month for each additional Center; and \$500 per month for each additional block of 5 concurrent users.	Monthly by the 10 th . See Note 4.	The Pharmacy Software Fee, which is in addition to the Technology Fee, is for a license to use the pharmacy software (the “ Pharmacy Software ”) that we require. Generally, we may change the fee at any time by providing you with at least 30 days’ prior written notice. Under the current Pharmacy Software License (as defined in Item 8), we may pass through to you any increase in monthly fees imposed on us by the licensor of the Pharmacy Software; however, we may only increase the monthly fee once per year at a rate no greater than 5% per year, beginning two years after the date of your Pharmacy Software License.
Cyber-Security Software Fee	Currently, \$500 to \$1,500 annually, depending on the number of users	Monthly by the 10 th . See Note 4.	The Cyber Software Fees, which are in addition to the Technology Fee and Pharmacy Software Fee, are fees related to any cyber-security initiative, including any monthly fees and, if applicable, hardware fees, associated with the Cyber Security Standards (as defined in Item 8). We will specify the Cyber Security Fees in the Manuals and generally, we may change the fee at any time by providing you with at least 30 days’ prior written notice; however, we may only increase the monthly fee once per year at a rate no greater than 5%, beginning two years after the date of the signing of the Cyber Security Standards.
Successor Fee	25% of the applicable then-current Franchise Fee	Upon execution of successor franchise agreement	Payable if you enter into a successor franchise agreement. Under the Renewal Addendum, however, a franchisee will pay a renewal fee in the amount of \$4,000.

Type of Fee	Amount	Due Date	Remarks
Transfer Fee	Control Transfer: The greater of \$100,000 or 3% of the then-current enterprise value of the VC Business, plus our administrative costs Non-Control Transfer, \$10,000, plus our administrative costs	When you apply for our consent to transfer, or at closing by wire transfer from the proceeds of the sale, if we so request	Subject to state law, payable if you transfer any direct, indirect or beneficial interest in the Franchise Agreement, the VC Business, substantially all of the assets of the VC Business; or any direct or indirect Ownership Interest in you. Such Transfer Fees are payable for each Transfer, and without regard to the number of Transfers under Franchise Agreements that may simultaneously be taking place. No Transfer Fee is payable in connection with a transfer upon any Owner's death, incapacity, or bankruptcy.
Payment Processing Fee	A reasonable monthly fee, plus a reasonable per transaction charge	Upon demand	We may require you to use us, our affiliate, or a third-party processor to process all credit card transactions related to your VC Business. If we require you to use us or our affiliates, we will disclose to you any required fees that you must pay.
Late Fee and Interest	18% per annum or maximum interest rate allowed by law (whichever is less) from due date to date of payment, plus \$100 for each week that a payment is paid after the due date for the payment specified	When amount owed becomes past due	Required whenever a payment to us is made after its due date.
Training Fees	Currently, we do not charge a training fee for additional or replacement trainees, but we reserve the right to charge, for each applicable training session, a per person training fee of \$1,000 in the future.	Within 10 days of receipt of an invoice	The cost of providing instructors, facilities, and materials for required trainees (as further described in Item 11) (the "Required Trainees") is included in the Franchise Fee, as long as all of your trainees are trained during the same training session. We may charge this fee for (i) each person other than the Required Trainees, (ii) each person who is repeating the course or replacing a person who did not pass, and (iii) each subsequent Owner, Operating Principal, Key Manager, Account Executive, or employee who attends the course. We may increase the fee, if charged, upon 60 days' written notice.

Type of Fee	Amount	Due Date	Remarks
Optional Additional Training Programs	Varies based on program	Within 10 days of receipt of an invoice	We may charge you a reasonable fee for optional training programs that we may provide.
In-Person Consulting Services	Currently, \$500 per employee or agent for each full or partial day, plus their travel and living expenses.	Within 10 days of receipt of an invoice	Payable if we provide requested consulting services in person at a place other than our offices. We may increase this fee upon 60 days' prior written notice.
Temporary Key Manager	Currently, \$500 per employee or agent for each full or partial day, plus their travel and living expenses plus our actual costs and expenses	Within 10 days of receipt of an invoice	Payable if we provide a Key Manager to work at your VC Business, after the departure of your previous manager, until a new Key Manager is hired and trained. If you require a Key Manager for more than 30 days and we agree to provide one, we may negotiate a different fee.
Temporary Management	3% of Gross Revenue during the period of management, plus any direct out of pocket costs and expenses	Within 10 days of receipt of an invoice	Payable if we exercise our right to manage your VC Business after a default.
Mandatory Seminars, Conventions or Programs	Reasonable registration fee for you and any employees who attend. The estimated range of costs for each event will be \$0 to \$2,500 per person. If you do not attend mandatory seminars, conventions or any other required events, you must pay us the applicable registration fee plus \$500, regardless of the cause for non-attendance, unless you receive our advance written approval for such absence.	Prior to attending the event	Payable for you and your employees who attend any franchise conventions, meetings, and teleconferences that we may require periodically. The registration fee may vary from event to event based on the costs and expenses we expect to incur. You are responsible for the travel and living expenses of you and your employees.

Type of Fee	Amount	Due Date	Remarks
Product, Service, Supplier, and Service Provider Review	Our reasonable cost of the inspection and our actual cost of testing the proposed product or evaluating the proposed service or service provider, including personnel and travel costs	Upon demand	Payable if you wish to offer products, services, or Therapies or use any supplies, Operating Assets, or services that we have not approved or wish to purchase from a supplier or service provider that we have not approved, whether or not we approve the item, service, supplier, or service provider.
Insurance	Cost of the premium plus a reasonable fee for our services in procuring the insurance	Upon demand	Payable only if you fail to maintain the minimum insurance we require and we choose to procure the required insurance for you.
Audit	Our costs and expenses, including costs for an independent accountant and attorneys' fees and related travel and living expenses	Within 10 days of demand	Payable if audit or review shows an understatement of Gross Sales for the audited or reviewed period of 2% or more.
Inspection	Our costs incurred in the inspection, including travel and living expenses and wages of our representatives	Upon demand	Payable if inspection is necessitated by your repeated or continuing failure to comply with any provision of the Franchise Agreement.
Remedial Expenses	A reasonable fee, plus our costs and expenses incurred in the inspection	Upon demand	Payable if we correct deficiencies that we identified during an inspection and you failed to correct within a reasonable time after notice from us.
Indemnification	Amount of our liabilities, fines, losses, damages, costs and expenses (including reasonable defense costs)	Upon demand.	Payable if we incur losses due to your breach of the Franchise Agreement or any other action or inaction by you or any other person relating to your VC Business.
Enforcement Expenses	Our actual expenses (including attorneys' fees, arbitrators' fees, and court costs)	Upon demand	Payable if we incur costs related to enforcing the Franchise Agreement or any other obligation owed by you or your affiliates (unless we initiate and do not substantially prevail in a legal proceeding) or if we substantially prevail in defending against claims brought by you or your affiliate.

Type of Fee	Amount	Due Date	Remarks
National Home Infusion Association (the "NHIA") Membership Fees	Varies based on your revenue. Current fees range between \$500 and \$2,500 per year.	As invoiced	Payable if you opt to receive the benefits of a NHIA membership through our group membership. The fee will be your pro rata share of the group membership fee based on your annual revenue. This fee may change annually based on the fees charged by the NHIA and the number of franchisees who elect to participate.
Liquidated Damages - Our Termination of the Franchise Agreement	See Note 5.	Upon demand	Payable if we terminate the Franchise Agreement after an Event of Default (as defined in the Franchise Agreement).
Liquidated Damages – Sale or Transfer of Restricted Assets and Equity	Compensation that you have received, or are entitled to receive in the future, in connection with your sale or transfer of any Restricted Assets and Equity (as defined in Item 17(r)) to a restricted party	Upon demand	Payable if, during the two years following expiration or termination of the Franchise Agreement, you sell or transfer any Restricted Assets and Equity to a party that you know or suspect, or reasonably should know or suspect, operates or intends to operate a Competitive Business (as defined in Item 17(q)), and (a) the acquiror violates the restrictive covenants detailed in Item 17(r), and you fail to enforce those covenants, or (2) you failed to secure our prior written consent for that sale or transfer, as required under the Franchise Agreement

Notes:

1. All of the fees in the table above are imposed by us, payable to us, non-refundable, and are uniformly imposed. You must use the payment methods we designate. You must furnish us and your bank with any necessary authorizations to make payment by the methods we require.
2. **"Gross Revenue"** means all revenue and other consideration that you receive or otherwise derive from operating the VC Business, including all Centers that you operate and all Therapies you provide at, or deliver to, Patients' locations (i) whether from cash, check, credit or debit card, gift card or gift certificate, other credit transactions, or reimbursements, (ii) whether you collect the revenue or we or our affiliates collect the revenue on your behalf, (iii) regardless of the payer or source of funds, (iv) regardless of collection, and (v) regardless of when you actually provide the VC Offerings or other products or services in exchange for the revenue. For the avoidance of doubt, Gross Revenue includes all revenue, true-up payments, rebates, or any other payments billed or received through Medicare Transaction Facilitators (or MTFs) or any other alternative payment channels established and defined by the U.S. government. If you receive any proceeds from any business interruption insurance applicable to loss of revenue at the VC Business, there shall be added to Gross Revenue an amount equal to the imputed gross revenue that the insurer used to calculate those proceeds. Gross Revenue does not

include any sales or other taxes that you collect from Patients and pay directly to the appropriate taxing authority. You may not deduct payment provider fees (i.e., bank or credit card company fees), or any other consideration received (whether in the form of rebates, promotional allowances, or otherwise) from your Gross Revenue calculation.

3. We will periodically, in our reasonable discretion, designate Therapies as Non-Specialty Therapies, Specialty Therapies, Select Specialty Therapies, and Access Therapies based on, among other factors, the category and class of drug, the pricing and discounts offered by suppliers, the actual or anticipated profitability of the Therapy for franchisees, the length of time that a drug has been on the market, the dosage required, and the rarity of the Therapy. Generally, (i) “**Non-Specialty Therapies**” will include most Therapies used to treat acute conditions (such as hydration, anti-infectives, infusion nursing, and infusion per diems), (ii) “**Specialty Therapies**” will include most Therapies used to treat chronic conditions and some Therapies used to treat acute conditions, (iii) “**Select Specialty Therapies**” will include most Therapies used to treat very rare diseases and most Therapies that are new to the market, and (iv) “**Access Therapies**” will include certain Therapies that are strategically important for VC Businesses. However, there will be exceptions to these general categories. We will modify the Manuals when we add a new Therapy or re-classify an existing Therapy. If the classification of a Therapy changes, you will be required to pay the applicable Royalty Fee based on the Therapy’s then-current classification at the time the Therapy is provided.
4. All claims submitted by you (or by us) in connection with the VC Business, except Direct Claims, shall be collected by and remitted to us. “**Direct Claims**,” which include all Medicare, Medicaid, and pharmacy benefit manager claims and other claims preauthorized in writing by us submitted by you (or us) in connection with the VC Business, shall be collected by and remitted to you. With respect to Gross Revenue collected by and remitted to us on your behalf, we may withhold the Royalty Fee, Increased Royalty Fee, Marketing Fee, Technology Fee, Pharmacy Software Fee and Cyber Security Fees (collectively, the “**Operating Fees**”) from the amounts we collect before remitting such amounts to you. We will remit all funds collected on your behalf, less the Operating Fees, within 15 days of our receipt of such payment from the paying agency or individual Patient.

If you derive any revenue based on payments or promotional allowances received from suppliers and/or distributors, you must report to us the details of the arrangement, and such revenue will be included as part of your Gross Revenue.

5. If your TTM Gross Revenue exceeds \$10,000,000 in any month, you will be charged an additional Royalty Fee (the “**Increased Royalty Fee**”) in that and all subsequent qualifying months, as follows:

<u>TTM Gross Revenue</u>	<u>Increased Royalty Fee</u>
\$0 – 9,999,999	0.00%
\$10,000,000 - \$19,999,999	0.25%
\$20,000,000 - \$29,999,999	0.50%
\$30,000,000 - \$39,999,999	0.75%

\$40,000,000 - \$49,999,999	1.00%
\$50,000,000 - \$59,999,999	1.25%
\$60,000,000 - \$69,999,999	1.50%
\$70,000,000 - \$79,999,999	1.75%
\$80,000,000+	2.00%

The Increased Royalty Fee will continue to be calculated and paid monthly; however (i) if the TTM Gross Revenue of your VC Business is less than \$10,000,000 in any month, the Increased Royalty Fee will not be assessed, and (ii) if the TTM Gross Revenue of your VC Business is equal to or greater than \$80,000,000, the Increased Royalty Fee will not exceed 2% for each qualifying month. The Increased Royalty Fee is in addition to the standard Royalty Fee.

6. The **"Royalty Fees"** (which includes both the standard Royalty Fee and the Increased Royalty Fee) will be calculated when the cash is collected or received by you or us using the applicable Royalty Fee that is in effect as of such date, rather than the Royalty Fee that was in effect when the products or services were provided. If a billing adjustment results in the refund of any Royalty Fees, the Royalty Fees will be refunded using the applicable Royalty Fee that is in effect as of the date of the refund, rather than the Royalty Fee that was in effect when the Royalty Fee was originally paid. Royalty Fees are not subject to refund or recoupment as a result of billing adjustments.
7. If we terminate the Franchise Agreement after an Event of Default, you must pay us, as liquidated damages, an amount equal to:

Timing of Termination	Liquidated Damages Calculation
If the Agreement is terminated two years, or less than two years, after the date on which your VC Business initially opens for business (as determined by the date that the first Patient is charged and even if it was originally operated by another party prior to a Transfer to you)	The greater of - (A) \$250,000 <i>or</i> (B) the average Royalty Fees and, if applicable, Marketing Fees owed by you per month over the 12-month period preceding termination (or, if the VC Business was not open throughout that 12-month period, the average Royalty Fees and, if applicable, Marketing Fees owed by you per month for the period during which the VC Business was open) <i>multiplied by 48</i>

Timing of Termination	Liquidated Damages Calculation
If the Agreement is terminated more than two years after the date on which your VC Business initially opens for business (even if it was originally operated by another party prior to a Transfer to you)	The average Royalty Fees and, if applicable, Marketing Fees owed by you per month over the 12-month period preceding termination <i>multiplied by -</i> (i) 48, if there are 48 or more months remaining in the then-current term, (ii) the number of months remaining in the then-current term, if there are 13 to 47 months remaining in the term, <i>or</i> (iii) 12, if there are 0 to 12 months remaining in the then-current term

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Item 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type Of Expenditure (1)	Amount		Method Of Payment	When Due	To Whom Payment Is To Be Made
	Low	High			
Franchise Fee (2)	\$60,000	\$60,000	Lump Sum	Upon your signing the Franchise Agreement	Us
Third-Party Training and Travel and Living Expenses During Our Initial Training Program (3)	\$1,000	\$4,300	As incurred	During training	Third-party trainers, airlines, hotels, and restaurants
Accreditation (4)	\$6,750	\$11,375	As incurred	Prior to opening	Third Parties
Rent and Security Deposit (5)	\$5,600	\$16,000	As incurred	Prior to opening	Landlord
Leasehold Improvements (6)	\$135,000	\$285,000	As incurred	Prior to opening	Contractors, architects, suppliers, and other third parties
Utilities (7)	\$6,250	\$16,900	As incurred	Prior to opening	Suppliers
Furniture, Fixtures, Equipment, and Signage (8)	\$7,800	\$23,760	As incurred	Prior to opening	Contractors and/or suppliers and other third parties
Technology System (9)	\$13,000	\$15,200	As incurred	Prior to opening	Third-party vendors
Inventory (10)	\$4,900	\$16,000	As incurred	Prior to opening	Third-party vendors
Grand Opening Advertising (11)	\$5,000	\$5,000	As incurred	Prior to opening	Suppliers
Insurance and Surety Bond (12)	\$6,850	\$10,700	Deposit and periodic payments	Prior to opening	Insurance company
Professional Fees (13)	\$12,200	\$24,500	As incurred	Pre-opening	Third parties
Staffing (14)	\$17,400	\$150,000	As incurred	Pre-opening	Employees
Additional Funds - 6 Months (15)	\$274,000	\$367,000	As incurred	As incurred	Employees, suppliers, other third parties
TOTAL (16)	\$555,750	\$1,005,735			

Notes:

1. General. All fees and payments are non-refundable, unless otherwise stated or permitted by the payee. We do not offer financing for any part of your initial investment. These estimates are for the cost of establishing a new VC Business with a Primary Center. These estimates do not include the cost of developing an optional Remote Center. These estimates will not apply to existing franchisees entering into a successor term or franchisees converting their existing businesses into a VC Business.

2. Franchise Fee. The standard Franchise Fee for opening your first VC Business is \$60,000. The Franchise Fee is \$40,000 for your second or subsequent VC Business. See Item 5.
3. Third-Party Training and Travel and Living Expenses During Our Initial Training Program. This estimate includes the cost of sterile compounding training, which your pharmacist and those of your employees that we designate may be required to attend and successfully complete (as determined by us in our sole discretion), depending on their experience, prior to the opening of your VC Business. It also includes the estimated cost of lodging, meals and transportation for one person to attend our initial training program in Brentwood, Tennessee or a remote location that we specify. You are responsible for the travel and living expenses, wages, and other expenses incurred by your trainees during initial training. The actual cost will depend on your point of origin, method of travel, class of accommodations, and dining choices. This estimate does not include salaries, payroll taxes and worker's compensation insurance for your employees.
4. Accreditation. You must obtain, within such reasonable times as we may specify, accreditation by those organizations that we specify as may be based on the services provided by the VC Business and must maintain accreditation throughout the term of the Franchise Agreement (the "**Term**") by completing any required re-accreditation processes. You must complete a Vital Care Quality Site Assessment at least six months prior to any re-accreditation by any organization that we specify. We may require that you complete a Vital Care Quality Site Assessment at any time to ensure that the VC Business is upholding service and quality standards. This estimate is for the cost of obtaining Infusion Pharmacy (IRX) with infusion related DMEPOS; Infusion Nursing (IRN); and Ambulatory Infusion Center (AIC) accreditation from third-party vendors that we have approved.
5. Rent and Security Deposit. This estimate includes the cost of a security deposit and your first month's rent for your Primary Center. We anticipate that you will need approximately 2,000 – 3,000 square feet of space, with good visibility from the street. Your leasing costs will vary considerably, depending upon your financial condition, your market, and the size, condition, age, and location of the leased premises. You should consult with a commercial real estate broker or a local commercial real estate broker, such as our recommended broker, to get a more accurate estimate of costs in your market. Because of the numerous variables that affect the value of a particular piece of real estate, this initial investment table does not reflect the potential purchase cost of real estate.
6. Leasehold Improvements. This estimate includes the cost of leasehold improvements to our standard prototype 2,000 to 3,000 square foot unit, including floor coverings, wall treatments, ceilings, painting, electrical, carpentry, plumbing, HVAC, procurement and installation of a clean room, architectural services, and similar work. This estimate includes materials, the cost of engaging an architect and a general contractor, construction permits, and the cost of labor. Your actual costs will depend on, among other factors, the location, the size of the Primary Center, the condition of the premises being remodeled, national and local economic factors, the local costs of materials and labor, and the amount of tenant improvement allowances that you are able to obtain, if any.
7. Utilities. This estimate includes the cost of utilities for electricity, telephone, internet service, and security service for the first month for your Primary Center and applicable deposits.

8. Furniture, Fixtures, Equipment, and Signage. This estimate includes the furniture, fixtures, equipment, and signage to be used in the Primary Center, including cabinetry, refrigerators and freezers, lighting system, office furniture, and interior and exterior signage.
9. Technology System. The estimate for the Technology System includes the cost of acquiring the hardware, software, other equipment, and network connections that we specify in the Manuals. See Items 8 and 11 for additional details.
10. Inventory. This estimate covers the cost of your initial inventory of pharmaceuticals and related supplies necessary to provide the Therapies. You must maintain a sufficient supply to meet the inventory standards we prescribe in the Manuals (or to meet reasonably anticipated customer demand, if we have not prescribed specific standards).
11. Grand Opening Advertising. You must spend a minimum of \$5,000 for grand opening advertising and promotions beginning 30 days before, and ending 30 days after, the opening of your VC Business in accordance with a plan that you must submit to us. This amount does not include wages and payroll-related expenses for your employees. Your costs may be higher based on the length of time you wish to run opening promotions or any additional marketing spending you may choose to undertake. We have the right to modify your grand opening plan, in our sole discretion. You must provide us with documentation that supports these expenditures upon our request. The amounts that you spend for your grand opening will not be credited towards your Marketing Spending Requirement.
12. Insurance and Surety Bond. This estimate is for your insurance premium deposit, your first year of insurance coverage, and your surety bond (which is required to obtain a Medicare number), which may be paid prior to opening. You will need to check with your insurance carrier for actual premium quotes and costs, as well as for the actual amount of the deposit. The estimate does not include workers' compensation insurance premiums, which vary widely according to your payroll and the premium structure of the state in which your VC Business will be located. The cost of coverage will vary based upon the area in which your business will be located, your experience with the insurance carrier, the loss experience of the carrier, the amount of the deductibles and of coverage, and other factors beyond our control. You should also check with your insurance agent or broker regarding the actual cost of the required coverage and any additional insurance that you may wish to carry above our required minimums. The payment for the surety bond is made within six months of signing the Franchise Agreement and is made on an annual basis.
13. Professional Fees. This estimate includes the cost of professional fees that you may incur in establishing your business. Such expenses may include fees payable to attorneys and accountants that you will need to use for the review of this Disclosure Document, as well as for entity formation, lease negotiation, and evaluation of your business plan.
14. Staffing. This estimate reflects pre-opening staffing needs, which will vary significantly based on whether you will be the pharmacist or you will hire a pharmacist. The estimate includes staffing for a pharmacist and a sales account executive.
15. Additional Funds - 6 Months. This is an estimate of the amount of additional operating capital that you may need during the first six months after opening your VC Business. We have formed this estimate based on VCIS's more than 39 years of experience in business

and information provided to VCIS by Vital Care® franchisees. This estimate includes additional funds you may need to pay employee salaries and wages, utilities, payroll taxes (including payroll to cover the grand opening promotional period and the pre-opening training period for your staff), Operating Fees, additional advertising, health and workers' compensation insurance, bank charges, miscellaneous supplies and equipment, staff recruiting expenses, state tax and license fees, utilities, prepaid expenses, and other miscellaneous items. The preceding list is not intended to be an exhaustive list of the extent of possible categories of expenses. The expenses you incur during the start-up period will depend on factors such as local economic and market conditions, your business experience, and the revenue level reached during the initial period. We cannot guarantee that you will not incur additional expenses in starting the business that may exceed this estimate or that you will not need additional funds after your first six months of operation. Although we have estimated the Additional Funds that will be necessary to cover required expenses, there is no assurance that further capital or funding will not be necessary to cover required expenses (e.g., for pharmaceuticals) and to address the cash flow timing associated with claims processing. It is best to contact your accountant or financial advisor for further guidance.

16. Total. We relied on VCIS's more than 39 years of experience in business and information provided to VCIS by Vital Care® franchisees to compile these estimates. These estimates do not include any finance charge, interest, or debt service obligations.

We do not provide financing to franchisees either directly or indirectly in connection with their initial investment requirements. The availability and terms of financing obtained from third parties will depend upon such factors as the availability of financing, your credit worthiness, collateral which you may make available, or policies of local lending institutions with respect to the nature of the business.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Authorized Products and Services. We have the right to require that furniture, fixtures, signs, and equipment (collectively, the "**Operating Assets**") and products, supplies (including fluids and serums), and services (including nurse contracting, courier, and delivery services) that you purchase for resale or purchase or lease for use in your VC Business: (i) meet specifications that we establish periodically; (ii) be a specific brand, kind, or model; (iii) be purchased or leased only from suppliers or service providers that we have expressly approved; and/or (iv) be purchased or leased only from a single source that we designate (which may include us or our affiliates or a buying cooperative organized by us or our affiliates).

In connection with your operation of the VC Business, you may offer to Patients only the products, services, and Therapies that we have approved in writing, which, once approved, are referred to as the VC Offerings. In addition, you must offer the specific VC Offerings that we require in the Manuals or otherwise in writing. We may change these specifications periodically, and we may designate specific VC Offerings as optional or mandatory. You must offer all VC Offerings that we designate as mandatory. You must maintain a sufficient supply of required products (including pharmaceuticals, supplies, and equipment necessary to provide the Therapies) to meet the inventory standards we prescribe in the Manuals (or to meet reasonably anticipated Patient demand, if we have not prescribed specific standards).

Currently, except as provided below, we do not require you to purchase goods or services from approved suppliers, but we intend to require you to make purchases in the future from approved drug, equipment, and disposable supply suppliers, accreditation agencies, and other vendors.

Currently, we require you to use our designated billing and claims processing service to assist you in the collection of insurance, Medicare, and Patient accounts (the “**Billing Service**”). In connection with the Billing Service, you will be required to enter into a Special Power of Attorney for Billing and Claims Processing, the form of which is attached to the Franchise Agreement as Appendix H. You are solely responsible for any recoupment or clawbacks related to billing and claims processing. If you elect to engage one or more third-party nurse contractors in connection with your VC Business, you may use only those third-party nurse contractors that we designate or otherwise approve.

We may require that you use suppliers (and may require you to use one or more suppliers that we designate or approve) to provide security services that are consistent with any privacy, data protection, and breach-response policies that we establish periodically and periodic security audits to ensure that personally identifiable information and payment data is adequately protected. We may specify periodically the specific security measures that you must maintain.

None of our officers owns any interest in any supplier with whom you are required or recommended to do business.

Conversion Businesses. If you operate an existing pharmacy or infusion business, we may permit you to convert your business to a VC Business (a “**Conversion Business**”). If you operate a Conversion Business, we may modify any of our standard requirements related to constructing, equipping, opening, and operating the VC Business and require you to execute a conversion addendum to this Agreement, in a form that we specify.

Insurance. During the Term, you must maintain, at your sole expense, the insurance coverage for the VC Business in the amounts, covering the risks, and containing only the exceptions and exclusions that we periodically specify in the Manuals for similarly situated VC Businesses. Currently, we require you to maintain, as a minimum:

- (i) comprehensive general liability coverage, with minimum limits of \$2,000,000 general aggregate limit, \$1,000,000 products liability limit, \$1,000,000 personal and advertising injury limit, \$1,000,000 each occurrence limit, \$50,000 fire damage limit, and \$5,000 medical expense;
- (ii) commercial automobile coverage with limits of \$250,000 each person, \$500,000 each accident, physical damage coverage on owned vehicles, and coverage for hired or non-owned vehicles if used in the VC Business;
- (iii) property coverage on a replacement cost basis, on a special cause of loss form, with limits that meet the co-insurance requirements;
- (iv) professional liability coverage in conjunction with the comprehensive general liability policy, with minimum policy limits of \$3,000,000 aggregate limit and \$1,000,000 each occurrence;

(v) workers' compensation and employer's liability coverage in accordance with the requirements of your state statute;

(vi) an umbrella policy with limits of not less than \$2,000,000; and

(vii) cyber insurance with minimum policy limits of at least \$100,000, with the following recommendations after the first year of operation: Years 2 and 3: \$500,000; thereafter, \$1,000,000.

All of your insurance carriers must be rated A or higher by AM Best (or such similar criteria as we periodically specify). These insurance policies must be in effect on or before the deadlines we specify. All coverage must be on an "occurrence" basis, except for any employment practices liability insurance coverage, which is on a "claims made" basis. All policies must apply on a primary and non-contributory basis to any other insurance or self-insurance that we or our affiliates maintain. We and any affiliates we designate must be named as additional insureds under each required policy. Upon our request or as specified in the Manuals, you must provide us with certificates of insurance evidencing the required coverage. Upon at least 60 days' notice to you, we may increase the amounts of coverage required and/or require different or additional insurance coverage to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances. You also must obtain and maintain a surety bond (which is required to obtain a Medicare number), with a limit of \$50,000.

Technology System. You must obtain, maintain, and use the hardware, software, other equipment and network connections that we specify periodically in the Manuals necessary to operate our point-of-sale system, the Billing Service, pharmacy management system, security system, and other technology systems that we designate (collectively, the "**Technology System**"). For a complete description of the Technology System, see Item 11.

If we require you to use any proprietary software or systems or to purchase any software or systems from a designated vendor, including the Pharmacy Software or as part of the Cyber Security Standards, you must execute any license agreements and maintenance agreements that we or the licensor of the software or system require. Currently, we require you to sublicense the Pharmacy Software, which we refer to as "Vital Systems by CareTend," from us by signing our then-current form of license agreement, the current form of which is attached as Exhibit H to this Disclosure Document (the "**Pharmacy Software License**") and paying the then-current Pharmacy Software Fee (as described in Item 6). We may change the Pharmacy Software at any time. Add-ons to the CareTend software that are not mandatory will be made available and will have separate agreements that will be charged back through the billings and claims process. Currently, we also require you to commit to our "**Cyber Security Standards**," consisting of software, software services, content, professional services and (as applicable) hardware by signing our then-current Cyber Security Standards, the current form of which is attached as Appendix G to the Franchise Agreement and pay the then-current Cyber Security Fees (as described in Item 6). We may change the required cyber security software, software services, content, professional services and hardware at any time. If you are signing a Renewal Addendum or Transfer Addendum, you must sign the Pharmacy Software License and Cyber Security Standards and begin using the Pharmacy Software and the products and services prescribed by the Cyber Security Standards within 30 days after the date of the Addendum.

The licensor of the current Pharmacy Software ("**Vital Systems by CareTend**") is WellSky Corporation of 11300 Switzer Road, Overland Park, Kansas 66210. WellSky Corporation owns

and, prior to the Securitization Transaction, licensed to VCIS (our predecessor), for use by VCIS and Vital Care® franchisees, the CareTend software. We became the licensee of the CareTend software as a result of the Securitization Transaction. WellSky Corporation is a portfolio company of Leonard Green & Partners, one of the private equity firms that owns Vital Care Holdings (see Item 1). All transactions between WellSky Corporation and us are conducted on an arms-length basis. During the fiscal year ended December 31, 2024, VCIS paid \$1,069,264 to WellSky for licenses (or sublicenses) that franchisees are required to use.

Third-Party Training. We may require your pharmacist and those of your employees that we designate, depending on their experience, to attend and successfully complete (as determined by us in our sole discretion), at your expense, sterile compounding training prior to the opening of your VC Business. Such training will be conducted by third parties approved by us.

Approval Process. If you would like to offer products, services, or therapies or use any supplies, Operating Assets, or services that we have not approved or to purchase or lease from a supplier or service provider that we have not approved, you must submit a written request for approval and provide us with any information that we request. We have the right to inspect the proposed supplier's facilities and test samples of the proposed products and to evaluate the proposed service provider and the proposed service offerings. We may require the proposed supplier or service provider to visit our Franchise Support Center, currently in Meridian, Mississippi, or our corporate office, currently in Brentwood, Tennessee, to evaluate the proposed supplier or provider in person. You must pay us an amount not to exceed the reasonable cost of the inspection and our actual cost of testing the proposed product or evaluating the proposed service or service provider, including laboratory, personnel and travel costs, whether or not the item, service, supplier, or service provider is approved.

We have the right to grant, deny, or revoke approval of products, services, therapies, or service providers based solely on our judgment. We will notify you in writing of our decision as soon as practicable following our evaluation. If you do not receive our approval within 90 days after submitting all of the information that we request, our failure to respond will be considered a disapproval of the request. You acknowledge that the products, services, and therapies that we approve for you to offer in your VC Business, which will be designated as VC Offerings, may differ from those that we permit or require to be offered in other VC Businesses.

We reserve the right to re-inspect the facilities and products of any approved supplier, test any items in your inventory (and not be charged for such items), and to reevaluate the services provided by any service provider. You must pay us a charge not to exceed the reasonable cost of the inspection and our actual cost of testing the items, services, suppliers, or service providers, including laboratory, personnel, and travel costs, if any inspected items, services, suppliers, or service providers fail to meet our System Standards.

We may revoke our approval of any item, service, supplier, or service provider that fails to meet any of our then-current System Standards. If we revoke approval of a previously-approved product that you have been selling to Patients or service or Therapy that you have been offering to Patients, you must immediately discontinue offering the service or Therapy and may continue to sell the product only from your existing inventory for up to 30 days following our disapproval. We have the right to shorten this period if, in our opinion, the continued sale of the product would prove detrimental to our reputation. After the 30-day period, or such shorter period that we may designate, you must dispose of your remaining formerly-approved inventory as we direct.

Issuance of Specifications and Standards. To the extent that we establish specifications, require approval of suppliers or service providers, or designate specific suppliers or service providers for particular items or services, we will publish our requirements in the Manuals. We may amend, modify, or supplement the Manuals at any time, so long as the changes will, in our good faith opinion, benefit us and our existing and future franchisees or will otherwise improve the System. You must comply with revised mandatory System Standards within 30 days after we transmit the updates, unless otherwise specified.

Proportion of Purchases Subject to Specifications. We estimate that the cost to purchase and lease all equipment, inventory and other items and services that we require you to obtain from us or our affiliates, from designated suppliers, or in accordance with our specifications ranges from 75% to 90% of the total cost to purchase and lease equipment, inventory, and other items necessary to establish a VC Business and 75% to 90% of the total cost to purchase and lease equipment, inventory, and other items necessary to operate a VC Business.

Revenue from Purchases and Leases. We and/or our affiliates may receive revenues or profits or other material consideration based on your required purchases and leases, including from charging you for products and services that we or our affiliates provide to you, promotional allowances, volume discounts, the sale of anonymized or aggregated data sourced from the Pharmacy Software and Cyber Security Standards to third parties (as permitted by applicable law), and other administrative fees and payments paid to us by suppliers and/or distributors that we designate or approve for some or all of our franchisees.

For the fiscal year ended December 31, 2024, VCIS's (our predecessor's) revenues from all required purchases and leases of products and services by franchisees were \$1,916,331, which was 1.4% of its total revenues of \$135,791,810. We and our affiliates may use all amounts received from suppliers and/or distributors, whether or not based on your or other franchisees' actual or prospective purchases, without restriction for any purpose we consider appropriate.

Cooperatives and Purchase Arrangements. There are no purchasing or distribution cooperatives. We and VCIS have negotiated agreements with a number of pharmaceutical companies, suppliers, distributors, group purchasing organizations, accreditation organizations, trade and professional organizations, and nursing organizations for preferred pricing, rebates, and/or reduced service fees for our franchisees and the payment administrative and/or program management service fees to us. Except as provided in this paragraph, we do not negotiate purchase arrangements with suppliers, including price terms, for the benefit of franchisees.

Material Benefits. We do not provide any material benefits to franchisees (for example, renewal or granting additional franchises) based upon their purchase of particular products or services or use of particular suppliers.

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Item 9

FRANCHISEE'S OBLIGATIONS

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

	Obligation	Section in Franchise Agreement	Disclosure Document Item
a.	Site selection and site acquisition/lease	Sections 4.2, 4.3 and 4.4	Item 11
b.	Pre-opening purchases/leases	Sections 4.4, 6.5 and 6.8	Items 6, 7, 8 and 11
c.	Site development and other pre-opening requirements	Sections 4.4 and 4.5	Items 7, 8 and 11
d.	Initial and ongoing training	Section 5	Items 6, 7 and 11
e.	Opening	Section 4.6	Items 6 and 11
f.	Fees	Sections 2.2(i), 3, 4.5, 4.6, 5.1, 5.2, 5.3, 5.4, 5.5, 5.6, 6.2, 6.8, 6.11, 6.12, 7.3, 8.1, 8.4, 8.5, 12.3, 13.4(a), 14.2(b)(vii), 15.2, 15.9 and 16.11	Items 5, 6, 7 and 11
g.	Compliance with standards and policies/Operations Manual	Recitals B, C and D; Sections 1, 3.2, 3.5, 3.8, 3.10, 4.5, 4.6, 5.2, 5.3, 5.4, 5.6, 6, 7.3, 8.1, 8.2, 8.4, 10.3, 12.5 and 17.2	Items 7, 8, 11, 13, 14, 15 and 16
h.	Trademarks and proprietary information	Sections 9 and 10	Items 13, 14 and 17
i.	Restrictions on products/services offered	Section 6.5	Items 8 and 16
j.	Warranty and customer service requirements	Section 6.10	Items 8 and 16
k.	Territorial development and sales quotas	Section 6.4	Item 12
l.	Ongoing product/service purchases	Section 6.5, 6.6 and 6.8	Items 8 and 16
m.	Maintenance, appearance and remodeling requirements	Sections 4.5 and 6.3	Items 7, 8 and 11
n.	Insurance	Section 6.11	Items 7 and 8
o.	Advertising	Sections 3.3 and 7	Items 6, 7, 8 and 11
p.	Indemnification	Section 11	Item 6
q.	Owner's participation/management/staffing	Sections 1.5, 1.6, and 6.2	Items 11 and 15
r.	Records and reports	Section 8.1, 8.2, and 8.3	Items 6 and 17
s.	Inspections and audits	Sections 4.5(c), 6.3(a) & (c), 6.5(d), 6.5(e), 8.4, 8.5 and Appendix C	Items 6 and 11
t.	Transfer	Section 13	Items 6 and 17
u.	Renewal	Section 2.2	Item 17
v.	Post-termination obligations	Section 15	Item 17

	Obligation	Section in Franchise Agreement	Disclosure Document Item
w.	Non-competition covenants	Section 6.3, 12 and 15.8	Item 17
x.	Dispute resolution	Section 16	Item 17
y.	Liquidated damages	Sections 12.3(c) and 15.9	Item 17

Item 10

FINANCING

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

Item 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

As noted in Item 1, we have entered into a management agreement with VCIS to provide support and services to franchisees under their franchise agreements. However, we remain responsible to ensure that all support and services are provided to franchisees under their franchise agreements.

Our Pre-Opening Obligations

Prior to the opening of your VC Business:

1. **Site Review.** Before entering into any lease or purchase agreement for the site for any Center, you must submit a site proposal package describing details about the proposed location; the proposed lease, purchase agreement, or letter of intent related to your acquisition of the location; and any other information that we reasonably require. We will review each location that you propose and determine whether to accept it as a Center site in our sole discretion. We are not required to complete our review within a certain period of time. In addition to certain demographic characteristics, we also consider the following factors in evaluating a Center site: site visibility, zoning, parking, competition, neighboring tenants, accessibility, population density, and actual or potential for compliance with state pharmacy regulations and USP 797/Accreditation. A location is not accepted until you have received our acceptance in writing, as indicated by our delivery of the completed and signed, as applicable, Appendix A to the Franchise Agreement or a Remote Center Authorization. Our proposal of a Center site or acceptance of any Center site is not a warranty or representation of any kind as to the potential success or profitability of your VC Business. While we may, in our sole discretion, provide assistance and guidance, it is solely your responsibility to select a suitable site for your VC Business. (Franchise Agreement - Section 4.3)

2. **Lease Review.** If you or your affiliate leases a site for a Center (the "**Lease**"), you must provide a copy of it to us and include any provisions that we may reasonably require. Our review of the Lease is for our own benefit only and not intended to supplement or replace a review by your attorney. We may require you to engage an attorney to review your Lease for the

accepted site and to provide us with reasonable documentation in connection with the review, including a lease abstract and confirmation that the terms in the agreement reflect the terms in any letter of intent between you and the third-party seller or lessor. (Franchise Agreement - Section 4.4(a))

You must secure a site for a Center that we have accepted by signing a Lease or a purchase agreement (i) for the Primary Center, within 60 days after the effective date of the Franchise Agreement (the “**Primary Site Acquisition Deadline**”), and (ii) for any Remote Center, within 60 days after acceptance of the proposed site (the “**Remote Site Acquisition Deadline**”). We may extend the Primary Site Acquisition Deadline or any Remote Site Acquisition Deadline by up to 60 days in our sole discretion, and we may require you and your Owners to execute a general release (the current form of which is attached as Appendix F to the Franchise Agreement) as a condition of our agreeing to grant such extension. If you are unable or unwilling to acquire a site by the Primary Site Acquisition Deadline (as we may extend in our sole discretion), we may terminate the Franchise Agreement. (Franchise Agreement - Section 4.4(b))

3. **Construction Assistance.** We will make available to you specifications for the applicable Center type, including minimum requirements for the inventory storage area, Infusion Pharmacy, Infusion Suite, and the exterior and interior design and layout, as applicable. You must engage designers, architects, and engineers to adapt the Center exterior and interior design and layout, fixtures, furnishings, signs, Trade Dress, and equipment to meet our specifications. We reserve the right to designate or approve such designers, architects, and engineers. We will review the architectural drawings and specifications for the Center construction showing all leasehold improvements, interior designs, and elevations (collectively, “**Plans**”), which we must approve prior to their submission to permitting. We may, in our sole discretion, inspect the construction or photographs of the construction. (Franchise Agreement - Section 4.5)

4. **Training.** We will provide Initial Training in the System and our policies and procedures, Owner Training, Quick Start Training and Job-Based Training to your Required Trainees. See “Training”, below in this Item. (Franchise Agreement - Sections 5.1 and 5.2)

5. **Manuals.** We will provide you with electronic access to our Manuals for as long as this Agreement or a successor franchise agreement remains in effect. (Franchise Agreement - Section 6.1(a))

6. **Patient Documents.** We will provide you with medical forms, patient agreements, and related waivers for use in your VC Business (collectively, “**Patient Documents**”), which you must adapt to comply with applicable laws and regulations. We must approve any changes to the form of any Patient Document. (Franchise Agreement – Section 6.3(f))

7. **Opening Approval.** We will approve your VC Business opening, provided that you have met all of our requirements for opening, including providing us with a certificate of occupancy and complying with the Plans and your pre-opening marketing obligations. (Franchise Agreement - Section 4.6).

Ongoing Assistance

During the operation of your VC Business:

1. **Update System Standards.** If we, in our sole discretion, amend, modify, or supplement the System Standards, we will provide you with access to the updated Manuals or

System Standards. You must comply with revised mandatory System Standards within 30 days after we transmit the updates, unless otherwise specified. (Franchise Agreement - Sections 7.3(c))

2. **Review Advertising.** We will review any advertising or promotional programs or materials that you develop. If our written approval is not received within 15 days from the date we received the material, the material is considered disapproved. (Franchise Agreement - Sections 7.3(c))

3. **Brand Fund Management.** We will manage the Brand Fund as described below in this Item, if we establish one. We will prepare an unaudited statement of contributions and expenditures for the Brand Fund and make it available within 60 days after the close of our fiscal year to franchisees who make a written request for a copy. (Franchise Agreement - Section 7.2(a))

4. **Requested Consulting Services.** We will provide you with additional consulting services with respect to the operation of the VC Business upon your reasonable request and subject to the availability of our personnel. We will make available to you information about new System developments, techniques, and improvements. We may provide such additional consulting services through the distribution of printed or filmed/video material, an Intranet or other electronic forum, meetings or seminars, teleconferences, webinars, or in person. If such services are rendered in person other than at our office, you must pay us a fee and our expenses. (Franchise Agreement - Section 5.5)

5. **Relocation Review.** We will evaluate sites in the Territory to which you propose to relocate any Center or to develop a Remote Center. (Franchise Agreement – Sections 4.3 and 4.7)

6. **Pricing.** If we determine that we may lawfully require you to charge certain prices for goods or services, certain minimum prices for goods or services, or certain maximum prices for goods or services, you must adhere to our pricing policies periodically stated in the Manuals or otherwise in writing.

Time to Open

We estimate that the typical length of time between signing a Franchise Agreement and opening your VC Business is approximately 300 days. Factors affecting this length of time include, among others: ability to select a site and negotiate a satisfactory lease; hiring of the requisite employees; successful completion of Initial Training, Owner Training and Quick Start Training (as applicable); local ordinances or community requirements; delivery of fixtures, equipment, and signs; issuance of all necessary licenses, permits and approvals; and procuring required insurance.

You must open the VC Business no later than 330 days after the effective date of the Franchise Agreement and within 270 days after your landlord delivers possession of the Primary Center site to you (the “**Opening Deadline**”). We may extend this deadline, in our sole discretion, which we may condition on your agreeing to pay an extension fee of \$2,500 for each month (or portion of a month) for which the deadline is extended and your and your Owners’ executing a general release (the current form of which is attached as Appendix F to the Franchise Agreement).

Advertising

Our Marketing. We may periodically formulate, develop, produce, and conduct, at our sole discretion, advertising or promotional programs in the form and media that we determine to be most effective. We may make available for you to purchase approved advertising and promotional materials, including signs, posters, collaterals, etc. that we have prepared.

If we conduct media advertising, we may use direct mail, print, radio, Internet, or television, which may be local, regional, or national in scope. We may produce the marketing materials in-house or employ a local, regional, or national advertising agency. We are not obligated to conduct any advertising or marketing programs within your market.

Local Marketing. You must use your best efforts to promote your VC Business in your Territory. You must cooperate with neighboring VC Businesses on any marketing impacting their market. In each calendar year, you must spend at least 1% of the Gross Revenue earned in the previous calendar year on local advertising and promotional activities (the “**Marketing Spending Requirement**”). Your Marketing Spending Requirement is in addition to your Marketing Fee (if applicable).

We have the right to designate in the Manuals the types of expenditures that will or will not count toward the Marketing Spending Requirement. At our request, you must submit appropriate documentation to verify compliance with the Marketing Spending Requirement. If you fail to spend (or prove that you spent) the Marketing Spending Requirement in any calendar year, then we may, in addition to and without limiting our other rights and remedies, require you to pay us the shortfall as an additional Marketing Fee or to pay us the shortfall for us to spend on local marketing for your VC Business.

You must participate in such advertising, promotional, and community outreach programs that we may specify periodically, at your own expense, consistent with any policies and guidelines that we establish. Any direct marketing (including any in-person marketing, digital, or email marketing, and direct mail marketing) must be directed only to those Patients and Referral Sources identified in Item 12.

You must ensure that all of your advertising, marketing, promotional, Patient relationship management, public relations, telemarketing, email marketing, and other brand related programs and materials that you or your agents or representatives develop or implement relating to the VC Business are completely clear, factual and not misleading; comply with all applicable laws; are conducted in a dignified manner; conform to the highest ethical standards; and comply with the advertising and marketing policies that we periodically specify.

As stated above, you must submit to us in writing for our prior approval all sales promotion materials and advertising that have not been prepared by or previously approved by us. If our written approval is not received within 15 days from the date we received the material, the material is considered disapproved. We will have the final decision on all creative development of advertising and promotional messages. We reserve the right to require you to discontinue the use of any advertising or marketing materials at any time for any reason.

Grand Opening Advertising. In connection with the opening of the VC Business, you must spend a minimum of \$5,000 for grand opening advertising and promotion beginning 30 days before, and ending 30 days after, the opening of your VC Business consistent with a plan that you must submit to us. We have the right to modify your grand opening plan, in our sole discretion,

and may require you to use a public relations firm to assist with your grand opening. No amount paid by you for your grand opening will be credited toward the Marketing Spending Requirement. You must provide us with supporting documentation evidencing these expenditures upon request.

Marketing Fund. We may, but are not obligated to, establish the Brand Fund, a segregated or independent fund into which all Marketing Fees will be paid. While currently we do not collect the Marketing Fee, we may collect a monthly Marketing Fee of up to 1% of your Gross Revenue from you for contribution to the Brand Fund.

We may use monies in the Brand Fund and any earnings on the Brand Fund account for any costs associated with advertising (media and production), branding, marketing, public relations and/or promotional programs and materials, and any other activities we believe would benefit the Vital Care® brand or the VC Businesses generally, including advertising campaigns in various media, including Digital Marketing (as defined below); creation, maintenance, and optimization of the System Website, other websites, or branded applications; keyword or adword purchasing programs; conducting and managing social media activities; direct mail advertising; market research, including secret shoppers and customer satisfaction surveys; branding studies; employing advertising and/or public relations agencies; purchasing promotional items; the developing and maintaining customer loyalty and lead generation programs; conducting and administering promotions, contests, giveaways, public relations events, and community involvement activities; and providing promotional and other marketing materials and services to our franchisees. We have the right to direct all marketing programs, with the final decision over creative concepts, materials, and media used in the programs and their placement. We do not guarantee that you will benefit from the Brand Fund in proportion to your contributions to the Brand Fund.

We will make any sales and other materials produced with Brand Fund monies available to you without charge or at a reasonable cost, and we will deposit the proceeds of such sales into the Brand Fund.

We will not use the Brand Fund for anything whose sole purpose is the marketing of franchises; however, the System Website, public relations activities, community involvement activities, and other activities supported by the Brand Fund may contain information about franchising opportunities.

We will not use any contributions to the Brand Fund to defray our general operating expenses, except for reasonable administrative costs and overhead we incur in activities reasonably related to the administration of the Brand Fund or the management of Brand Fund-supported programs (including the pro-rata amount of salaries of our personnel who devote time to Brand Fund activities and retainers and fees for outside agencies). We may use monies in the Brand Fund to pay for an independent audit of the Brand Fund, if we elect to have it audited.

We will not be deemed a fiduciary with respect to any Marketing Fees we receive or administer. While we are not required to have an independent audit of the Brand Fund completed, we will prepare an unaudited statement of contributions and expenditures for the Brand Fund and make it available within 60 days after the close of our fiscal year to franchisees who make a written request for a copy.

If we or our affiliates operate any VC Businesses, we or our affiliates will contribute to the Brand Fund a percentage of the receipts of those VC Businesses, on the same basis as required for franchisees.

As of the date of this Disclosure Document, we have not created a Brand Fund. Consequently, there were no Brand Fund expenditures, and no advertising funds were or are planned to be used to solicit new franchise sales. Any sums in the Brand Fund at the end of any year will carry-over in the Brand into the next fiscal year.

Digital Marketing. We may, in our sole discretion, establish and operate websites, social media accounts (such as LinkedIn, Facebook, X (formerly known as Twitter), Instagram, Pinterest, etc.), applications, keyword or adword purchasing programs, mobile applications, or other means of digital advertising on the Internet or any electronic communications network (collectively, “**Digital Marketing**”) that are intended to promote the Marks, your VC Business, and the entire network of VC Businesses. We will have the sole right to control all aspects of any Digital Marketing, including those related to your VC Business.

Unless we consent otherwise in writing, you and your employees may not, directly or indirectly, conduct or be involved in any Digital Marketing that use the Marks or that relate to the VC Business or the network. If we permit you or your employees to conduct any Digital Marketing, you or your employees must comply with any policies, standards, guidelines, or content requirements that we establish periodically and must immediately modify or delete any Digital Marketing that we determine, in our sole discretion, is not compliant with such policies, standards, guidelines, or requirements. If we permit you or your employees to conduct Digital Marketing, we will have the right to retain full control over all websites, social media accounts, mobile applications or other means of digital advertising that we have permitted you to use. We may withdraw our approval for any Digital Marketing or suspend or terminate your use of any Digital Marketing platforms at any time.

Currently, you are not authorized to have a website for your VC Business or to have a webpage related to your VC Business on any third-party website. As part of our Digital Marketing, we or one of our designees will operate and maintain a System Website, which will include basic information related to the VC Business.

Advertising Cooperatives. We currently do not have any advertising cooperatives and have no plans to form such cooperatives in the immediate future. However, you must join and actively participate in any organizations or associations of franchisees or advertising cooperatives that we establish or that are established at our direction for the purpose of promoting, coordinating, and purchasing advertising in local, regional, or national areas where there are multiple VC Businesses, and you must abide by the bylaws, rules, and regulations duly required by such advertising cooperative, which we have the right to mandate or approve if and when we form such cooperative.

If we form an advertising cooperative, we will have the right to determine how membership will be defined, whether any VC Businesses owned by us or our affiliates will participate in the cooperative, and whether we, an affiliate, a franchisee, or a third-party will administer the cooperative. The Advertising Cooperative, if applicable, may require you to spend additional funds on marketing programs conducted by the advertising cooperative, which may be in addition to your Marketing Fee. Any amounts that you contribute to an Advertising Cooperative will count towards your compliance with the Marketing Spending Requirement. There is no cap on this potential spending obligation. If we form an advertising cooperative, we will make any governing documents available to you for your review.

Advertising Councils. We currently do not have an advertising council composed of franchisees to advise us on our advertising policies. We may decide to implement an advertising

council or franchisee advisory council in the future, at which point we will set policies related to such council. If we form such a council, we may appoint members, allow franchisees to elect members, or have a mix of appointed and elected positions, which may include both franchisees and our representatives. Any advertising or franchisee council will be advisory and will not have any decision-making authority. We will have the right to modify or dissolve any councils that we create.

Technology System

As stated in Item 8, you must obtain, maintain, and use the Technology System that we periodically specify in the Manuals to (i) enter and track all prescriptions, sales, and orders, (ii) update inventory, (iii) enter and manage your Patients' and Referral Sources' contact information, (iv) generate sales reports and analysis relating to the VC Business, (v) maintain and transmit to us financial and operating data, as required in the Manuals, (vi) implement cybersecurity standards, and (vii) provide other services relating to the operation of the VC Business.

Currently, the required Technology System includes a Microsoft Windows® computer, Datamax® label printer, scanner, business class high-speed Internet connection, Adobe Acrobat® Reader, Google® Chrome, and our Pharmacy Software. We estimate that the cost to purchase the Technology System is \$13,000 to \$15,200, plus the Pharmacy Software Fee, Cyber-Security Fee (estimated to be \$500 to \$1,500 annually), and any additional Microsoft Office 365k licenses beyond the five that are provided at no cost..

You must sign the Pharmacy Software License (under which we grant you a sublicense to use the Pharmacy Software) and pay the Pharmacy Software Fee. Currently, the Pharmacy Software Fee is \$1,500 per month for the first Center (for a block of five concurrent users), \$750 per month for each additional Center, and \$500 per month for each additional block of five concurrent users. You must also sign the Cyber Security Standards and pay the Cyber Security Fees. Currently, the Cyber Security Fees are \$500 to \$1,500 annually, depending on the number of users. If you are signing a Renewal Addendum or Transfer Addendum, you must sign the Pharmacy Software License and Cyber Security Standards and begin using the Pharmacy Software and the products and services prescribed by the Cyber Security Standards within 30 days after the date of the Addendum.

You must maintain the Technology System in good working order at your expense. You must replace, upgrade, or update the Technology System as we may require periodically. We will establish reasonable deadlines for implementation of any changes to our Technology System requirements, but there are no contractual limitations on our right to require changes to the Technology System.

We currently do not require you to enter into any maintenance, updating, upgrading, or support contracts related to the Technology System; however, you are responsible for the consequences if the Technology System is not properly operated, maintained, and upgraded or if the Technology System (or any of its components) fails to operate continuously or not as expected. We, our affiliates, and third-party vendors are not obligated to provide you with any ongoing maintenance, repairs, upgrades, or updates. Vendors may be able to offer optional maintenance, updating, upgrading, or support contracts to you, which we estimate may cost \$1,200 or more per year.

You, at all times, must give us unrestricted access (including users' IDs and passwords, if necessary) to the Technology System for the purposes of downloading and transferring data via

a network connection that we specify (subject to any limitation imposed by applicable law regarding patient privacy and confidentiality). There are no contractual limitations on our right to access or use data stored in the Technology System.

Your Technology System will be dedicated for business uses relating to the operation of the VC Business. Your employees must be adequately trained in the use of the Technology System and our related policies and procedures. You may not load or permit any unauthorized programs or games on any hardware included in the Technology System.

Manuals

We may amend, modify, or supplement the Manuals at any time, so long as such amendments, modifications, or supplements will, in our good faith opinion, benefit us and our existing and future franchisees or will otherwise improve the System. You must comply with revised System Standards and procedures within 30 days after we transmit the updates, unless otherwise specified. As of the date of this Disclosure Document, there were 1,137 pages in our Manuals. The Manuals Tables of Contents are attached as Exhibit M to this Disclosure Document.

Training

Training consists of Initial Training, New Owner Training and Quick Start Account Executive Training (“**Quick Start Training**”), as further described below. We reserve the right to modify the length, location, and timing of Initial Training.

Initial Training. Your Operating Principal, Key Manager and Compliance Officer (“**Initial Training Required Attendees**”) must personally attend and satisfactorily complete our Initial Training before you open your VC Business.

The cost of providing instructors, facilities, and materials for your Initial Training Required Attendees is included in the Franchise Fee, provided that all of your trainees are trained during the same training session. If space is available, you may bring more than two representatives to Initial Training. We may waive a portion of Initial Training or alter the training schedule if we determine that your Initial Training Required Attendees have sufficient prior experience or training.

Our Manuals, which include our Marketing Manual, serve as the instructional materials for our Initial Training program.

Our Initial Training currently consists of the following:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Vital Care Introduction and Update	0.5	0	Our offices in Brentwood, Tennessee, any other location that we designate, or remotely via recorded media, teleconference,
Franchise Onboarding Technology	2.5	0	
Construction and FF&E	2	0	
Pharmacy Setup and Inventory Needs	2	0	
Pharmacy Inspections and Preparedness	1	0	

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Accreditation Preparedness	1	0	videoconference, the internet, webinar, or any other means, as we determine
Payor Contracts	1	0	
Trade Accounts	1	0	
Business Development	1	0	
Sterile Compounding	4.5	0	
Finance and Business Strategy	1	0	
TOTAL	17.5	0	

Owner Training. All Owners must attend New Owner Training, which will be scheduled promptly after the Franchise Agreement is signed. All Owners are required to attend this training. Owner Training currently consists of three full days of instruction.

Our Owner Training currently consists of the following:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Welcome – Introduction	1.5	0	Our offices in Brentwood, Tennessee, any other location that we designate, or remotely via recorded media, teleconference, videoconference, the internet, webinar, or any other means, as we determine
Know Thyself – Predictive Index	1	0	
The Vital Care Growth Story and Brand Camp: Marketing	.75	0	
Investors in People	1	0	
Managing the People Risks	1	0	
The Path to Profitability	1	0	
Winning and Keeping Prescribers and Patients	2.5	0	
Leading High-Performance Sales Teams	1	0	
Understanding the Trade Game	1.5	0	
Learning How Payors Play and Pay	1.5	0	
Managing and Protecting Your Information	1	0	
Understanding the Language of Business - Finance	1.5	0	
Breaking Down the Money Train (RCM)	1.5	0	
Excellence in Operations	1.5	0	
Expert Access	1	0	
You're the CEO of Your Business: Leadership Skills	2	0	
Leveling Up Team Dynamics and Profitable Growth	1	0	
TOTAL	22.25	0	

Our Manuals, including the Owner Training Guide, serve as our instructional materials for our Owner Training.

Quick Start Account Executive Training (“Quick Start Training”). All Owners must attend Quick Start Training, which will be scheduled promptly upon your hiring of an Account Executive. All Account Executives are required to attend Quick Start Training. Quick Start Training currently consists of three full days of instruction.

Our Manuals, including the Quick Start Training Guide, serve as the primary instructional materials for Quick Start Training.

Our Quick Start Training currently consists of the following:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Vital Care Introduction and Culture	2.5	0	Our offices in Brentwood, Tennessee, any other location that we designate, or remotely via recorded media, teleconference, videoconference, the internet, webinar, or any other means, as we determine
Trella Marketplace Insights, CRM and Workshop	2.75	0	
Predictive Index, Know Yourself and Your Customers	1.75	0	
Sales Process	1.75	0	
Roleplay (6 situations)	2	0	
Overcoming Objectives	.75	0	
A Day in the Live of an AE	.75	0	
Focused Therapies and Selling (IVIG, Anti-Inflammatories, Antibiotics, Alpha-1, TPN/ENT Nutrition, misc, therapies)	4	0	
Working with Your Manufacturers	.5	0	
Selling Around Payor Contracts	.5	0	
The Sales/Ops Meeting	.5	0	
SWOT and GAP Analysis	.75	0	
Territory Planning & Business Management	1	0	
The Central Line	.5	0	
Trade	.75	0	
Payor	.75	0	
VC Meridian/Subcontracting	.75	0	
Compliance	.75	0	
Marketing	.75	0	
TOTAL	23.75	0	

Additional Training Information.

1. Training Deadline. All training will be provided as soon as possible after the Franchise Agreement is signed and delivered, provided that Quick Start Training will be available promptly once you hire an Account Executive. Notwithstanding the foregoing, the individuals that must attend each training described above (the “**Required Trainees**”) must successfully complete Initial Training, Owner Training and Quick Start Training (as applicable) at least ten days before the Opening Deadline.

We will determine, in our discretion, what constitutes successful completion of the applicable training. If your Required Trainees are unable to successfully complete any assigned training for any reason, in our sole discretion, your Required Trainees must repeat the applicable training or you must send replacement Required Trainees to complete the applicable training. If your Required Trainees have not successfully completed all training, in our sole discretion, at least 10 days before the Opening Deadline, we may terminate the Franchise Agreement, in which case, we will not refund the Franchise Fee or any other fees paid by you.

2. Training Location. Training may be conducted at our discretion in one of the following ways:
 - In-person at our primary offices (in Brentwood, Tennessee)
 - In-person at another designated location
 - Remotely via recorded media, teleconference, videoconference, webinar or other virtual methods
3. Training Costs. The cost of providing instructors, facilities and materials for your required trainees is included in the Franchise Fee, provided that all of your trainees are trained during the same training session. We reserve the right to charge a training fee of \$1,000 for each applicable training session, which we may increase upon 60 days’ written notice to you, for (i) each person in excess of the Required Trainees, (ii) each person who is repeating the course or replacing a person who did not pass, and (iii) each subsequent Operating Principal, Key Manager, Compliance Officer or employee who attend the course.

You are responsible for any travel and living expenses, wages, and other expenses incurred by your trainees, employees, and representatives relating to any training programs, meetings, or conferences and for reimbursing us for any travel and living expenses incurred by our employees or agents relating to providing any additional training, remedial training, or consulting services at your VC Business.

4. Training Leadership and Instructors. Our training program is overseen by Mark Centolella, Senior Vice President of VCIS, who has over 30 years of healthcare sales and operations leadership experience. He has also developed and implemented advanced sales and clinical training programs. Christopher Gates, VCIS’s Vice President of Franchise Onboarding and Development, supervises our Initial Training program. Other key instructors with VCIS include:
 - Penelope Perkinson, Vice President – more than 20 years of infusion sales and training experience, and has a nursing degree

- Tammy Huges and Kelly Pflum, Senior Managers – experienced in home infusion therapy sales
- Elizabeth Milne, Director of Finance Training since April 2023 (formerly Training and Development Manager since 2021) – experienced in franchise onboarding and implementation
- Jason Carey, Director of Trade Contracting since May 2023 – experienced in trade and vendor accounts
- Mark Flexsenhar, Vice President of Managed Markets and Strategy since May 2022 – experienced in payor contracting
- Teresa Hernandez, Content Designer since November 2025 – experienced in learning management
- Heather Chandler, Senior Director of Compliance – experienced in health care compliance regulations and requirements

Additional members of VCIS's management team and training staff may also provide instruction based on their expertise in specific areas of the System. Most of our instructors have greater than 10 years of experience in the infusion industry.

Job-Based Training. You must provide job description-based training and competencies to all VC Business employees before such employee is permitted to perform certain responsibilities as outlined in the Manual and as may be required by an accrediting body, USP-797 and 800, and state and federal regulations.

Third-Party Training. In addition to the other training requirements described in this Item 11, we may require your pharmacist and those of your employees that we designate, depending on their experience, to attend and successfully complete (as determined by us in our sole discretion), at your expense, sterile compounding training prior to the opening of your VC Business. Such training typically lasts 40-45 hours and will be conducted by third parties approved by us. The estimated cost of sterile compounding training ranges from \$500 to \$3,000.

Periodic Training. We (or our designee) may periodically conduct mandatory or optional training programs for your Required Trainees and/or your employees in person in our office or at a location that we (or our designee) designate or via recorded media, teleconference, videoconference, the Internet, webinar, or any other means, as we (or our designee) determine. There will be no charge for training programs that we require you or your employees to attend and satisfactorily complete, but we may charge you a reasonable fee for optional training programs.

If, in our sole judgment, you fail to maintain the quality and service standards set forth in the Manuals, we may, in addition to all of our other rights and remedies, assign trainers to the VC Business to retrain VC Business employees and restore service levels and/or require you or your employees to repeat Initial Training or attend additional training programs at a location that we designate. We may charge a reasonable fee for each such trainer assigned to your VC Business (currently \$500 per day). We may increase the amount to be charged for each trainer upon 60 days' prior written notice.

If your Key Manager ceases to be employed by you at the VC Business, you must notify us within ten days of their departure and promptly hire a new Key Manager, who must successfully complete Initial Training within 60 days of employment. If you are unable to immediately appoint and train a new Key Manager, we may, in our sole discretion and for a reasonable fee, provide a

Key Manager to work at your VC Business temporarily until a new Key Manager is appointed and trained.

Conferences and Summits. You, your Operating Principal, your Key Manager, your Compliance Officer, or any of your representatives that we designate must attend franchise conventions, meetings, and teleconferences that we may require periodically in the Manuals or otherwise in writing. We, in our sole discretion, will designate the time and place of any meetings, which may be held in-person or remotely via teleconference or web seminar. We will be responsible for arranging meetings and providing meeting materials. We may require you to pay us a reasonable registration fee for you and each of your representatives. If you or any of your representatives fail to attend any events that we require you and/or they to attend, regardless of the reason for the absence, you must pay us the registration fee that each absent required attendee would have incurred plus \$500 for each absent required attendee, unless we have previously excused them in writing in our sole discretion.

Training by You. You and/or your Operating Principal, Key Managers and Compliance Officer are responsible for training all of your other employees (and subsequent Key Managers) in accordance with our standards and training programs. If, in our sole judgment, you fail to properly train your employees in accordance with our standards, we may prohibit you from training additional employees and require them either to attend training at our headquarters or pay for our costs and expenses to send one of our representatives to train them at your VC Business.

Item 12

TERRITORY

Your Territory. We will designate a Territory in which you will have certain limited protected rights, as further detailed below. Your Territory will be defined by geographic boundaries, zip codes, or political boundaries and will be specified on Appendix A to the Franchise Agreement. The size of your Territory will depend on factors such as the concentration of the population, age of the population, number and types of Referral Sources, market share potential, and number of competitors in the surrounding area. Consequently, the size of your Territory may vary from the territory granted to other franchisees.

Your Limited Territorial Protection. 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, provided you are in compliance with the Franchise Agreement, we and our affiliates will not open or operate, or license a third-party to open or operate, a physical premises (whether a Primary Center or a Remote Center) for a VC Business within your Territory.

Rights Reserved to Us and Our Affiliates. Except for the limitations described in the preceding paragraph, we and our affiliates have the right to conduct any business activities, under any name, in any geographic area, and at any location, regardless of the proximity to or effect on your VC Business. Among other things, we and our affiliates have the right to:

(a) establish, or license others to establish, businesses that use the System or elements of the System and offer products or services that are similar or identical to the VC Offerings from a physical premises, including a Primary Center or Remote Center (i) under the Marks anywhere outside of the Territory or (ii) under names, symbols, or marks other than the Marks from a physical premises located anywhere, including inside and outside of the Territory;

(b) market, offer, sell, and/or provide (or authorize others to market, offer, sell, and/or provide) VC Offerings by any means using the Marks or other marks to Referral Sources and Patients located anywhere, including in homes or businesses within the Territory, provided that we, our affiliates, and our designees will not prepare or provide the VC Offerings within the Territory;

(c) advertise and promote (or authorize others to advertise and promote) VC Businesses and VC Offerings using the Marks in any manner anywhere, including inside and outside of the Territory; and

(d) acquire, be acquired by, or merge with other companies with existing infusion or pharmaceutical facilities or businesses anywhere (including inside or outside of the Territory) and, even if such businesses are located in and operate Centers in the Territory and/or service Patients that reside in the Territory, and to, at our option: (i) convert the other businesses to the Vital Care® name, (ii) permit the other businesses to continue to operate under another name, and/or (iii) permit the businesses to operate under another name and convert existing VC Businesses to that other name.

You have no exclusive or protected rights with respect to any actual or potential Patients or Referral Sources located within the Territory. We and our affiliates do not currently operate, franchise, or plan to operate or franchise a business under a different trademark that sells or will sell goods or services similar to those that you will offer, but we reserve the right to do so. We and our affiliates may use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, to make sales within your Territory using the Marks or other trademarks. We will not compensate you for any of our activities in your Territory, even if they have an impact on your VC Business.

As described in Item 1 above, IVX Health, using the trademark “IVX Health,” owns and operates ambulatory infusion centers that provide infusion therapies and services that are similar to those provided at Vital Care franchised businesses that operate Infusion Suites and Remote Centers. As of the end of 2024, there were approximately 130 IVX Health centers in operation. There are no limitations on where IVX Health centers may be located, or from where they may solicit or accept patients, and you are not restricted from providing any therapies or services on account of the location of any IVX Health centers.

Territorial Rights. You are only granted the right to operate the VC Business from physical premises (including a Primary Center and, if applicable, Remote Centers) located within the Territory. You may market, offer, sell, and/or provide the VC Offerings to existing or prospective Patients or Referral Sources located anywhere, including inside and outside of the Territory, in accordance with any rules and restrictions we specify in our Manuals or otherwise in writing (which we may modify from time to time), including restrictions that may curtail, limit, or regulate certain activities outside of the Territory. However, you have no right to (a) provide the VC Offerings at any location other than the Centers or the residence or workplace of a Patient or (b) use the Marks or the System in any wholesale, e-commerce, or other channel of distribution besides the operation of the VC Business (including via the internet, catalog sales, telemarketing, and other direct marketing). You must provide 60 days’ advanced written request to us before you seek any license or permit to operate outside the Territory, including but not limited to, a license to ship, mail or deliver prescription drugs to another state, where such activities are permitted by state law (a “**Non-Resident Pharmacy**”). We have the right to withhold consent to your request to operate a Non-Resident Pharmacy.

Modifications to Territorial Rights. As long as you are in compliance with the Franchise Agreement, your limited rights in the Territory will not be modified for any reason, except by mutual written agreement signed by both parties. During the Term, you must meet certain minimum performance levels in each applicable year (the “**Minimum Performance Levels**”). Specifically, your total Gross Revenue must be \$500,000 or greater during the first full year of operation of your VC Business beginning from the date your first Patient (or the Patient’s insurance company) is charged and ending 12 months after that date, and \$1,000,000 or greater during the first full calendar year of operation and each subsequent full calendar year of operation of your VC Business (with the first full calendar year being the first year that the VC Business operates from January 1 to December 31 of that year). If you fail to meet the Minimum Performance Levels in any applicable calendar year or otherwise default under the Franchise Agreement, we may reduce the size of your Territory, terminate the Franchise Agreement, or exercise other remedies outlined in the Franchise Agreement.

Remote Centers. As stated in Item 1, we may, in our sole discretion, authorize you (or, in the case of a Remote Infusion Clinic, your affiliate) to operate within the Territory one or more Remote Centers that are located at a different location than the Primary Center. If you wish to open and operate a Remote Center, you must (i) obtain our written consent, as evidenced by your and our execution of a Remote Center Authorization, (ii) comply with our site selection, site acquisition, and site construction requirements in connection with the development of the Remote Center, and (iii) operate the Remote Center as part of the VC Business consistent with the terms of the Franchise Agreement.

Rights to Acquire Additional VC Businesses. If we propose to open and operate, or to license a third-party to open and operate, a physical presence (whether a Primary Center or a Remote Center) in a geographic area located outside of your Territory, and from which you have derived Gross Revenue that exceeds \$500,000 in the most recently completed calendar year from Patients and patients referred by Referral Sources located within such geographic area, we may in our sole discretion grant you the option to acquire a new franchise under our then-current form of franchise agreement (which may contain terms materially different from those contained in your existing Franchise Agreement). If you do not exercise such option within 30 days after receiving our written notice, we may in our sole discretion revoke such option and proceed to open and operate, or to license a third-party to open and operate, the physical presence (whether a Primary Center or a Remote Center) in such geographic area. Except as provided in this paragraph, you do not have any options, rights of first refusal, or similar rights to acquire additional VC Businesses.

Relocation. If you would like to relocate any Center used in the VC Business, you must secure our written consent. Our approval will not be unreasonably withheld, provided (i) the new location for the Center is satisfactory to us and located within the Territory, (ii) your lease, if any, for the new location complies with our then-current requirements, (iii) you comply with our then-current requirements for constructing and furnishing the new location, (iv) the new location will not, as determined in our sole discretion, materially and adversely affect the Gross Revenue of any other VC Business, (v) you have fully performed and complied with each provision of the Franchise Agreement within the last three years prior to, and as of, the date we consent to such relocation (the “**Relocation Request Date**”), (vi) you are not in default, and no event exists which with the giving of notice and/or passage of time would constitute a default, exists as of the Relocation Request Date, and (vii) you have met all of our then-current training requirements. If your Lease expires or is terminated, you must secure our approval of another site and enter into a lease for the new approved site within 90 days.

Item 13

TRADEMARKS

We grant you the right to operate a patient infusion and pharmaceutical business under the Vital Care® mark and other trademarks, service marks, trade names, signs, associated designs, artwork, and logos that we specify periodically (collectively, the “Marks”).

The following Marks are registered on the Principal Register of the United States Patent and Trademark Office (“USPTO”), and all required affidavits have been filed with respect to each of the Marks:

Mark	Registration No.	Registration Date
VITAL CARE	2,169,655	June 29, 2018 (Renewed)
	2,312,058	March 21, 2020 (Renewed)
VITAL CARE INFUSION SERVICES	7,124,728	August 1, 2023
	7,124,726	August 1, 2023
	7,124,727	August 1, 2023

As noted in Item 1, all Marks and certain other intellectual property were transferred to us as part of the Securitization Transaction.

There are no currently effective determinations of the USPTO, Trademark Trial and Appeal Board, the Trademark Administrator of any state, or any court; nor is there any pending infringement, opposition or cancellation proceedings, or material litigation, involving any of the Marks. We do not know of any superior prior rights or infringing uses that could materially affect your use of any of the Marks. There are no currently effective agreements that significantly limit our rights to use or license the use of the Marks listed above in a manner material to the franchise.

You may also use certain other Marks owned by or licensed to us in the operation of your VC Business. You must use the Marks only in strict accordance with the Franchise Agreement and our Manuals. You may not use any Mark (i) as part of any corporate or legal business name, (ii) with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos we have licensed to you or that we have otherwise approved in writing), (iii) in selling any unauthorized services or products, (iv) as part of any domain name, electronic address, metatag, social media account, or otherwise in connection with any website or other electronic medium

without our consent, or (v) in any other manner we have not expressly authorized in writing, including the use of a “doing business as” or “d/b/a” name. You must display the Marks in a manner that we specify on signage at your VC Business and on all written materials, forms, advertising, promotional materials, supplies, employee uniforms, business cards, receipts, letterhead, contracts, stationary, and other materials we designate. Upon receipt of notice from us, you must discontinue, alter or substitute any of the Marks as we direct.

You must display in a conspicuous location in or upon your VC Business, or in a manner that we specify, a sign containing the following notice (or an alternative notice that we specify): “This business is owned and operated independently by [name of franchisee] who is an authorized licensed user of the trademark “Vital Care®,” which is a trademark owned by Vital Care Franchisor LLC.” You must include this notice or other similar language that we specify on all forms, advertising, promotional materials, business cards, receipts, letterhead, contracts, stationery, and other written materials we designate, which requirements may vary based on your Center type.

You must promptly notify us if any other person or Entity attempts to use any of the Marks or any colorable imitation of any of the Marks. You must immediately notify us of any infringement of or challenge to your use of any of the Marks. We will have the right to take any action that we consider appropriate, but the Franchise Agreement does not require us to take any action to protect your right to use any of the Marks or to participate in your defense and/or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving any of the Marks. We will have the right to control any administrative proceeding or litigation related to the Marks. We will be entitled to retain any and all proceeds, damages, and other sums, including attorneys’ fees, recovered or owed to us or our affiliates in connection with any such action. You agree to execute all documents and render any other assistance we may deem necessary to any such proceeding or any effort to maintain the continued validity and enforceability of the Marks.

If we decide that you should modify or discontinue using any of the Marks, or use one or more additional or substitute service marks or trademarks, you must comply with our directions in the time that we reasonably specify, and neither we nor any of its affiliates will have any obligation to reimburse you for the cost of complying with our directions.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We own no rights in, or licenses to, any patents or patent applications.

Except as provided below, we own no rights in, or licenses to, any copyrights. Neither we nor VCIS (our predecessor) have registered any copyrights with the United States Copyright Office that are relevant to your VC Business. However, we claim copyrights with respect to our advertising materials and our Manuals, as well as other materials we may periodically develop. There are no determinations of the Copyright Office or any court regarding any of our copyrights. There are no agreements limiting the use of any copyrights by us.

Any copyrights used by you in your VC Business belong solely to us. You agree to notify us in writing of any suspected infringement of our copyrights. We have exclusive rights to bring an action for infringement and retain any amounts recovered in that action and to control any infringement proceeding, whether brought by or against us or you. We have no obligation to defend or otherwise protect you against any claims involving any copyright, including any

copyright infringement claim, or to indemnify you for any losses you may incur as a result of our copyrights infringing the rights of any other copyright owner. If requested by us, you will discontinue the use of the subject matter covered by any copyright used in connection with your VC Business.

During the term of your Franchise Agreement, we may disclose in confidence to you, either orally or in writing, certain trade secrets, know-how, and other confidential information relating to the System, our business, our vendor relationships, our classes, or the construction, management, operation, or promotion of the VC Business (collectively, “**Proprietary Information**”). The Proprietary Information includes any Patient or Referral Source lists, including personal information that you collect from your Patients or Referral Sources. You may not, nor may you permit any person or Entity to, use or disclose any Proprietary Information (including any portion of the Manuals) to any other person, except to the extent necessary for your employees to perform their functions in the operation of your VC Business. You must take reasonable precautions necessary to protect Proprietary Information from unauthorized use or disclosure, including conducting orientation and training programs for your employees to inform them of your obligation to protect Proprietary Information and their related responsibilities and obligations. At our request, you must require anyone who may have access to the Proprietary Information to execute non-disclosure agreements in a form satisfactory to us that identifies us as a third-party beneficiary of such covenants with the independent right to enforce the agreement. You will be liable to us for any unauthorized use or disclosure of Proprietary Information by any employee or other person to whom you disclose Proprietary Information.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

At all times that your VC Business is open for business, it must be under the personal, on-premises supervision of your Operating Principal or a Key Manager. In addition, your Primary Center must be staffed at all times the Center is open to the public by a licensed pharmacist, your Key Manager (who may be your licensed pharmacist), and a person who has successfully completed our training program and is qualified to perform the patient services.

You or your Operating Principal, your Key Manager and your Compliance Officer must successfully complete our Initial Training and any other training programs that we may require, including Owner Training, Quick Start Training for Account Executives. You may not permit your VC Business to be operated, managed, directed, or controlled by any other person or entity without our prior written consent.

Your Operating Principal must have at least a 25% Ownership Interest in your Entity (whether direct or indirect), must have authority over all business decisions related to your VC Business, and must have the power to bind you in all dealings with us. You must appoint a Key Manager to devote his or her full time to the management of the day-to-day operations of your VC Business, who may also be the Operating Principal. Also, you must appoint a Compliance Officer who has oversight of the VC Business and is authorized to make healthcare compliance-related decisions. The Compliance Officer must be granted the resources to perform the role, and will be required to participate in any compliance initiative designated by us. The Key Manager and Compliance Officer are not required to have an Ownership Interest in your Entity. You must provide us with written notice of your Operating Principal, Key Manager and Compliance Officer

at least 60 days prior to opening and may not change your Operating Principal, Key Manager or Compliance Officer without our prior approval.

If your Key Manager ceases to be employed by you at the VC Business, you must notify us within 10 days of the date that his/her employment ceases and must hire a new Key Manager and have the new Key Manager successfully complete Initial Training, within 60 days of their employment. If you are unable to immediately appoint and train a Key Manager, we may, in our sole discretion, provide a Key Manager to work at your VC Business temporarily until a new Key Manager is appointed and trained. In such instances, you will pay to us our actual costs and expenses for such temporary Key Manager so assigned to the VC Business, including, without limitation, such Key Manager's salary and travel and living expenses. In addition, we may charge you a reasonable fee for this service.

We may require you to obtain from your officers, directors, Key Managers, Compliance Officers, your Owners' spouses (if he or she is also an Owner), salespeople, and other individuals that we may designate executed agreements containing nondisclosure and noncompete covenants in a form acceptable to us and specifically identifying us as having the independent right to enforce them. The form of Nondisclosure and Noncompete Agreement is attached to this disclosure document as Exhibit G.

Each Owner, including the Operating Principal, must sign the Payment and Performance Guarantee (the "**Guarantee**"), the current form of which is attached as Appendix E to the Franchise Agreement, assuming and agreeing to discharge all obligations of the franchisee under the Franchise Agreement and agreeing to comply with the confidentiality, indemnification, covenant not to compete, and assignment provisions of the Franchise Agreement. We do not require Owners' spouses to sign the Guarantee, unless he or she is also an Owner.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may market, offer, sell, and/or provide the VC Offerings to existing or prospective Patients or Referral Sources located anywhere in the state in which your VC Business is located, including inside and outside of the Territory consistent with any rules and restrictions that we specify in our Manuals or otherwise in writing (which we may modify periodically), including restrictions that may curtail, limit, or regulate certain activities outside of the Territory.

You must offer the specific VC Offerings that we require in the Manuals or otherwise in writing. We may change these specifications periodically, and we may designate specific VC Offerings as optional or mandatory. You must offer all VC Offerings that we designate as mandatory. You must maintain a sufficient supply of required products (including pharmaceuticals, supplies, and equipment necessary to provide the Therapies) to meet the inventory standards we prescribe in the Manuals (or to meet reasonably anticipated customer demand, if we have not prescribed specific standards).

You must perform the Therapies in accordance with the methods and techniques that are part of the System and may not permit anyone to perform the Therapies unless they have successfully completed our training program and obtained any required third-party certifications. You must offer Patients the opportunity to have Therapies provided in their homes.

You must provide prescription medications only to Patients pursuant to a prescription from those Patients' licensed physicians and must comply with all applicable laws concerning the sale or transfer of pharmaceuticals to other health care providers. All pharmaceuticals used in your VC Business, whether for Therapies provided in Remote Centers or at Patients' homes, must be compounded and dispensed from your Infusion Pharmacy.

We have the right to grant, deny, or revoke approval of products, services, Therapies, suppliers, or service providers based solely on our judgment. If we revoke approval of a previously-approved product, service, or Therapy, you must immediately discontinue offering the product, service, or Therapy and may continue to sell the product only from your existing inventory for up to 30 days following our disapproval. We have the right to shorten this period if, in our opinion, the continued sale of the product would prove detrimental to our reputation. After the 30-day period, or such shorter period that we may designate, you must dispose of your remaining previously-approved inventory as we direct.

You may not use vendor relationships that you establish through your association with us or the Vital Care® brand for any other purpose besides the operation of your VC Business, unless we consent in writing. You agree to purchase products solely for resale to retail customers of the VC Business, and not for resale or redistribution to any other party, including other Vital Care® franchisees. You may not offer products or services in connection with the Marks on any website on the Internet or any other electronic communication network unless we consent in writing.

You may not operate any business other than your VC Business without our consent, which will not be unreasonably withheld, provided that you have appointed a Key Manager other than yourself to run the day-to-day affairs of the VC Business. In addition to the restrictions on Competitive Businesses that are summarized in Item 17(q) below, your Owners and affiliates may not operate a mail-order pharmacy, a wholesale pharmacy, a retail pharmacy, any other pharmacy, or a pharmaceutical distribution or manufacturing business (collectively, a **"Pharmacy-Related Business"**), unless both we and the applicable Owner(s) and/or affiliate (collectively, the **"Related Operator"**) have signed an "Authorization to Operate a Fenced-Off Pharmacy," the current form of which is attached as Appendix C to the Franchise Agreement. We will not unreasonably withhold our consent to the operation of a Pharmacy-Related Business, as long as you and the Related Operator comply with the requirements in the following paragraph. We refer to a Pharmacy-Related Business that we have approved that is operated by a Related Operator as a **"Fenced-Off Pharmacy."**

A Fenced-Off Pharmacy must be operated completely independently from your VC Business. You and the Related Operator must ensure that any Fenced-Off Pharmacy (i) is not operated from a Center site and has a separate address from the Center, (ii) does not use any portion of the Marks or the System, (iii) does not offer the Therapies, (iv) maintains a separate pharmaceutical license from you and separate billing and claims processing arrangements with third parties, (v) has a separate phone number, (vi) does not use the point-of-sale system used in the VC Business, (vii) does not use the vendor relationships that you establish through your association with us or the Vital Care® brand to purchase products or services for use in the Fenced-Off Pharmacy, (viii) maintains separate inventories, (ix) maintains separate books, records, and accounts from you that are accurately maintained in accordance with generally accepted accounting principles and preserved for a minimum of seven years from preparation, and (x) except as otherwise agreed by us in writing, does not share employees with the VC Business. The Related Operator must provide us with unrestricted access to inspect and audit the books, records, and tax returns of the Fenced-Off Pharmacy and the Fenced-Off Pharmacy site for the purpose of verifying compliance with our requirements. We may specify additional

terms related to the operation of the Fenced-Off Pharmacy that you and/or the Related Operator must follow.

Item 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

The table below lists certain important provisions of the Franchise Agreement. You should read these provisions in the form of Franchise Agreement attached to this Disclosure Document as Exhibit C.

	Provision	Section in Franchise Agreement	Summary
a.	Length of the franchise term	Section 2.1	Begins on the Effective Date of your Franchise Agreement and continues for ten years from the Effective Date.
b.	Renewal or extension of the term	Sections 2.2, 2.3	You may enter into two additional consecutive successor ten-year terms, subject to compliance with the conditions in (c) below. We will have the right, however, not to enter into a successor term if, at the time of your written notice of intent to renew or the expiration of the then-current term, we are not then offering franchises to new or existing franchise owners on a system-wide basis.
c.	Requirements for franchisee to renew or extend	Section 2.2	Requirements include: You have notified us of your intent to renew at least three months in advance but no more than six months in advance; you have substantially complied with the Franchise Agreement during the term; no Event of Default or event which, with the giving of notice or passage of time or both, would become an Event of Default, exists; you have satisfied your monetary obligations to us, our affiliates, and our approved suppliers and have met those obligations throughout the Term; you have signed our then-current form of franchise agreement (which may have materially different terms and conditions than your original Franchise Agreement) and the Renewal Addendum; within six months after the renewal date, you have refurbished your VC Business to our then-current specifications; you have executed a general release (the current form of which is attached as Appendix F to the Franchise Agreement) in favor of us and our affiliates; you, your Operating Principal, Key Manager and Compliance Officer have completed our then-current training requirements; you have secured from your landlord the right to continue operating at the Center sites; and you have paid us the Successor Fee.

	Provision	Section in Franchise Agreement	Summary
d.	Termination by franchisee	Section 14.3	If we commit a material breach of the Franchise Agreement and we fail to cure the breach or take reasonable steps to begin curing the breach within 60 days after receiving notice from you, or for any other reasons allowed under applicable law, you may terminate the Franchise Agreement.
e.	Termination by us without cause	Not applicable	None.
f.	Termination by us with cause	Section 14.2	We can terminate only if you default under the Franchise Agreement (see Paragraphs (g) and (h) below).
g.	"Cause" defined – curable defaults	Section 14.1	You have 10 days to cure the non-payment of any amounts owed to us or our affiliates or your failure to make sufficient funds available to us; 24 hours to cure non-compliance with any law, regulation or ordinance which results in a threat to the public's health or safety; and 30 days to cure a failure to comply with any other provision of the Franchise Agreement not described above or in Paragraph (h) below.
h.	"Cause" defined – non-curable defaults	Section 14.1	You make a material misrepresentation to us; your Required Trainees fail to satisfactorily complete initial training; you fail to secure a site by the applicable deadline; you fail to open on time; you fail to maintain possession of your Primary Center site and fail to secure our approval of and enter into a lease for a new, accepted site within 90 days after the expiration/termination of the Lease for the Primary Center; you suspend operations of your VC Business for five or more consecutive business days without our consent; you fail to have a licensed pharmacist who has successfully completed our initial training on the staff of your VC Business; you fail to communicate with us; you fail to meet Minimum Performance Levels; you miss two or more required meetings; you or any of your Owners or officers or directors is convicted of or pleads nolo contendere to any crime or offense that we believe is likely to have an adverse effect on the franchise system, the Marks, and any associated goodwill, any crime involving moral turpitude, any crime involving consumer, insurance, or healthcare fraud, or any felony; you or any of your Owners or directors (i) engages in activities that are likely to have an adverse effect on the franchise system, the Marks, and any associated goodwill, (ii) fails to comply with state ethical standards, or (iii) is disbarred or suspended from participation in governmental programs; you engage in material, willful, and repeated deception of Patients; you, your affiliates, or your Owners misuse the Marks; you disclose Proprietary Information; any transfer occurs that does not comply with Section 13 of the Franchise Agreement; you or your Owners violate any noncompete covenants; you become insolvent or bankrupt; you fail to pay suppliers and trade creditors an amount exceeding \$2,000

	Provision	Section in Franchise Agreement	Summary
			for more than 60 days; you fail to pay your taxes; you underreport Gross Sales by more than 2% twice in a two-year period or by 5% in any period; you credit Gross Revenue relating to your VC Business to any other business, including any Fenced-Off Pharmacy; you, your affiliates, or your Owners misuse our vendor relationships; you, your affiliates, or your Owners refuse to permit us to inspect or audit your books and records, the VC Business, any Fenced-Off Pharmacy, or any Center; you fail to timely file reports three times in 12 months; you or your affiliates default under any other agreement with us or our affiliates if such default would permit the termination of that agreement; you commit the same default two or more times within any 12-month period, whether or not the defaults are cured; or you are in default three or more times within any 18-month period.
i.	Franchisee's obligations on termination/non-renewal	Section 15	Cease operating your VC Business and using our intellectual property, the System, any colorable imitation of our intellectual property, or anything confusingly similar to any of the Marks or the Trade Dress; notify the Drug Enforcement Agency, the applicable State Board of Pharmacy, and the applicable Board of Nursing that you have ceased operation of the VC Business and deliver any applicable licenses and permits back to the issuing agency; provide all current Patients with proper notice to seek alternative arrangements and ensure that arrangements have been made for the provision of those goods and services; pay all amounts due to us or our affiliates; return Proprietary Information, Personal Information (as defined in the Franchise Agreement), and Manuals; cancel assumed name registration; cancel or transfer telephone number, post office boxes, domain names, social media accounts, and directory listings; complete de-identification of each Center and execute any document that we consider necessary to do so; refrain from disclosing Proprietary Information; comply with noncompete covenants (also see (o) and (r) below); and, if the Franchise Agreement is terminated due to a default, pay liquidated damages as described in Item 6. You must maintain your Entity in an active status and in good standing until all obligations have been satisfied (in any event, for at least 2 years after termination or expiration). In addition, after termination or expiration, you may not sell, transfer, use, or allow third parties to access Personal Information for any purpose.
j.	Assignment of contract by us	Section 13.1	No restriction on our right to assign.

	Provision	Section in Franchise Agreement	Summary
k.	"Transfer" by franchisee – definition	Section 13.2	Includes (i) any direct, indirect or beneficial interest in the Franchise Agreement, the VC Business or substantially all of the assets of the VC Business; or (ii) any direct or indirect Ownership Interest in you.
l.	Our approval of transfer by franchisee	Section 13.3	We have the right to approve all transfers. We may withhold our consent on any reasonable grounds or give our consent subject to reasonable conditions.
m.	Conditions for our approval of transfer	Section 13.4	You pay us the Transfer Fee, as applicable; all of your monetary obligations are satisfied; you are not in default; you and your Owners sign a general release (the current form of which is attached as Appendix F to the Franchise Agreement); you and your Owners remain liable for obligations incurred or arising prior to transfer; you comply with noncompetition and confidentiality provisions; your landlord consents to the transfer of your Lease, if applicable; new franchisee agrees to discharge all of your obligations; new franchisee qualifies, meets training requirements, and signs then-current franchise agreement (and, if applicable, the Transfer Addendum); new franchisee upgrades the VC Business to our then-current specifications; proposed transferee commits to continuing to operate the VC Business under the Marks; new franchisee's owners execute our then-current form of Guarantee; and we determine purchase price is acceptable and financing arrangements are subordinate to our interests.
n.	Our right of first refusal to acquire franchisee's business	Section 13.3	We can purchase the interest proposed to be transferred on the same economic terms and conditions offered by a bona fide third party or at our option, the cash equivalent. Under certain conditions as described in the Franchise Agreement, our ROFR does not apply to certain transactions, such as (i) grants of security interests, (ii) transfers of Ownership Interests to a trust; or (iii) transfers upon death or incapacity.

	Provision	Section in Franchise Agreement	Summary
o.	Our option to purchase your business	Section 15.5	For 15 days after the Franchise Agreement terminates or expires, we can purchase any or all of the inventory, supplies, Operating Assets, and other assets used in the operation of your VC Business that we do not already own and that we designate for the fair market value of the assets, less any amounts then owing to us. If you or one of your affiliates owns the Center site or another premises used in the operation of the VC Business, we may elect to include a fee simple interest in the site as part of the assets to be purchased by us or, at our option, lease the site from you or that affiliate by, at our option, assuming your existing lease with your affiliate (if any) or entering into a lease for an initial five-year term with one five-year renewal term (at our option) on commercially reasonable terms. If you lease the Center site or a premises used in the operation of the VC Business from an unaffiliated lessor, you will, at our option, assign the Lease to us or enter into a sublease for the balance of the Lease term on the same terms as the Lease. We will not, however, have the right to acquire any assets used in any Fenced-off Pharmacy. If we do not exercise our option to acquire any of the applicable assets, leases, or real property used in the operation of the VC Business, you must de-identify the Center as required by the Franchise Agreement and comply with Section 12.3 of the Franchise Agreement (Covenants Regarding Disposition of Assets).
p.	Death or disability of franchisee	Section 13.7	Executor or representative must apply for our consent to transfer the person's interest within three months after the event (and notice has been provided to third parties such as licensing agencies or payors as required).
q.	Non-competition covenants during the term	Sections 12.1, 12.3	You and your Owners may not: (1) own, manage, engage in, be employed by, advise, make loans to, or have any other interest in (a) any business that provides the Therapies or health care products or services similar to, or the same as, the VC Offerings, or (b) any entity that grants franchises or licenses for any of these types of businesses (a " Competitive Business ") in the United States; (2) directly or indirectly divert or attempt to divert any actual or potential business, Patient, or Referral Source of the VC Business to any Competitive Business; (3) perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System; or (4) use any vendor relationship established through your association with us for any purpose other than to purchase products or equipment for use or retail sale in the VC Business. A "Competitive Business" does not include a pharmacy or healthcare-related business that does not offer the Therapies or an inpatient (i.e., overnight) care facility.

	Provision	Section in Franchise Agreement	Summary
r.	Non-competition covenants after the Franchise Agreement is terminated or expires	Sections 12.2, 12.3	For two years after the expiration or termination of your Franchise Agreement or an approved transfer to a new franchisee (and with respect to the Owners, for two years from the expiration, termination, or transfer of the Franchise Agreement or from the termination of the Owner's relationship with you, whichever occurs first), you and your Owners may not, without our prior written consent, directly or indirectly: (1) engage in any of the activities described in subsections (1) or (2) of Paragraph (q) above within the Territory or within 10 miles of the border of the Territory; (2) provide any of the VC Offerings to or at the address of any locations where you provided the VC Offerings to Patients in the 12 months prior to the expiration or termination of the Franchise Agreement (or a Transfer or, for any Owner, the termination of the Owner's relationship with you); or (3) engage in any of the activities described in subsections (3) or (4) of Paragraph (q) above anywhere in the United States. In addition, for the two years following expiration or termination, you and your Owners may not, without our prior written consent, either directly or indirectly, sell, assign, lease, gift, or transfer (a) any Ownership Interest in your Entity, (b) any site for a Center, or (c) any inventory, supplies, Operating Assets, and other assets located at a Center or used in the operation of the VC Business (collectively, "Restricted Assets and Equity") to any person or Entity that you know or suspect, or should reasonably know or suspect, operates or intends to operate a Competitive Business. We will not restrict the sale or disposition of Restricted Assets and Equity to another Vital Care® franchisee, as long as that existing franchisee (i) agrees to use such Restricted Assets and Equity solely to operate a VC Business, and (ii) meets the qualifications specified in Section 13.4(g) of the Franchise Agreement (Conditions on Transfers).
s.	Modification of the agreement	Section 17.2	Except for modifications to the Manuals, no modifications unless agreed to in writing by both parties.
t.	Integration/merger clause	Section 17.1	Only the terms of the Franchise Agreement are binding (subject to state law). Any other promises made outside of this Disclosure Document and the Franchise Agreement may not be enforceable.

	Provision	Section in Franchise Agreement	Summary
u.	Dispute resolution by arbitration or mediation	Sections 16.1, 16.2	Prior to filing most proceedings, a party must submit the dispute to non-binding mediation. All parties must attend and participate in the mediation. Except for Excepted Disputes (as defined in the Franchise Agreement), all disputes relating to the Franchise Agreement or your VC Business will be resolved by binding arbitration held at the offices of the AAA or other suitable offices that we select in the metropolitan area in which our principal place of business is then located (currently, Brentwood, Tennessee) (subject to state law).
v.	Choice of forum	Section 16.3	Subject to applicable state laws, any litigation related to an Excepted Dispute will be filed exclusively in the U.S. District Court for the district in which we have our principal place of business at the time of filing (currently, the U.S. District Court for the Middle District of Tennessee). If that district court does not have subject-matter jurisdiction over the dispute, the lawsuit must be filed in a state court with jurisdiction over the dispute.
w.	Choice of law	Section 16.4	Subject to applicable state laws, Tennessee law applies, without regard to Tennessee conflict-of-laws rules; however, if any provision of the Franchise Agreement would not be enforceable under Tennessee law, that provision will be interpreted under the laws of the state in which the VC Business is located. Federal and state arbitration laws will govern, except for any arbitration law that would prohibit or bar the arbitration of a Covered Dispute (as defined in the Franchise Agreement). Where state law permits arbitration, and federal law does not, state law will apply. Where federal law permits arbitration, and state law does not, federal law will apply.

Item 18

PUBLIC FIGURES

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

Item 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

franchisor supplements the information provided in Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

The following financial performance representations disclose the average historical data relating to the operation of franchised VC Businesses that were open and operating during the entirety of the applicable year. Some of the franchised VC Businesses included in this Item 19, however, operate or operated under pre-April 2021 (*i.e.*, legacy) forms of franchise agreement that do not require them to operate infusion centers in the exact same format required under the current form of Franchise Agreement (*i.e.*, a full-time stand-alone business with dedicated Vital Care-specific salespeople and Vital Care-branded locations) and do not require them to meet our current minimum performance requirements. (In this Item 19, we refer to these franchised VC Businesses as “Legacy VC Businesses.”) Rather, some of these Legacy VC Businesses are operated as an add-on to the applicable franchisee’s existing retail pharmaceutical business, with trained pharmacy employees providing infusion services to Patients within pharmacies that may not have “Vital Care”-branded exterior signage or a dedicated space for the operation of the VC Business. As the Legacy VC Businesses use the same Marks and System and offer the same VC Offerings as the VC Businesses that we are offering to new franchisees and otherwise generally operate in the same manner as the VC Business franchise being offered under the terms of this Disclosure Document (including having the same vendors, payors, wholesalers, suppliers, equipment, Billing Services, security service providers, insurance coverage, Technology System, Manuals, and training), we have included the infusion revenue data of the Legacy VC Businesses in Tables 1-A and 2-A below. We believe that the inclusion of the infusion revenue data of the Legacy VC Businesses in this Item 19 is proper and appropriate in order to provide new franchisees with the most accurate and complete picture of the performance of the System taken as a whole.

We have also provided, with respect to the financial performance representations for applicable franchised VC Businesses in each of Tables 1-A and 2-A below, the same financial performance information for a subset of those VC Businesses – specifically, those franchised VC Businesses that, as of the end of the applicable year, operated under the terms of the April 2021 form of franchise agreement or a subsequent form of franchise agreement. (In this Item 19, we refer to these franchised VC Businesses as “**New VC Businesses**.”) (Certain franchised VC Businesses may have initially operated under a pre-April 2021 form of franchise agreement before transitioning, whether through mutual agreement of the parties, transfer, or renewal, to the April 2021 or a subsequent form of franchise agreement.) Consequently, Tables 1-B and 2-B reflect financial performance information only for the applicable New VC Businesses; they do not reflect the performance of the applicable Legacy VC Businesses.

TABLES 1-A AND 1-B: GROSS REVENUES BY QUARTILE FOR 2024

Table 1-A presents Gross Revenues data by quartile for 2024 for the 73 franchised VC Businesses that were open and operating during the entirety of 2024, 54 of which were New VC Businesses. Table 1-B presents Gross Revenues data by quartile for 2024 for those 54 New VC Businesses.

Table 1-A: Franchised VC Businesses - Gross Revenues by Quartile in 2024

FRANCHISED VC BUSINESS QUARTILES	AVERAGE GROSS REVENUES	NUMBER AND PERCENTAGE OF FRANCHISED VC BUSINESSES ATTAINING OR EXCEEDING AVERAGE GROSS REVENUES	MEDIAN GROSS REVENUES	LOWEST GROSS REVENUES	HIGHEST GROSS REVENUES
Top Quartile	\$45,351,173	9/19 (47%)	\$45,039,416	\$17,924,401	\$99,045,393
2nd Quartile	\$12,687,254	8/18 (44%)	\$12,489,960	\$9,313,436	\$16,312,127
3rd Quartile	\$4,955,328	6/18 (33%)	\$4,401,426	\$2,614,323	\$8,392,328
Bottom Quartile	\$1,262,587	9/18 (50%)	\$1,208,767	\$205,268	\$2,526,914
Total	\$16,465,278	19/73 (26%)	\$9,313,436	\$205,268	\$99,045,393

Table 1-B: New VC Businesses - Gross Revenues by Quartile in 2023

NEW VC BUSINESS QUARTILES	AVERAGE GROSS REVENUES	NUMBER AND PERCENTAGE OF NEW VC BUSINESSES ATTAINING OR EXCEEDING AVERAGE GROSS REVENUES	MEDIAN GROSS REVENUES	LOWEST GROSS REVENUES	HIGHEST GROSS REVENUES
Top Quartile	\$47,980,548	7/14 (50%)	\$47,483,839	\$18,542,136	\$99,045,393
2nd Quartile	\$12,103,881	8/14 (57%)	\$12,489,960	\$7,412,669	\$16,312,127
3rd Quartile	\$4,681,045	4/13 (31%)	\$4,243,563	\$2,713,167	\$7,098,723
Bottom Quartile	\$1,331,255	7/13 (54%)	\$1,447,478	\$205,268	\$2,614,323
Total	\$17,024,850	14/54 (26%)	\$7,902,499	\$205,268	\$99,045,393

Note to Tables 1-A and 1-B:

1. Out of a total of 108 franchised VC Businesses at the end of 2024, 73 of them were in operation for the entire year and are included in the data group for Table 1-A. 54 of those 73 franchised VC Businesses were New VC Businesses and are included in the data group for Table 1-B. The Table 1-A data group does not include 35 VC Businesses that opened during 2024 (all of which were New VC Businesses), one VC Business that ceased

operations during 2024, which did not begin operating in the 12-month period prior to the date it ceased operations and was not a New VC Business.

TABLES 2-A AND 2-B: GROSS REVENUES BY YEAR

Table 2-A presents Gross Revenues data for 2017 to 2024 for the 73 franchised VC Businesses that were open and operating during the entirety of 2024 (54 of which were New VC Businesses), the 59 franchised VC Businesses that were open and operating during the entirety of 2023 (35 of which were New VC Businesses), the 46 franchised VC Businesses that were open and operating during the entirety of 2022 (7 of which were New VC Businesses), the 46 franchised VC Businesses that were open and operating the entirety of 2021 (none of which were New VC Businesses), the 54 franchised VC Businesses that were open and operating during the entirety of 2020 (none of which were New VC Businesses), the 53 franchised VC Businesses that were open and operating during the entirety of 2019 (none of which were New VC Businesses), the 55 franchised VC Businesses that were open and operating during the entirety of 2018 (none of which were New VC Businesses), and the 58 franchised VC Businesses that were open and operating during the entirety of 2017 (none of which were New VC Businesses). Table 2-B presents Gross Revenues data for 2022 and 2023 for the 31 New VC Businesses that were open and operating during the entirety of 2023 and the 9 New VC Businesses that were open and operating during the entirety of 2022. (There were no New VC Businesses that were open and operating during the entirety of 2017, 2018, 2019, 2020, or 2021.)

Table 2-A: Franchised VC Businesses - Gross Revenues by Year

YEAR	AVERAGE GROSS REVENUES	PERCENTAGE AVERAGE GROSS REVENUE GROWTH OVER PREVIOUS YEAR	# AND % OF FRANCHISED VC BUSINESSES ATTAINING OR EXCEEDING AVERAGE GROSS REVENUES	MEDIAN GROSS REVENUES	LOWEST GROSS REVENUES	HIGHEST GROSS REVENUES
2024	\$16,465,278	22%	19/73 (26%)	\$9,313,436	\$205,268	\$99,045,393
2023	\$13,406,418	21%	18/59 (31%)	\$5,327,636	\$259,621	\$79,079,594
2022	\$11,145,435	50%	16/46 (35%)	\$6,596,398	\$279,072	\$57,857,348
2021	\$7,438,551	47%	16/46 (35%)	\$4,096,180	\$47,821	\$39,797,615
2020	\$4,665,709	43%	20/54 (37%)	\$2,334,476	\$1,977	\$17,794,559
2019	\$3,271,449	54%	23/53 (43%)	\$1,916,877	\$24,287	\$12,424,086
2018	\$2,125,430	85%	21/55 (38%)	\$1,251,705	\$692	\$8,528,825

2017	\$1,148,022	--	16/58 (28%)	\$521,373	\$3,583	\$6,225,915
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Table 2-B: New VC Businesses - Gross Revenues by Year

YEAR	AVERAGE GROSS REVENUES	PERCENTAGE AVERAGE GROSS REVENUE GROWTH OVER PREVIOUS YEAR	# AND % OF NEW VC BUSINESSES ATTAINING OR EXCEEDING AVERAGE GROSS REVENUES	MEDIAN GROSS REVENUES	LOWEST GROSS REVENUES	HIGHEST GROSS REVENUES
2024	\$17,024,850	31%	14/54 (26%)	\$7,902,499	\$205,268	\$99,045,393
2023	\$13,013,739	-14%	10/35 (29%)	\$3,942,880	\$415,357	\$79,079,594
2022	\$15,209,355		3/7 (43%)	\$11,611,078	\$1,168,995	\$41,366,710

Notes to Tables 2-A and 2-B:

1. The "Percentage Systemwide Growth in Average Gross Revenue Over Previous Year" category is calculated by taking the difference between the Average Gross Revenues in the more recent year and the Average Gross Revenues in the prior year and dividing them by the Average Gross Revenues in the prior year. The VC Businesses included in each year's data sample changed somewhat from year to year due to openings, closures, and reacquisitions. As a result, this percentage measures the growth of the Average Gross Revenues reported by the system overall in each year, but it is not a measurement of the average year-over-year sales growth for individual VC Businesses. Some VC Businesses in each year's sample cannot report year-over-year revenue growth, because they did not operate in the prior year. Some individual VC Businesses experienced year-over-year revenue growth that was lower or higher than the systemwide percentage that has been reported in this table.
2. Out of a total of 108 franchised VC Businesses at the end of 2024, 73 of them were in operation for the entire year and are included in the data group for Table 1-A. 54 of those 73 franchised VC Businesses were New VC Businesses and are included in the data group for Table 1-B. The Table 1-A data group does not include 35 VC Businesses that opened during 2024 (all of which were New VC Businesses), one VC Business that ceased operations during 2024, which did not begin operating in the 12-month period prior to the date they ceased operations and was not a New VC Business.
2. Out of a total of 74 franchised VC Businesses at the end of 2023, 59 of them were in operation for the entire year and are included in the data group for 2023 in Table 2-A. The data group for 2023 does not include 15 VC Businesses that opened during 2023 (all of which were New VC Businesses), three VC Businesses that ceased operations during

2023 (none of which first began operating in the 12-month period prior to the date that they ceased operations and none of which were New VC Businesses), and one VC Business that was reacquired by VCIS during 2023 (which was not a New VC Business).

3. Out of a total of 63 franchised VC Business at the end of 2022, 46 were in operation for the entire year and are included in the data group for 2022 in Table 2-A. The data group for 2022 does not include 17 VC Businesses that opened during 2022 (all of which were New VC Businesses), one VC Business, the franchise agreement for which was terminated during 2022 (which VC Business did not first begin operating in the 12-month period prior to the date that the franchise agreement was terminated and which was a New VC Business), four VC Businesses that ceased operations for other reasons during 2022 (none of which first began operating in the 12-month period prior to the date that they ceased operations and none of which were New VC Businesses), and two VC Businesses that were reacquired by VCIS during 2022 (none of which were New VC Businesses).
4. Out of a total of 53 franchised VC Businesses at the end of 2021, 46 were in operation for the entire year and are included in the data group for 2021 in Table 2-A. The data group for 2021 does not include seven VC Businesses that opened during 2021 (none of which were New VC Businesses), four VC Businesses, the franchise agreements for which were terminated during 2021 (none of which VC Businesses first began operating in the 12-month period prior to the date that the applicable franchise agreement was terminated and none of which were New VC Businesses), and four VC Businesses that ceased operations for other reasons during 2021 (none of which first began operating in the 12-month period prior to the date that they ceased operations and none of which were New VC Businesses).
5. Out of a total of 54 franchised VC Businesses at the end of 2020, all 54 were in operation for the entire year and are included in the data group for 2020 in Table 2-A. The data group for 2020 does not include three VC Businesses that did not renew during 2020 and one VC Business that ceased operations during 2020 (which VC Business did not first begin operating in the 12-month period prior to the date that it ceased operations). None of the VC Businesses referenced in this Note were New VC Businesses.
6. Out of a total of 58 franchised VC Businesses at the end of 2019, 53 of them were in operation for the entire year and are included in the data group for 2019 in Table 2-A. The data group for 2019 does not include five VC Businesses that opened during 2019 and seven VC Businesses, the franchise agreements for which were terminated during 2019 (none of which VC Businesses began operating in the 12-month period prior to the date that the applicable franchise agreement was terminated). None of the VC Businesses referenced in this Note were New VC Businesses.
7. Out of a total of 60 franchised VC Businesses at the end of 2018, 55 of them were in operation for the entire year and are included in the data group for 2018 in Table 2-A. The data group for 2018 does not include five VC Businesses that opened during 2018, two VC Businesses that did not renew during 2018, and five VC Businesses, the franchise agreements for which were terminated during 2018 (none of which VC Businesses began operating in the 12-month period prior to the date that the applicable franchise agreement was terminated). None of the VC Businesses referenced in this Note were New VC Businesses.
8. Out of a total of 62 franchised VC Businesses at the end of 2017, 58 of them were in operation for the entire year and are included in the data group for 2017 in Table 2-A. The

data group for 2017 does not include four VC Businesses that opened during 2017 and eight VC Businesses, the franchise agreements for which were terminated during 2017 (none of which VC Businesses began operating in the 12-month period prior to the date that the applicable franchise agreement was terminated). None of the VC Businesses referenced in this Note were New VC Businesses.

NOTES TO ITEM 19:

Some franchises have sold this amount. Your individual results may differ. There is no assurance you'll sell as much.

"Gross Revenue" means all revenue and other consideration that you receive or otherwise derive from operating the VC Business, including all Centers that you operate and all Therapies you provide at, or deliver to, Patients' locations (i) whether from cash, check, credit or debit card, gift card or gift certificate, other credit transactions, or reimbursements, (ii) whether you collect the revenue or we or our affiliates collect the revenue on your behalf, (iii) regardless of the payer or source of funds, (iv) regardless of collection, and (v) regardless of when you actually provide the VC Offerings or other products or services in exchange for the revenue. If you receive any proceeds from any business interruption insurance applicable to loss of revenue at the VC Business, there shall be added to Gross Revenue an amount equal to the imputed gross revenue that the insurer used to calculate those proceeds. Gross Revenue does not include any sales or other taxes that you collect from Patients and pay directly to the appropriate taxing authority. You may not deduct payment provider fees (i.e., bank or credit card company fees), or any other consideration received (whether in the form of rebates, promotional allowances, or otherwise) from your Gross Revenue calculation. The Gross Revenues data included in this Item 19 does not include any rebates collected by franchisees or passed through to franchisees by VCIS and/or us.

The data above reflects only Gross Revenues data and does not reflect any costs or expenses that must be deducted from Gross Revenues to obtain a net income or net profit figure. Franchisees are not required to report this data to us, and we do not have these operating costs for franchisees.

The figures in the tables in these financial performance representations were calculated based upon financial reports submitted to VCIS by franchisees.

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

Other than the preceding financial information representation, we do not make any financial performance representations. 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 Brett Dethmers, 12 Cadillac Drive, Unit 230, Brentwood, Tennessee 37027, (601) 703-7240, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20

OUTLETS AND FRANCHISEE INFORMATION

**Table 1 - System-Wide Outlet Summary
For Years 2022 to 2024**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	53	63	+10
	2023	63	74	+11
	2024	74	108	+34
Company-Owned	2022	0	2	+2
	2023	2	2	0
	2024	2	2	0
Total Outlets	2022	53	65	+12
	2023	65	76	+11
	2024	76	110	+34

**Table 2 - Transfers of Outlets from Franchisees to New Owners
(Other than Ours) for Years 2022 to 2024**

State	Year	Number of Transfers
Alabama	2022	1
	2023	0
	2024	2
Arkansas	2022	0
	2023	0
	2024	1
Arizona	2022	0
	2023	0
	2024	1
Colorado	2022	0
	2023	0
	2024	3
Florida	2022	0
	2023	0
	2024	1
Louisiana	2022	1
	2023	0
	2024	0
Idaho	2022	0
	2023	0
	2024	1
Indiana	2022	0
	2023	0
	2024	1

State	Year	Number of Transfers
Mississippi	2022	0
	2023	0
	2024	1
New Mexico	2022	0
	2023	0
	2024	1
South Carolina	2022	0
	2023	0
	2024	1
Tennessee	2022	0
	2023	0
	2024	1
Virginia	2022	0
	2023	0
	2024	2
West Virginia	2022	0
	2023	0
	2024	1
Total	2022	2
	2023	0
	2024	18

**Table 3 - Status of Franchise Outlets
For Years 2022 to 2024**

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Company	Ceased Operations – Other Reasons	Outlets at End of the Year
Alabama	2022	8	1	0	0	0	0	9
	2023	9	1	0	0	0	0	10
	2024	10	0	0	0	0	0	10
Arizona	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Arkansas	2022	0	2	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Colorado	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	2	0	0	0	0	3
Connecticut	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Florida	2022	2	0	0	0	0	0	2
	2023	2	2	0	0	0	0	4
	2024	4	7	0	0	0	0	11

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Company	Ceased Operations – Other Reasons	Outlets at End of the Year
Georgia	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Idaho	2022	0	2	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Illinois	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Iowa	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	1	1
	2024	1	0	0	0	0	0	1
Kansas	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
Kentucky	2022	2	0	0	0	0	1	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Louisiana	2022	7	0	0	0	1	2	4
	2023	4	0	0	0	1	0	3
	2024	3	1	0	0	0	0	4
Maryland	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
Massachusetts	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Michigan	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
Mississippi	2022	7	0	1	0	1	0	5
	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
Missouri	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2024	2	1	0	0	0	0	3
Nebraska	2022	2	0	0	0	0	1	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Nevada	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
New Jersey	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	1	0	0	0	0	3

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Company	Ceased Operations – Other Reasons	Outlets at End of the Year
New Mexico	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
New York	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
North Carolina	2022	1	3	0	0	0	0	4
	2023	4	1	0	0	0	0	5
	2024	5	0	0	0	0	0	5
Ohio	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	2	0	0	0	0	3
Oklahoma	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
Pennsylvania	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	1	0	0	0	0	3
South Carolina	2022	1	1	0	0	0	0	2
	2023	2	1	0	0	0	0	3
	2024	3	2	0	0	0	0	5
Tennessee	2022	4	2	0	0	0	0	6
	2023	6	1	0	0	0	1	6
	2024	6	0	0	0	0	0	6
Texas	2022	7	3	0	0	0	0	10
	2023	10	2	0	0	0	1	11
	2024	11	3	0	1	0	0	13
Utah	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Virginia	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	2	0	0	0	0	4
Washington	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
West Virginia	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Total	2022	53	17	1	0	2	4	63
	2023	63	15	0	0	1	3	74
	2024	74	35	0	1	0	0	108

**Table 4 - Status of Company – Owned Outlets
For Years 2022 to 2024**

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of The Year
Louisiana	2022	0	0	1	0	0	1
	2023	1	0*	0	0	0	1
	2024	1	0	0	0	0	1
Mississippi	2022	0	0	1	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
West Virginia	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	1	0	0	1	0
Total	2022	0	0	2	0	0	2
	2023	2	0	0	0	0	2
	2024	2	1	0	0	1	2

Table 5 - Projected Openings as of December 31, 2024

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchise Outlets in the Next Fiscal Year (Ending 12/31/25)	Projected New Company-Owned Outlet in the Next Fiscal Year (Ending 12/31/25)
Arizona	2	2	0
California	3	3	0
Connecticut	1	1	0
Florida	2	2	0
Georgia	2	2	0
Illinois	2	2	0
Indiana	2	2	0
Kentucky	1	1	0
Louisiana	1	0	0
Massachusetts	1	1	0
Michigan	1	1	0
New York	2	3	0
Oregon	1	1	0
Virginia	2	2	0
Wisconsin	1	2	0
Total	24	26	0

As noted in Item 1, VCIS was the franchisor of VC Businesses prior to the closing of the Securitization Transaction. The “Franchised” and “Company-Owned” outlets referenced in the tables above are VCIS’s outlets as of December 31 of each year.

The names, addresses and telephone numbers of Vital Care® franchisees and their VC

Business as of December 31, 2024 are listed in Exhibit E to this Disclosure Document.

Exhibit F to this Disclosure Document lists the names, city, state and current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had a franchise terminated, not renewed, cancelled, left the system or otherwise voluntarily or involuntarily ceased to do business under their franchise agreement in 2024 or who has not communicated with us or VCIS (our predecessor) within the 10 weeks prior to the date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed when you leave the system.

During the last three fiscal years, neither we nor VCIS have signed confidentiality agreements with any former or current franchisees restricting their ability to speak openly about their experience with us or VCIS.

As of the date of this Disclosure Document, we do not have any trademark-specific franchisee organizations or associations.

Item 21

FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit B is our opening audited balance sheet as of December 19, 2025. We had no significant operations prior to that date. For that reason, we are not able to provide audited financial statements for the last three fiscal years.

Exhibit B also contains the audited financial statements of VCIS for the fiscal years ending December 31, 2024, December 31, 2023, and December 31, 2022, and an unaudited financial statement for the 9-month period ending September 30, 2025. The VCIS financial statements are provided for informational purposes only. VCIS does not guarantee the performance of our obligations under the Franchise Agreement.

Item 22

CONTRACTS

The following contracts are attached as exhibits to this Disclosure Document:

1. Franchise Agreement (Exhibit C)
 - Appendix A – Franchisee-Specific Terms
 - Appendix B – Authorization to Operate a Remote Center
 - Appendix C – Authorization to Operate a Fenced-Off Pharmacy
 - Appendix D - Marks
 - Appendix E – Payment and Performance Guarantee
 - Appendix F – Form of General Release
 - Appendix G – Cyber Security Standards
 - Appendix H – Form of Special Power of Attorney for Billing and Claims Processing
2. Business Associate Agreement (Exhibit D)
3. Nondisclosure and Noncompete Agreement (Exhibit G)
4. Pharmacy Software License (Exhibit H)
5. Form of Renewal Addendum (Exhibit J)
6. Form of Transfer Addendum (Exhibit K)

7. Franchisee Compliance Questionnaire and Certification (Exhibit L)

Item 23

RECEIPTS

You will find copies of a detachable receipt at the end of this Disclosure Document.

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FDD EXHIBIT A

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013 (213) 576-7500 or (866) 275-2677 www.dfpi.ca.gov Ask.DFPI@dfpi.ca.gov	Commissioner of Department of Financial Protection and Innovation 320 West 4 th Street, Suite 750 Los Angeles, California 90013
HAWAII	Department of Commerce and Consumer Affairs Business Registration Division 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities Business Registration Division Department of Commerce & Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813
ILLINOIS	Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	Illinois Attorney General 500 South Second Street Springfield, Illinois 62706
INDIANA	Indiana Secretary of State Securities Division Room E-111 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State Securities Division Room E-111 302 West Washington Street Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Maryland Division of Securities 200 St. Paul Place Baltimore, MD 21202 (410) 576-6360	Maryland Securities Commissioner at Office of Attorney General 200 St. Paul Place Baltimore, MD 21202
MICHIGAN	Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 6th Floor Lansing, MI 48933 (517) 335-7567	Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 6th Floor Lansing, MI 48933 (517) 335-7567

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
MINNESOTA	Minnesota Department of Commerce Department of Commerce 85 7th Place East Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce Department of Commerce 85 7th Place East Suite 280 St. Paul, MN 55101-2198
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8236	Secretary of State of New York New York Department of State One Commerce Plaza 99 Washington Avenue Albany, NY 12231
NORTH DAKOTA	North Dakota Insurance & Securities Department 600 East Boulevard Ave. State Capitol, Fourteenth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-2910	North Dakota Insurance Commissioner 600 East Boulevard Ave. State Capitol, Fourteenth Floor, Dept. 414 Bismarck, ND 58505-0510
RHODE ISLAND	Securities Division Department of Business Regulations 1511 Pontiac Avenue Cranston, RI 02920 (401) 462-9585	Director of Business Regulation 1511 Pontiac Avenue Cranston, RI 02920
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Director of the Division of Insurance Securities Regulation Division of Insurance 124 S. Euclid, Suite 104 Pierre, SD 57501
VIRGINIA	State Corporation Commission Tyler Building, Ninth Floor 1300 E. Main Street Richmond, VA 23219 (804) 371-9733	Clerk, Virginia State Corporation Commission 1300 E. Main Street, 1 st Floor Richmond, VA 23219
WASHINGTON	Department of Financial Institutions Securities Division PO Box 41200 Olympia, WA 98504-1200 (360) 902-8760	Director of Financial Institutions 150 Israel Road SW Tumwater, WA 98501 (360) 902-8760
WISCONSIN	Division of Securities Department of Financial Institutions 4822 Madison Yards Way, North Tower 608-266-2139	Administrator, Division of Securities Department of Financial Institutions 4822 Madison Yards Way, North Tower Madison, WI 53703

FDD EXHIBIT B

FINANCIAL STATEMENTS

VITAL CARE FRANCHISOR LLC

Financial Statement and Report of
Independent Certified Public
Accountants

Vital Care Franchisor LLC

December 19, 2025

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Member
Vital Care Franchisor LLC

Opinion

We have audited the financial statement of Vital Care Franchisor LLC (a Delaware limited liability company) (the "Company"), which comprise the balance sheet as of December 19, 2025, and the related notes to the financial statement.

In our opinion, the accompanying financial statement presents fairly, in all material respects, the financial position of the Company as of December 19, 2025 in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

We conducted our audit of the financial statement in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement 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 audit. 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 statement

Management is responsible for the preparation and fair presentation of the financial statement 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 statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, 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 for one year after the date the financial statement is available to be issued.

Auditor's responsibilities for the audit of the financial statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is 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 US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, 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 statement.
- 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 statement.
- 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.

Grant Thornton LLP

Fort Lauderdale, Florida
December 19, 2025

Vital Care Franchisor LLC

BALANCE SHEET

December 19, 2025

ASSETS

Cash and cash equivalents	<u>\$ 15,004,613</u>
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Total assets	<u><u>\$ 15,004,613</u></u>
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LIABILITIES AND MEMBER'S EQUITY

Total liabilities	<u>\$ -</u>
-------------------	-------------

Member's equity

Member's equity	<u>15,004,613</u>
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Total liabilities and member's equity	<u><u>\$ 15,004,613</u></u>
---------------------------------------	-----------------------------

The accompanying notes are an integral part of this financial statement.

Vital Care Franchisor LLC
NOTES TO FINANCIAL STATEMENT

December 19, 2025

NOTE 1 - DESCRIPTION OF BUSINESS

Vital Care Franchisor LLC (the "Company") was formed as a limited liability company under the laws of the state of Delaware on October 28, 2025 and commenced operations on December 19, 2025. The Company is a wholly owned subsidiary of Vital Care Issuer LLC (the "Parent Company"), a Delaware limited liability company.

The Company is organized to be a franchisor of infusion therapy and specialty drug provider. The Company and the franchisee enter into an agreement whereby the Company provides the franchisee assistance with clinical expertise, contracting, quality assurance, staff training, business development and marketing, and medical billing and collection in exchange for a royalty payment. The Company has franchisees throughout the United States.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statement is presented in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

The Company maintains cash balances at financial institutions which may at times exceed the amount covered by the Federal Deposit Insurance Corporation. The Company has not experienced any losses in such accounts.

Use of Estimates

The preparation of financial statements in accordance with U.S GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses (if applicable) during the reporting period in accordance with U.S. GAAP. Actual results could differ from those estimates.

Income Taxes

The Company is organized as a limited liability company and has elected to be treated as a partnership for federal and state income tax purposes. As a partnership, all taxable income and losses are passed through to the Member and reported in the Member's income tax returns.

U.S. GAAP requires management to evaluate tax positions taken by the Company and recognize a tax liability (or asset) if the Company has taken an uncertain tax position that more likely than not would be sustained upon examination by the Internal Revenue Service. Management has concluded that as of December 19, 2025, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statement. The Company may be subject to audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Company believes it is subject to income tax examinations beginning in 2025. No interest or penalty has been assessed by any tax jurisdiction.

Vital Care Franchisor LLC

NOTES TO FINANCIAL STATEMENT - CONTINUED

December 19, 2025

NOTE 3 - RELATED PARTY TRANSACTIONS

On December 19, 2025, Vital Care Infusion Services, LLC ("VCIS"), which is an entity that ultimately owns the Company, entered into an agreement (the "Contribution Agreement") with the Company and other related entities in conjunction with a broader securitization transaction (the "Transaction"). Under the terms of the Contribution Agreement, the Company ultimately received all of the legacy franchise agreements and related intellectual property formerly owned by VCIS.

In connection with the Transaction, the Company entered into a management services agreement (the "Agreement") with VCIS. Under the terms of the Agreement, VCIS will provide certain management services for the Company in exchange for substantially all of the Company's collections, as defined in the Agreement.

Upon the closing of the Transaction on December 19, 2025, the Parent Company issued Fixed Rate Class A-2 Senior Secured Notes with a principal amount totaling \$775,000,000. The Company serves as one of the guarantors of these notes.

NOTE 4 - SUBSEQUENT EVENTS

In preparing the financial statement, Company management has reviewed all known events that have occurred through December 19, 2025, which is the date the financial statement was available to be issued.

VITAL CARE INFUSION SERVICES, LLC

Financial Statements and Report of
Independent Certified Public
Accountants

Vital Care Infusion Services, LLC

December 31, 2024 and 2023

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Member
Vital Care Infusion Services, LLC

Opinion

We have audited the financial statements of Vital Care Infusion Services, LLC (a Delaware limited liability company) (the "Company"), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of operations and changes in member's equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 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 of the financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 for one year after the date 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 US GAAS will always

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

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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.

Grant Thornton LLP

Miami, Florida
March 17, 2025

Vital Care Infusion Services, LLC

BALANCE SHEETS

December 31,

	<u>2024</u>	<u>2023</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 41,200,261	\$ 21,532,431
Accounts receivable, net	559,953	803,849
Prepaid expenses	<u>1,332,417</u>	<u>589,514</u>
Total current assets	43,092,631	22,925,794
Property and equipment, net	884,293	1,024,904
Right-of-use asset, net	575,852	825,746
Due from related parties	-	2,125,020
Other assets	<u>21,298</u>	<u>21,298</u>
Total assets	<u><u>\$ 44,574,074</u></u>	<u><u>\$ 26,922,762</u></u>
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities		
Accounts payable	\$ 10,719,200	\$ 12,494,479
Accrued liabilities	6,043,179	5,083,542
Operating lease liability, current	<u>278,564</u>	<u>271,088</u>
Total current liabilities	17,040,943	17,849,109
Due to Parent	2,763,245	872,020
Due to related parties	449,975	-
Operating lease liability, non-current	<u>349,929</u>	<u>618,246</u>
Total liabilities	20,604,092	19,339,375
Member's equity		
Member's equity	<u>23,969,982</u>	<u>7,583,387</u>
Total liabilities and member's equity	<u><u>\$ 44,574,074</u></u>	<u><u>\$ 26,922,762</u></u>

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

Vital Care Infusion Services, LLC

STATEMENTS OF OPERATIONS AND CHANGES IN MEMBER'S EQUITY

Years ended December 31,

	<u>2024</u>	<u>2023</u>
Royalty income	\$ 125,557,017	\$ 87,656,809
Franchise fees	1,625,500	1,150,000
Software fees	1,916,331	1,446,798
Other revenue	<u>6,692,962</u>	<u>2,462,901</u>
Operating revenue	135,791,810	92,716,508
Selling, general and administrative expenses	51,499,756	36,466,570
Other income, net	<u>(580,059)</u>	<u>(226,959)</u>
NET INCOME	84,872,113	56,476,897
Member's equity, beginning of year	7,583,387	17,141,194
Distributions to Parent	<u>(68,485,518)</u>	<u>(66,034,704)</u>
Member's equity, end of year	<u><u>\$ 23,969,982</u></u>	<u><u>\$ 7,583,387</u></u>

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

Vital Care Infusion Services, LLC

STATEMENTS OF CASH FLOWS

Years ended December 31,

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Net income	\$ 84,872,113	\$ 56,476,897
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	266,909	198,808
Right-of-use asset amortization	249,894	246,394
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	243,896	(545,900)
Prepaid expenses	(742,903)	(328,079)
Increase (decrease) in:		
Accounts payable and accrued liabilities	(815,642)	9,699,703
Operating lease liability	(260,841)	(250,086)
Net cash provided by operating activities	<u>83,813,426</u>	<u>65,497,737</u>
Cash flows from investing activities:		
Purchases of property and equipment	(126,298)	(252,938)
Repayments of advances to related parties	2,600,000	1,500,000
Advances to related parties	(25,005)	(657,110)
Net cash provided by investing activities	<u>2,448,697</u>	<u>589,952</u>
Cash flows from financing activities:		
Proceeds from interest rate derivative due to Parent	1,891,225	872,020
Distributions to Parent	(68,485,518)	(66,034,704)
Net cash used in financing activities	<u>(66,594,293)</u>	<u>(65,162,684)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	<u>19,667,830</u>	<u>925,005</u>
Cash and cash equivalents, beginning of year	<u>21,532,431</u>	<u>20,607,426</u>
Cash and cash equivalents, end of year	<u><u>\$ 41,200,261</u></u>	<u><u>\$ 21,532,431</u></u>

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

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE 1 - DESCRIPTION OF BUSINESS

Vital Care Infusion Services, LLC (the "Company") was formed as a limited liability company under the laws of the state of Delaware pursuant to an agreement dated October 16, 2020. The Company is the successor to Vital Care, Inc. which was formed as a corporation under the laws of the state of Alabama on June 2, 1986 and converted to a Delaware limited liability company on October 16, 2020. In conjunction with the conversion, the Company changed its name to Vital Care Infusion Services, LLC. Effective October 16, 2020, the Company became a wholly owned subsidiary of Vital Care Buyer, LLC (the "Parent") as part of an overall recapitalization. In July 2024, the Company's Ultimate Parent was acquired by a new ownership group as part of an overall corporate reorganization (the "Corporate Reorganization").

The Company is a franchisor of infusion therapy and specialty drug providers. The Company and the franchisee enter into an agreement whereby the Company provides the franchisee assistance with clinical expertise, contracting, quality assurance, staff training, business development and marketing, and medical billing and collection in exchange for a royalty payment. The Company has franchisees throughout the United States.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

The Company maintains cash balances at financial institutions which may at times exceed the amount covered by the Federal Deposit Insurance Corporation. The Company has not experienced any losses in such accounts.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances which are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Property and Equipment

Property and equipment are stated at cost. The Company's policy is to capitalize assets that individually exceed a cost of \$5,000. The Company provides for depreciation using the straight-line method over the following expected useful lives:

Furniture and fixtures	5 to 10 years
Building and improvements	15 to 39 years
Vehicles	5 years
Computer equipment and software	3 to 5 years

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023

Use of Estimates

Management of the Company has made estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Actual results could differ from those estimates.

Revenue Recognition

Revenue is recognized in accordance with a five-step model, as follows: identifying the contract with the customer; identifying the performance obligations in the contract; determining the transaction price; allocating the transaction price to the performance obligations; and recognizing revenue when (or as) the Company satisfies a performance obligation.

Royalty Income

Under the terms of the franchise agreement (the "Agreement") between the Company and a franchisee, the Company is entitled to receive a royalty based upon the gross revenues of the franchisee. The Agreement has an initial term of ten years and may be renewed for two additional ten-year periods depending upon the franchisee being in compliance with the terms of the Agreement. The Agreement may be terminated prior to the expiration of its term by mutual consent of the Company and the franchisee. Under the terms of the Agreement, gross revenues include all amounts received by the franchisee or the Company on behalf of the franchisee in connection with the operation of the licensed business. The Agreement grants certain rights to use the Company's intellectual property and system of operation (the "System"). The System includes billing and claims processing, methods and techniques for inventory and cost controls, record keeping and reporting, purchasing and sales promotion, marketing, operations, procedures and forms; patient advice, assistance in training initial patient(s); location assistance; standards and specifications for equipment, equipment layout, inventory and supplies, and approved suppliers.

The services the Company provides under the Agreement are highly interrelated, not distinct within the contract, and are therefore accounted for as a single performance obligation. The royalty earned by the Company varies depending on the source of the revenue and revenue volume. The Company has applied the sales-based royalty exemption which permits exclusion of variable consideration in the form of sales-based royalties from the disclosure of remaining performance obligations. Royalty income is recognized over the term of the respective franchise agreement based on the royalties earned each period as the underlying collections of gross revenues occur.

For the years ended December 31, 2024 and 2023, royalties were earned on gross franchisee revenue of approximately \$1,336,934,000 and \$867,741,000, respectively.

Franchise Fees

Upon the execution of the Agreement between the Company and a franchisee, a non-refundable franchise fee is payable to the Company for providing initial assistance and training services to the franchisee. The Company applies the practical expedient provided by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Subtopic 952-606 and accounts for the pre-opening services as a single performance obligation, distinct from the franchise license. Based on estimated standalone selling prices, the Company has allocated the entire franchise fee to the pre-opening services. Franchise fees are recognized as initial assistance and training services are completed which is typically within nine months of the Agreement.

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023

During the year ended December 31, 2024, the Company opened twenty seven new franchises and earned fees totaling \$1,625,500. During the year ended December 31, 2023, the Company opened twenty seven new franchises and earned fees totaling \$1,150,000

Software Fees

Under the terms of software contracts between the Company and franchisees, the Company recognizes revenues from software contracts over time as the Company satisfies performance obligations. The Company provides software services in exchange for a flat monthly fee. Software contracts are generally accounted for as a single performance obligation, since the Company is integrating the components into a single service.

Leases

The Company recognizes and measures its leases in accordance with FASB ASC 842, *Leases*. The Company determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are modified. The Company made an accounting policy election to account for each separate lease component of a contract and its associated non-lease components (lessor-provided maintenance) as a single lease component. The Company recognizes a lease liability and a right-of-use asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. The Company has elected an accounting alternative that allows the use of a risk-free discount rate for a similar term as the remaining term of its building lease. Lease expense is recognized on a straight-line basis over the lease term.

Income Taxes

The Company is organized as a limited liability company and has elected to be treated as a partnership for federal and state income tax purposes. For state income tax provisions, with the exception of Connecticut, Tennessee, and Texas, the Company is not subject to state income taxes on its taxable income for the states in which it had operations. Instead, the Company's member separately accounts for its pro rata share of the Company's income, deductions, losses and credits annually.

U.S. GAAP requires management to evaluate tax positions taken by the Company and recognize a tax liability (or asset) if the Company has taken an uncertain tax position that more likely than not would be sustained upon examination by the Internal Revenue Service. Management has concluded that as of December 31, 2024 and 2023, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Company may be subject to audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Company believes it is no longer subject to income tax examinations for years prior to 2021.

Subsequent Events

In preparing the financial statements, Company management has reviewed all known events that have occurred after December 31, 2024 and through March 17, 2025, which is the date the financial statements were available to be issued.

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023

NOTE 3 - ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consists of the following at December 31:

	2024	2023
Royalty and franchise fees	\$ -	\$ 340,835
Accounts receivable, other	569,953	473,014
	569,953	813,849
Less: allowance for uncollectible accounts	(10,000)	(10,000)
	<u>\$ 559,953</u>	<u>\$ 803,849</u>

The Company does not contemplate future franchise renewals or new franchise agreements for which a franchise agreement does not exist at December 31, 2024 and 2023.

NOTE 4 - PROPERTY AND EQUIPMENT, NET

Property and equipment, net consist of the following at December 31:

	2024	2023
Furniture and fixtures	\$ 282,635	\$ 267,739
Building and improvements	1,901,262	1,805,323
Vehicles	21,265	21,265
Computer equipment and software	930,540	915,077
Land	49,323	49,323
	3,185,025	3,058,727
Accumulated depreciation	(2,300,732)	(2,033,823)
	<u>\$ 884,293</u>	<u>\$ 1,024,904</u>

Depreciation expense for the years ended December 31, 2024 and 2023 totaled approximately \$267,000 and \$199,000, respectively.

NOTE 5 - MANAGEMENT INCENTIVE UNITS

Vital Care Holdings, LLC is the Company's ultimate parent (the "Ultimate Parent") and has authorized management incentive units (the "Management Incentive Units") that represent non-voting interest in the Ultimate Parent and that may only be issued in return for services provided to the Ultimate Parent or its subsidiaries. As of December 31, 2023, the Ultimate Parent granted 339,126 Management Incentive Units to employees of the Company, of which 250,177 were outstanding at December 31, 2023. As of December 31, 2023, 29,839 of the Management Incentive Units were vested.

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023

In connection with the Corporate Reorganization, the issued and outstanding Management Incentive Units were vested and converted into common units. Subsequent to the Corporate Reorganization, and subject to the terms of the amended LLC Agreement of the Ultimate Parent, the Ultimate Parent granted 1,320,853 Management Incentive Units to employees of the Company, of which 1,265,818 are outstanding at December 31, 2024. 316,454 of the outstanding Management Incentive Units vest in five equal installments, on each anniversary of the grant date, while the remaining 949,363 Management Incentive Units only vest upon the achievement of a qualified liquidity event, as defined in the award agreement. In all cases, the Management Incentive Units only vest if the employees remain employed by the Company on the anniversary date or at the time of the qualified liquidity event. As of December 31, 2024, 18,542 of the Management Incentive Units are vested.

Given the terms of the Management Incentive Units, the Company has assigned minimal value to the Management Incentive Units and therefore no associated expense has been recorded in the accompanying statements of operations and changes in member's equity for these awards.

NOTE 6 - RELATED-PARTY TRANSACTIONS

During 2024 and 2023, the Company recorded approximately \$3,992,000 and \$3,245,000, respectively, in royalty income from a franchisee affiliated with the Company.

During 2024 and 2023, the Company paid rent in the amount of \$0 and \$16,000, respectively, to a company affiliated through common ownership and management.

During both 2024 and 2023, the Company received service fee income in the amount of \$24,000 from a company affiliated through common ownership and management.

The Company is a guarantor under the Credit Agreement between the Parent and its lenders. The Credit Agreement matures on July 29, 2031 and as of December 31, 2024, approximately \$570,000,000 is outstanding. The Parent Company is in compliance with all debt covenants, and no amount is included in the accompanying financial statements related to this guaranty. This Credit Agreement is collateralized by all of the Company's assets.

A member of the Company's Board of Directors provides and receives compensation for consulting services.

Prior to the Corporate Reorganization, the Company had a Management Services Agreement with an entity owned by a member of the Ultimate Parent. In connection with the Corporate Reorganization, the Management Services Agreement was assumed by another member of the Ultimate Parent. Under the Agreement, the Company pays fees for management services at a rate of 1.25% of quarterly adjusted earnings before interest expense, taxes, depreciation and amortization, with a quarterly minimum of \$125,000. During the years ended December 31, 2024 and 2023, the Company paid approximately \$3,544,000 and \$2,257,000, respectively, for management services.

The Company advances funds to two affiliates to fund their daily operating activities in the normal course of business. These amounts are included in due to/from related parties on the accompanying balance sheets. The balances due are unsecured, non-interest bearing and have no fixed repayment dates.

The Company received funds on behalf of the Parent under the terms of an interest rate derivative agreement between the Parent and a third party. These amounts are included in due to parent on the accompanying balance sheets. The balances due are unsecured, non-interest bearing and have no fixed repayment dates.

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023

NOTE 7 - EMPLOYEE BENEFIT PLAN

During 2022 the Company adopted a Safe Harbor 401(k) plan for all employees 21 years of age or over. Full-time employees are eligible to participate on the first day of the month following two consecutive months of employment. Part-time employees are eligible to participate after the completion of 1,000 hours during a 12-month period. The Company matches a discretionary amount and percentage of employee contributions. Participants may elect to contribute the maximum amount of annual compensation allowed by Section 401(k) of the Internal Revenue Code. The Company contributed approximately \$512,000 and \$415,000 to the plan for the years ended December 31, 2024 and 2023, respectively.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Software and Maintenance Agreements

The Company pays fees under software and maintenance agreements, ending in the year 2026, with various companies. Future minimum fees due to the various companies after December 31, 2024 are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 1,459,558
2026	<u>156,297</u>
Total	<u>\$ 1,615,855</u>

Operating Lease

The Company leases office space under a non-cancelable operating lease that expires in 2027. The lease contains provision for annual rent increases and a rent abatement period during which rent payments are abated. The lease contains an option to extend the term of the lease for an additional five years after the expiration date. The Company is not reasonably certain to exercise the renewal option, as such the optional period is not included in determining the lease term, and associated payments under the renewal option is excluded from lease payments. The Company's lease does not include termination options for either party to the lease or restrictive financial or other covenants. The discount rate is 1.37%. The total lease cost associated with this lease for the years ended December 31, 2024 and 2023 was approximately \$271,000 and \$270,000, respectively, and is included in selling, general and administrative expenses in the accompanying statements of operations.

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023

Future net minimum lease payments under the non-cancelable operating lease as of December 31, are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 278,564
2026	286,211
2027	<u>73,187</u>
Total future lease payments	637,962
Less: effects of discounting	<u>(9,469)</u>
Total operating lease liabilities	<u>\$ 628,493</u>

Litigation

The Company is involved in various legal actions in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Company's financial position, results of operations or liquidity.

Financial Statements and Report of
Independent Certified Public
Accountants

Vital Care Infusion Services, LLC

December 31, 2023 and 2022

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Member
Vital Care Infusion Services, LLC

Opinion

We have audited the financial statements of Vital Care Infusion Services, LLC (a Delaware limited liability company) (the "Company"), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of operations and changes in member's equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, 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 of the financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 for one year after the date 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 US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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.



Miami, Florida
March 15, 2024

Vital Care Infusion Services, LLC

BALANCE SHEETS

December 31,

	<u>2023</u>	<u>2022</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 21,532,431	\$ 20,607,426
Accounts receivable, net	803,849	257,949
Prepaid expenses	<u>589,514</u>	<u>261,435</u>
Total current assets	22,925,794	21,126,810
Property and equipment, net	1,024,904	970,774
Right of use asset, net	825,746	874,015
Due from related parties	2,125,020	3,072,689
Other assets	<u>21,298</u>	<u>219,423</u>
Total assets	<u><u>\$ 26,922,762</u></u>	<u><u>\$ 26,263,711</u></u>
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities		
Accounts payable	\$ 12,494,479	\$ 4,737,755
Accrued liabilities	5,083,542	3,245,342
Operating lease liability, current	<u>271,088</u>	<u>263,836</u>
Total current liabilities	17,849,109	8,246,933
Due to Parent	872,020	-
Operating lease liability, non-current	<u>618,246</u>	<u>875,584</u>
Total liabilities	19,339,375	9,122,517
Member's equity		
Member's equity	<u>7,583,387</u>	<u>17,141,194</u>
Total liabilities and member's equity	<u><u>\$ 26,922,762</u></u>	<u><u>\$ 26,263,711</u></u>

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

Vital Care Infusion Services, LLC

STATEMENTS OF OPERATIONS AND CHANGES IN MEMBER'S EQUITY

Years ended December 31,

	<u>2023</u>	<u>2022</u>
Royalty income	\$ 87,656,809	\$ 52,425,391
Franchise fees	1,150,000	992,000
Software fees	1,446,798	1,133,578
Other revenue	<u>2,462,901</u>	<u>1,633,942</u>
Operating revenue	92,716,508	56,184,911
Selling, general and administrative expenses	36,466,570	25,930,724
Other income, net	<u>(226,959)</u>	<u>(67,914)</u>
NET INCOME	56,476,897	30,322,101
Member's equity, beginning of year	17,141,194	11,105,189
Distributions to Parent	<u>(66,034,704)</u>	<u>(24,286,096)</u>
Member's equity, end of year	<u><u>\$ 7,583,387</u></u>	<u><u>\$ 17,141,194</u></u>

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

Vital Care Infusion Services, LLC

STATEMENTS OF CASH FLOWS

Years ended December 31,

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Net income	\$ 56,476,897	\$ 30,322,101
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	198,808	171,773
Right of use asset amortization	246,394	243,110
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(545,900)	(6,310)
Prepaid expenses	(328,079)	(152,639)
Other assets	-	198,125
Increase (decrease) in:		
Accounts payable and accrued liabilities	9,699,703	1,648,624
Operating lease liability	(250,086)	(175,830)
Net cash provided by operating activities	<u>65,497,737</u>	<u>32,248,954</u>
Cash flows from investing activities:		
Purchases of property and equipment	(252,938)	(90,903)
Repayments of advances to related parties	1,500,000	-
Advances to related parties	(657,110)	(3,072,689)
Net cash provided by (used in) investing activities	<u>589,952</u>	<u>(3,163,592)</u>
Cash flows from financing activities:		
Proceeds from interest rate derivative due to parent	872,020	-
Distributions to parent	(66,034,704)	(24,286,096)
Net cash used in financing activities	<u>(65,162,684)</u>	<u>(24,286,096)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	<u>925,005</u>	<u>4,799,266</u>
Cash and cash equivalents, beginning of year	<u>20,607,426</u>	<u>15,808,160</u>
Cash and cash equivalents, end of year	<u><u>\$ 21,532,431</u></u>	<u><u>\$ 20,607,426</u></u>

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

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE 1 - DESCRIPTION OF BUSINESS

Vital Care Infusion Services, LLC (the "Company") was formed as a limited liability company under the laws of the state of Delaware pursuant to an agreement dated October 16, 2020. The Company is the successor to Vital Care, Inc. which was formed as a corporation under the laws of the state of Alabama on June 2, 1986 and converted to a Delaware limited liability company on October 16, 2020. In conjunction with the conversion, the Company changed its name to Vital Care Infusion Services, LLC. Effective October 16, 2020, the Company became a wholly-owned subsidiary of Vital Care Buyer, LLC (the "Parent") as part of an overall corporate reorganization (the "Corporate Reorganization").

The Company is a franchisor of infusion therapy and specialty drug providers. The Company and the franchisee enter into an agreement whereby the Company provides the franchisee assistance with clinical expertise, contracting, quality assurance, staff training, business development and marketing, and medical billing and collection in exchange for a royalty payment. The Company has franchisees throughout the United States.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

The Company maintains cash balances at financial institutions which may at times exceed the amount covered by the Federal Deposit Insurance Corporation. The Company has not experienced any losses in such accounts.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances which are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Property and Equipment

Property and equipment are stated at cost. The Company's policy is to capitalize assets that individually exceed a cost of \$5,000. The Company provides for depreciation using the straight-line method over the following expected useful lives:

Furniture and fixtures	5 to 10 years
Building and improvements	15 to 39 years
Vehicles	5 years
Computer equipment and software	3 to 5 years

Use of Estimates

Management of the Company has made estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Actual results could differ from those estimates.

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

Revenue Recognition

Revenue is recognized in accordance with a five-step model, as follows: identifying the contract with the customer; identifying the performance obligations in the contract; determining the transaction price; allocating the transaction price to the performance obligations; and recognizing revenue when (or as) the Company satisfies a performance obligation.

Royalty Income

Under the terms of the franchise agreement (the "Agreement") between the Company and a franchisee, the Company is entitled to receive a royalty based upon the gross revenues of the franchisee. The Agreement has an initial term of ten years and may be renewed for two additional ten-year periods depending upon the franchisee being in compliance with the terms of the Agreement. The Agreement may be terminated prior to the expiration of its term by mutual consent of the Company and the franchisee. Under the terms of the Agreement, gross revenues include all amounts received by the franchisee or the Company on behalf of the franchisee in connection with the operation of the licensed business. The Agreement grants certain rights to use the Company's intellectual property and system of operation (the "System"). The System includes billing and claims processing, methods and techniques for inventory and cost controls, record keeping and reporting, purchasing and sales promotion, marketing, operations, procedures and forms; patient advice, assistance in training initial patient(s); location assistance; standards and specifications for equipment, equipment layout, inventory and supplies, and approved suppliers.

The services the Company provides under the Agreement are highly interrelated, not distinct within the contract, and are therefore accounted for as a single performance obligation. The royalty earned by the Company varies depending on the source of the revenue and revenue volume. The Company has applied the sales-based royalty exemption which permits exclusion of variable consideration in the form of sales-based royalties from the disclosure of remaining performance obligations. Royalty income is recognized over the term of the respective franchise agreement based on the royalties earned each period as the underlying collections of gross revenues occur.

For the years ended December 31, 2023 and 2022, royalties were earned on gross franchisee revenue of approximately \$867,741,000 and \$528,468,000, respectively.

Franchise Fees

Upon the execution of the Agreement between the Company and a franchisee, a non-refundable franchise fee is payable to the Company for providing initial assistance and training services to the franchisee. The Company applies the practical expedient provided by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Subtopic 952-606 and accounts for the pre-opening services as a single performance obligation, distinct from the franchise license. Based on estimated standalone selling prices, the Company has allocated the entire franchise fee to the pre-opening services. Franchise fees are recognized as initial assistance and training services are completed which is typically within nine months of the Agreement.

During the year ended December 31, 2023, the Company opened twenty seven new franchises and earned fees totaling \$1,150,000. During the year ended December 31, 2022, the Company opened twenty eight new franchises and earned fees totaling \$992,000.

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

Software Fees

Under the terms of software contracts between the Company and franchisees, the Company recognizes revenues from software contracts over time as the Company satisfies performance obligations. The Company provides software services in exchange for a flat monthly fee. Software contracts are generally accounted for as a single performance obligation, since the Company is integrating the components into a single service.

Leases

The Company recognizes and measures its leases in accordance with FASB ASC 842, *Leases*, which resulted in the recognition of a right-of-use ("ROU") asset and an operating lease liability totaling approximately \$1,117,000 and \$1,366,000, respectively. The Company determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are modified. The Company made an accounting policy election to account for each separate lease component of a contract and its associated non-lease components (lessor-provided maintenance) as a single lease component. The Company recognizes a lease liability and a ROU asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. The Company has elected an accounting alternative that allows the use of a risk-free discount rate for a similar term as the remaining term of its building lease. Lease expense is recognized on a straight-line basis over the lease term.

Income Taxes

The Company is organized as a limited liability company and has elected to be treated as a partnership for federal and state income tax purposes. For state income tax provisions, with the exception of Connecticut, Tennessee, and Texas, the Company is not subject to state income taxes on its taxable income for the states in which it had operations. Instead, the Company's members separately account for their pro rata share of the Company's income, deductions, losses and credits annually.

U.S. GAAP requires management to evaluate tax positions taken by the Company and recognize a tax liability (or asset) if the Company has taken an uncertain tax position that more likely than not would be sustained upon examination by the Internal Revenue Service. Management has concluded that as of December 31, 2023 and 2022, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Company may be subject to audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Company believes it is no longer subject to income tax examinations for years prior to 2020.

Reclassification

Certain amounts reported in prior year's financial statements have been reclassified to conform to the current year presentation.

Subsequent Events

In preparing the financial statements, Company management has reviewed all known events that have occurred after December 31, 2023 and through March 15, 2024, which is the date the financial statements were available to be issued.

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

NOTE 3 - ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consists of the following at December 31:

	2023	2022
Royalty and franchise fees	\$ 340,835	\$ 5,000
Accounts receivable, other	473,014	262,949
	813,849	267,949
Less: allowance for uncollectible accounts	(10,000)	(10,000)
	<u>\$ 803,849</u>	<u>\$ 257,949</u>

The Company does not contemplate future franchise renewals or new franchise agreements for which a franchise agreement does not exist at December 31, 2023 and 2022.

NOTE 4 - PROPERTY AND EQUIPMENT, NET

Property and equipment, net consist of the following at December 31:

	2023	2022
Furniture and fixtures	\$ 267,739	\$ 267,739
Building and improvements	1,805,323	1,805,323
Vehicles	21,265	21,265
Computer equipment and software	915,077	662,138
Land	49,323	49,323
	3,058,727	2,805,788
Accumulated depreciation	(2,033,823)	(1,835,014)
	<u>\$ 1,024,904</u>	<u>\$ 970,774</u>

Depreciation expense for the years ended December 31, 2023 and 2022 totaled approximately \$199,000 and \$172,000, respectively.

NOTE 5 - MANAGEMENT INCENTIVE UNITS

Vital Care Holdings, LLC is the Company's ultimate parent (the "Ultimate Parent") and has authorized management incentive units (the "Management Incentive Units") that represent non-voting interest in the Ultimate Parent and that may only be issued in return for services provided to the Ultimate Parent or its subsidiaries. As of both December 31, 2023 and 2022, the Ultimate Parent has granted 339,126 Management Incentive Units to employees of the Company, of which 250,177 are outstanding. 49,895 of the outstanding Management Incentive Units vest in five equal installments, on each anniversary of the grant date, while the remaining 200,282 Management Incentive Units only vest upon the achievement of a qualified liquidity event, as defined in the award agreement. In all cases, the Management Incentive Units only vest if the employees remain employed by the Company on the anniversary date or at the time of the

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

qualified liquidity event. As of December 31, 2023 and 2022, 29,839 and 17,525, respectively, of the Management Incentive Units are vested.

Given the terms of the Management Incentive Units, the Company has assigned minimal value to the Management Incentive Units, and therefore no associated expense has been recorded in the accompanying statements of operations and changes in member's equity for these awards.

NOTE 6 - RELATED-PARTY TRANSACTIONS

During 2023 and 2022, the Company recorded approximately \$3,245,000 and \$1,741,000, respectively, in royalty income from a franchisee affiliated with the Company.

During 2023 and 2022, the Company paid rent in the amount of \$16,000 and \$24,000, respectively, to a company affiliated through common ownership and management.

During both years ending December 31, 2023 and 2022, the Company received service fee income in the amount of \$24,000 from a company affiliated through common ownership and management.

The Company is a guarantor under the Credit Agreement between the Parent and its lenders. The Credit Agreement matures on October 19, 2025 and as of December 31, 2023, approximately \$76,000,000 is outstanding. The Parent Company is in compliance with all debt covenants, and no amount is included in the accompanying financial statements related to this guaranty. This Credit Agreement is collateralized by all of the Company's assets.

A member of the Company's Board of Directors provides and receives compensation for consulting services.

The Company has a Management Services Agreement with an entity owned by a member of the Ultimate Parent. Under the Agreement, the Company pays fees for management services at a rate of 1.25% of quarterly adjusted earnings before interest expense, taxes, depreciation and amortization, with a quarterly minimum of \$125,000. During the years ended December 31, 2023 and 2022, the Company paid approximately \$2,257,000 and \$1,438,000, respectively, for management services.

The Company advances funds to two affiliates to fund their daily operating activities in the normal course of business. These amounts are included in due from related parties on the accompanying balance sheets. The balances due are unsecured, non-interest bearing and have no fixed repayment dates.

The Company receives funds on behalf of the Parent under the terms of an interest rate derivative agreement between the Parent and a third party. These amounts are included in due to parent on the accompanying balance sheet. The balances due are unsecured, non-interest bearing and have no fixed repayment dates.

NOTE 7 - EMPLOYEE BENEFIT PLAN

During 2022 the Company adopted a Safe Harbor 401(k) plan for all employees 21 years of age or over. Full-time employees are eligible to participate on the first day of the month following two consecutive months of employment. Part-time employees are eligible to participate after the completion of 1,000 hours during a 12-month period. The Company matches a discretionary amount and percentage of employee contributions. Participants may elect to contribute the maximum amount of annual compensation allowed by Section 401(k) of the Internal Revenue Code. The Company contributed approximately \$415,000 and \$274,000 to the plan for the years ended December 31, 2023 and 2022, respectively.

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Software and Maintenance Agreements

The Company pays fees under software and maintenance agreements with various companies. Future minimum fees due to the various companies subsequent to December 31, 2023 are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 946,915
2025	373,791
2026	38,250
Total	<u>\$ 1,358,956</u>

Operating Lease

The Company leases office space under a non-cancelable operating lease that expires in 2027. The lease contains provision for annual rent increases and a rent abatement period during which rent payments are abated. The lease contains an option to extend the term of the lease for an additional five years after the expiration date. The Company is not reasonably certain to exercise the renewal option, as such the optional period is not included in determining the lease term, and associated payments under the renewal option is excluded from lease payments. The Company's lease does not include termination options for either party to the lease or restrictive financial or other covenants. The discount rate is 1.37%. The total lease cost associated with this lease for the years ended December 31, 2023 and 2022 was approximately \$270,000 and \$260,000, respectively, and is included in selling, general and administrative expenses in the accompanying statements of operations.

Future net minimum lease payments under the non-cancelable operating lease as of December 31, are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 271,088
2025	278,564
2026	286,211
2027	73,187
Total future lease payments	909,050
Less: Effects of discounting	<u>(19,716)</u>
Total operating lease liabilities	<u>\$ 889,334</u>

Litigation

The Company is involved in various legal actions in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Company's financial position, results of operations or liquidity.

Financial Statements and Report of
Independent Certified Public
Accountants

Vital Care Infusion Services, LLC

December 31, 2023 and 2022

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Member
Vital Care Infusion Services, LLC

Opinion

We have audited the financial statements of Vital Care Infusion Services, LLC (a Delaware limited liability company) (the "Company"), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of operations and changes in member's equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, 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 of the financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 for one year after the date 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 US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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.



Miami, Florida
March 15, 2024

Vital Care Infusion Services, LLC

BALANCE SHEETS

December 31,

	<u>2023</u>	<u>2022</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 21,532,431	\$ 20,607,426
Accounts receivable, net	803,849	257,949
Prepaid expenses	<u>589,514</u>	<u>261,435</u>
Total current assets	22,925,794	21,126,810
Property and equipment, net	1,024,904	970,774
Right of use asset, net	825,746	874,015
Due from related parties	2,125,020	3,072,689
Other assets	<u>21,298</u>	<u>219,423</u>
Total assets	<u><u>\$ 26,922,762</u></u>	<u><u>\$ 26,263,711</u></u>
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities		
Accounts payable	\$ 12,494,479	\$ 4,737,755
Accrued liabilities	5,083,542	3,245,342
Operating lease liability, current	<u>271,088</u>	<u>263,836</u>
Total current liabilities	17,849,109	8,246,933
Due to Parent	872,020	-
Operating lease liability, non-current	<u>618,246</u>	<u>875,584</u>
Total liabilities	19,339,375	9,122,517
Member's equity		
Member's equity	<u>7,583,387</u>	<u>17,141,194</u>
Total liabilities and member's equity	<u><u>\$ 26,922,762</u></u>	<u><u>\$ 26,263,711</u></u>

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

Vital Care Infusion Services, LLC

STATEMENTS OF OPERATIONS AND CHANGES IN MEMBER'S EQUITY

Years ended December 31,

	<u>2023</u>	<u>2022</u>
Royalty income	\$ 87,656,809	\$ 52,425,391
Franchise fees	1,150,000	992,000
Software fees	1,446,798	1,133,578
Other revenue	<u>2,462,901</u>	<u>1,633,942</u>
Operating revenue	92,716,508	56,184,911
Selling, general and administrative expenses	36,466,570	25,930,724
Other income, net	<u>(226,959)</u>	<u>(67,914)</u>
NET INCOME	56,476,897	30,322,101
Member's equity, beginning of year	17,141,194	11,105,189
Distributions to Parent	<u>(66,034,704)</u>	<u>(24,286,096)</u>
Member's equity, end of year	<u><u>\$ 7,583,387</u></u>	<u><u>\$ 17,141,194</u></u>

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

Vital Care Infusion Services, LLC

STATEMENTS OF CASH FLOWS

Years ended December 31,

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Net income	\$ 56,476,897	\$ 30,322,101
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	198,808	171,773
Right of use asset amortization	246,394	243,110
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(545,900)	(6,310)
Prepaid expenses	(328,079)	(152,639)
Other assets	-	198,125
Increase (decrease) in:		
Accounts payable and accrued liabilities	9,699,703	1,648,624
Operating lease liability	(250,086)	(175,830)
Net cash provided by operating activities	<u>65,497,737</u>	<u>32,248,954</u>
Cash flows from investing activities:		
Purchases of property and equipment	(252,938)	(90,903)
Repayments of advances to related parties	1,500,000	-
Advances to related parties	(657,110)	(3,072,689)
Net cash provided by (used in) investing activities	<u>589,952</u>	<u>(3,163,592)</u>
Cash flows from financing activities:		
Proceeds from interest rate derivative due to parent	872,020	-
Distributions to parent	(66,034,704)	(24,286,096)
Net cash used in financing activities	<u>(65,162,684)</u>	<u>(24,286,096)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	<u>925,005</u>	<u>4,799,266</u>
Cash and cash equivalents, beginning of year	<u>20,607,426</u>	<u>15,808,160</u>
Cash and cash equivalents, end of year	<u><u>\$ 21,532,431</u></u>	<u><u>\$ 20,607,426</u></u>

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

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE 1 - DESCRIPTION OF BUSINESS

Vital Care Infusion Services, LLC (the "Company") was formed as a limited liability company under the laws of the state of Delaware pursuant to an agreement dated October 16, 2020. The Company is the successor to Vital Care, Inc. which was formed as a corporation under the laws of the state of Alabama on June 2, 1986 and converted to a Delaware limited liability company on October 16, 2020. In conjunction with the conversion, the Company changed its name to Vital Care Infusion Services, LLC. Effective October 16, 2020, the Company became a wholly-owned subsidiary of Vital Care Buyer, LLC (the "Parent") as part of an overall corporate reorganization (the "Corporate Reorganization").

The Company is a franchisor of infusion therapy and specialty drug providers. The Company and the franchisee enter into an agreement whereby the Company provides the franchisee assistance with clinical expertise, contracting, quality assurance, staff training, business development and marketing, and medical billing and collection in exchange for a royalty payment. The Company has franchisees throughout the United States.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

The Company maintains cash balances at financial institutions which may at times exceed the amount covered by the Federal Deposit Insurance Corporation. The Company has not experienced any losses in such accounts.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances which are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Property and Equipment

Property and equipment are stated at cost. The Company's policy is to capitalize assets that individually exceed a cost of \$5,000. The Company provides for depreciation using the straight-line method over the following expected useful lives:

Furniture and fixtures	5 to 10 years
Building and improvements	15 to 39 years
Vehicles	5 years
Computer equipment and software	3 to 5 years

Use of Estimates

Management of the Company has made estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Actual results could differ from those estimates.

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

Revenue Recognition

Revenue is recognized in accordance with a five-step model, as follows: identifying the contract with the customer; identifying the performance obligations in the contract; determining the transaction price; allocating the transaction price to the performance obligations; and recognizing revenue when (or as) the Company satisfies a performance obligation.

Royalty Income

Under the terms of the franchise agreement (the "Agreement") between the Company and a franchisee, the Company is entitled to receive a royalty based upon the gross revenues of the franchisee. The Agreement has an initial term of ten years and may be renewed for two additional ten-year periods depending upon the franchisee being in compliance with the terms of the Agreement. The Agreement may be terminated prior to the expiration of its term by mutual consent of the Company and the franchisee. Under the terms of the Agreement, gross revenues include all amounts received by the franchisee or the Company on behalf of the franchisee in connection with the operation of the licensed business. The Agreement grants certain rights to use the Company's intellectual property and system of operation (the "System"). The System includes billing and claims processing, methods and techniques for inventory and cost controls, record keeping and reporting, purchasing and sales promotion, marketing, operations, procedures and forms; patient advice, assistance in training initial patient(s); location assistance; standards and specifications for equipment, equipment layout, inventory and supplies, and approved suppliers.

The services the Company provides under the Agreement are highly interrelated, not distinct within the contract, and are therefore accounted for as a single performance obligation. The royalty earned by the Company varies depending on the source of the revenue and revenue volume. The Company has applied the sales-based royalty exemption which permits exclusion of variable consideration in the form of sales-based royalties from the disclosure of remaining performance obligations. Royalty income is recognized over the term of the respective franchise agreement based on the royalties earned each period as the underlying collections of gross revenues occur.

For the years ended December 31, 2023 and 2022, royalties were earned on gross franchisee revenue of approximately \$867,741,000 and \$528,468,000, respectively.

Franchise Fees

Upon the execution of the Agreement between the Company and a franchisee, a non-refundable franchise fee is payable to the Company for providing initial assistance and training services to the franchisee. The Company applies the practical expedient provided by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Subtopic 952-606 and accounts for the pre-opening services as a single performance obligation, distinct from the franchise license. Based on estimated standalone selling prices, the Company has allocated the entire franchise fee to the pre-opening services. Franchise fees are recognized as initial assistance and training services are completed which is typically within nine months of the Agreement.

During the year ended December 31, 2023, the Company opened twenty seven new franchises and earned fees totaling \$1,150,000. During the year ended December 31, 2022, the Company opened twenty eight new franchises and earned fees totaling \$992,000.

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

Software Fees

Under the terms of software contracts between the Company and franchisees, the Company recognizes revenues from software contracts over time as the Company satisfies performance obligations. The Company provides software services in exchange for a flat monthly fee. Software contracts are generally accounted for as a single performance obligation, since the Company is integrating the components into a single service.

Leases

The Company recognizes and measures its leases in accordance with FASB ASC 842, *Leases*, which resulted in the recognition of a right-of-use ("ROU") asset and an operating lease liability totaling approximately \$1,117,000 and \$1,366,000, respectively. The Company determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are modified. The Company made an accounting policy election to account for each separate lease component of a contract and its associated non-lease components (lessor-provided maintenance) as a single lease component. The Company recognizes a lease liability and a ROU asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. The Company has elected an accounting alternative that allows the use of a risk-free discount rate for a similar term as the remaining term of its building lease. Lease expense is recognized on a straight-line basis over the lease term.

Income Taxes

The Company is organized as a limited liability company and has elected to be treated as a partnership for federal and state income tax purposes. For state income tax provisions, with the exception of Connecticut, Tennessee, and Texas, the Company is not subject to state income taxes on its taxable income for the states in which it had operations. Instead, the Company's members separately account for their pro rata share of the Company's income, deductions, losses and credits annually.

U.S. GAAP requires management to evaluate tax positions taken by the Company and recognize a tax liability (or asset) if the Company has taken an uncertain tax position that more likely than not would be sustained upon examination by the Internal Revenue Service. Management has concluded that as of December 31, 2023 and 2022, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Company may be subject to audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Company believes it is no longer subject to income tax examinations for years prior to 2020.

Reclassification

Certain amounts reported in prior year's financial statements have been reclassified to conform to the current year presentation.

Subsequent Events

In preparing the financial statements, Company management has reviewed all known events that have occurred after December 31, 2023 and through March 15, 2024, which is the date the financial statements were available to be issued.

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

NOTE 3 - ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consists of the following at December 31:

	2023	2022
Royalty and franchise fees	\$ 340,835	\$ 5,000
Accounts receivable, other	473,014	262,949
	813,849	267,949
Less: allowance for uncollectible accounts	(10,000)	(10,000)
	<u>\$ 803,849</u>	<u>\$ 257,949</u>

The Company does not contemplate future franchise renewals or new franchise agreements for which a franchise agreement does not exist at December 31, 2023 and 2022.

NOTE 4 - PROPERTY AND EQUIPMENT, NET

Property and equipment, net consist of the following at December 31:

	2023	2022
Furniture and fixtures	\$ 267,739	\$ 267,739
Building and improvements	1,805,323	1,805,323
Vehicles	21,265	21,265
Computer equipment and software	915,077	662,138
Land	49,323	49,323
	3,058,727	2,805,788
Accumulated depreciation	(2,033,823)	(1,835,014)
	<u>\$ 1,024,904</u>	<u>\$ 970,774</u>

Depreciation expense for the years ended December 31, 2023 and 2022 totaled approximately \$199,000 and \$172,000, respectively.

NOTE 5 - MANAGEMENT INCENTIVE UNITS

Vital Care Holdings, LLC is the Company's ultimate parent (the "Ultimate Parent") and has authorized management incentive units (the "Management Incentive Units") that represent non-voting interest in the Ultimate Parent and that may only be issued in return for services provided to the Ultimate Parent or its subsidiaries. As of both December 31, 2023 and 2022, the Ultimate Parent has granted 339,126 Management Incentive Units to employees of the Company, of which 250,177 are outstanding. 49,895 of the outstanding Management Incentive Units vest in five equal installments, on each anniversary of the grant date, while the remaining 200,282 Management Incentive Units only vest upon the achievement of a qualified liquidity event, as defined in the award agreement. In all cases, the Management Incentive Units only vest if the employees remain employed by the Company on the anniversary date or at the time of the

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

qualified liquidity event. As of December 31, 2023 and 2022, 29,839 and 17,525, respectively, of the Management Incentive Units are vested.

Given the terms of the Management Incentive Units, the Company has assigned minimal value to the Management Incentive Units, and therefore no associated expense has been recorded in the accompanying statements of operations and changes in member's equity for these awards.

NOTE 6 - RELATED-PARTY TRANSACTIONS

During 2023 and 2022, the Company recorded approximately \$3,245,000 and \$1,741,000, respectively, in royalty income from a franchisee affiliated with the Company.

During 2023 and 2022, the Company paid rent in the amount of \$16,000 and \$24,000, respectively, to a company affiliated through common ownership and management.

During both years ending December 31, 2023 and 2022, the Company received service fee income in the amount of \$24,000 from a company affiliated through common ownership and management.

The Company is a guarantor under the Credit Agreement between the Parent and its lenders. The Credit Agreement matures on October 19, 2025 and as of December 31, 2023, approximately \$76,000,000 is outstanding. The Parent Company is in compliance with all debt covenants, and no amount is included in the accompanying financial statements related to this guaranty. This Credit Agreement is collateralized by all of the Company's assets.

A member of the Company's Board of Directors provides and receives compensation for consulting services.

The Company has a Management Services Agreement with an entity owned by a member of the Ultimate Parent. Under the Agreement, the Company pays fees for management services at a rate of 1.25% of quarterly adjusted earnings before interest expense, taxes, depreciation and amortization, with a quarterly minimum of \$125,000. During the years ended December 31, 2023 and 2022, the Company paid approximately \$2,257,000 and \$1,438,000, respectively, for management services.

The Company advances funds to two affiliates to fund their daily operating activities in the normal course of business. These amounts are included in due from related parties on the accompanying balance sheets. The balances due are unsecured, non-interest bearing and have no fixed repayment dates.

The Company receives funds on behalf of the Parent under the terms of an interest rate derivative agreement between the Parent and a third party. These amounts are included in due to parent on the accompanying balance sheet. The balances due are unsecured, non-interest bearing and have no fixed repayment dates.

NOTE 7 - EMPLOYEE BENEFIT PLAN

During 2022 the Company adopted a Safe Harbor 401(k) plan for all employees 21 years of age or over. Full-time employees are eligible to participate on the first day of the month following two consecutive months of employment. Part-time employees are eligible to participate after the completion of 1,000 hours during a 12-month period. The Company matches a discretionary amount and percentage of employee contributions. Participants may elect to contribute the maximum amount of annual compensation allowed by Section 401(k) of the Internal Revenue Code. The Company contributed approximately \$415,000 and \$274,000 to the plan for the years ended December 31, 2023 and 2022, respectively.

Vital Care Infusion Services, LLC

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Software and Maintenance Agreements

The Company pays fees under software and maintenance agreements with various companies. Future minimum fees due to the various companies subsequent to December 31, 2023 are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 946,915
2025	373,791
2026	38,250
Total	<u>\$ 1,358,956</u>

Operating Lease

The Company leases office space under a non-cancelable operating lease that expires in 2027. The lease contains provision for annual rent increases and a rent abatement period during which rent payments are abated. The lease contains an option to extend the term of the lease for an additional five years after the expiration date. The Company is not reasonably certain to exercise the renewal option, as such the optional period is not included in determining the lease term, and associated payments under the renewal option is excluded from lease payments. The Company's lease does not include termination options for either party to the lease or restrictive financial or other covenants. The discount rate is 1.37%. The total lease cost associated with this lease for the years ended December 31, 2023 and 2022 was approximately \$270,000 and \$260,000, respectively, and is included in selling, general and administrative expenses in the accompanying statements of operations.

Future net minimum lease payments under the non-cancelable operating lease as of December 31, are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 271,088
2025	278,564
2026	286,211
2027	73,187
Total future lease payments	909,050
Less: Effects of discounting	<u>(19,716)</u>
Total operating lease liabilities	<u>\$ 889,334</u>

Litigation

The Company is involved in various legal actions in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Company's financial position, results of operations or liquidity.

UNAUDITED FINANCIAL STATEMENTS

VCIS, LLC**Interim Financials -- YTD Sep25**

Income Statement	YTD Sep25
Royalty Income	121,654,349
Franchise Fees	1,186,000
Franchise HCN/CT Software Fees	1,794,712
Other Revenue	3,001,184
Operating Revenue	127,636,244
Cost of Goods Sold (none)	
Selling, general and administrative	50,182,874
Transaction Expense	-
Other Income	(1,545,436)
Net Income	78,998,806

Balance Sheet	Sep25
Cash	82,671,479
AR, net	918,023
Prepaid expenses & Other	1,139,447
Total Current Assets	84,728,948
PP&E, net	705,574
Right of Use Assets, net	187,916
Due from related parties	49,520
Other Assets	219,423
Total Assets	85,891,382
Accounts Payable	40,063,957
Accrued liabilities	(7,143,393)
Operating lease liability, current	279,994
Total Current Liabilities	33,200,558
Due to Parent	7,899,470
Operating lease liability, non-current	147,253
Total Liabilities	41,247,280
Member's Equity	44,644,102
Total Liabilities and members' equity	85,891,382

THESE FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THEIR CONTENT OR FORM.

Statement of Cashflows	YTD Sep25
Net Income	78,998,806
Non-cash changes	
Depreciation	(105,831)
Right of use asset/amort	189,810
Changes from working capital	
Accounts Receivable	(358,070)
Prepaid expenses	192,971
Other assets	
Accounts Payable and Accrued Liabilities	16,158,185
Operating Lease Liabs	10,417
Net Changes to Operating activities	95,086,287
Cash from Investing	
Purchases of PP&E	72,889
Repayments of advances to related parties	4,636,730
Cash from Investing	4,709,618
Cash from financing activities	
Proceeds from interest rate derivative due to parent	-
Distributions to Parent	(58,324,687)
Net Cash from financing	(58,324,687)
Increase in Cash and equivalents	41,471,218
Cash, beginning	41,200,261
Cash, ending	82,671,479

THESE FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THEIR CONTENT OR FORM.

FDD EXHIBIT C

FRANCHISE AGREEMENT

**VITAL CARE®
FRANCHISE AGREEMENT**

between

VITAL CARE FRANCHISOR LLC

and

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VITAL CARE® FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this “**Agreement**”) is made and entered into as of the date set forth on Appendix A of this Agreement (the “**Effective Date**”) (Appendix A and all appendices attached to this Agreement are hereby incorporated by this reference) between Vital Care Franchisor LLC, a Delaware limited liability company with its principal place of business at 12 Cadillac Drive, Unit 230, Brentwood, Tennessee 37027 (“**VCF**”), and the entity identified on Appendix A (the “**Franchisee-Specific Terms**”) as the franchisee (“**Franchisee**”) with its initial principal place of business also set forth on Appendix A. In this Agreement, “**we**,” “**us**,” and “**our**” refers to VCF. “**You**” and “**your**” refers to Franchisee.

RECITALS

A. We and our predecessors and affiliates have accumulated knowledge and experience in the infusion pharmacy industry on the basis of which we and they have developed and will continue to develop a distinctive business format and set of specifications and operating procedures (collectively, the “**System**”) for the operation of patient infusion and pharmaceutical businesses operating under the Vital Care® mark that offer, sell, dispense, or provide the VC Offerings (as defined below) (“**VC Businesses**” and each a “**VC Business**”).

B. The “**VC Offerings**” include (i) the Therapies (as defined below), (ii) patient-specific, physician prescribed pharmaceuticals that are compounded by the VC Business; (iii) patient-specific, physician-prescribed biologicals, nutrients, and solutions for administration via infusion and enteral routes in the home and other outpatient settings; (iv) pharmacy consulting services and nursing services necessary for the provision of the Therapies; (v) products, supplies, and equipment necessary to the provision of the Therapies; and (vi) other products or services that we may specify in our Confidential Franchise Operations Manuals, including the Standard Operating Manual and related policies and procedures (the “**Manuals**”) from time to time. We may modify, add, or remove the VC Offerings from time to time.

C. The “**Therapies**” include all therapies delivered by intramuscular, intradermal, subcutaneous, intrathecal, epidural, intraspinal, enteral, and intravenous routes (including, but not limited to, infusion, IV push, and IV bolus), including (i) parenteral nutrition and parenteral products, (ii) enteral nutrition and enteral products, (iii) antimicrobial therapy, (iv) pain management, (v) hydration therapy with or without electrolytes, (vi) tocolytic therapy, (vii) chemotherapy and related products, (viii) blood modifiers, (ix) specialty pharmaceuticals, (x) antihemophilic factors, (xi) immune globulins, (xii) chelation, (xiii) monoclonal antibodies, (xiv) antivirals, (xv) antifungals, (xvi) antiprotozoals, (xvii) glucocorticoids, (xviii) growth hormones, (xix) fertility therapy, (xx) inotropic/cardiac therapy, (xxi) blood products, (xxii) antiemetics, (xxiii) transplant support, (xxiv) anticoagulation, (xxv) biological response modifiers, (xxvi) antihistamine therapy, (xxvii) colony stimulating factors, (xxviii) diuretics, (xxix) immunosuppressive therapy, (xxx) plasma expanders, (xxxi) IV services, and (xxxii) other forms of pharmaceutical therapy, including developing therapies consistent with the Therapies, and as otherwise specified in the Manuals from time to time. We may modify, add, or remove the Therapies from time to time.

D. The distinguishing characteristics of the System include, but are not limited to, our Business designs, layouts, and identification schemes (collectively, the “**Trade Dress**”); site selection assistance; our billing and claims processing software and methods; our specifications for equipment, equipment layout, inventory, and supplies; our website or series of websites for the VC Businesses (the “**System Website**”); our relationships with vendors; the accumulated experience reflected in our training program, operating procedures, customer service standards

methods, inventory and cost control techniques, and marketing techniques; and the mandatory and suggested policies, procedures, standards, specifications, rules, and requirements (“**System Standards**”) set out in our Manuals and otherwise in writing. We may change, improve, add to, and further develop the elements of the System from time to time.

E. We identify the VC Businesses operating under the System by means of the Vital Care® mark and certain other trademarks, service marks, trade names, signs, associated designs, artwork, and logos set forth on Appendix D (collectively, the “**Marks**”). We may designate for your use other trade names, service marks, and trademarks as Marks from time to time. These marks will also be included in the term the “Marks.”

F. Each VC Business is required to operate a primary infusion center (a “**Primary Center**”) that includes at the same location (i) a closed-door infusion pharmacy and clean room (an “**Infusion Pharmacy**”) and (ii) a suite consisting of one or more treatment rooms where Therapies may be administered to patients (an “**Infusion Suite**”). In addition, we may permit you to operate additional Infusion Suites at locations other than the Primary Center (i) that are staffed by a trained attendant (a “**Remote Infusion Suite**”) or (ii) that are staffed by a doctor or nurse practitioner (a “**Remote Infusion Clinic**”), provided that they are located within your Territory and otherwise meet the conditions we establish. We refer to Remote Infusion Suites and Remote Infusion Clinics collectively as “**Remote Centers**,” and we refer to Primary Centers and Remote Centers collectively as “**Centers**.”

G. We require you to be a corporation, limited liability company, partnership, or other entity (collectively, an “**Entity**”). All Owners (defined below) are listed on Appendix A. “**Owner**” means any individual or Entity holding a direct or indirect Ownership Interest (as defined below), whether of record, beneficially, or otherwise, in you. “**Ownership Interest**” means (i) in relation to a corporation, share(s) of capital stock (whether common stock, preferred stock, or any other designation) or other equity interest(s); (ii) in relation to a limited liability company, membership interest(s) or other equity interest(s); (iii) in relation to a partnership, a general or limited partnership interest; (iv) in relation to a trust, a beneficial interest in the trust; and (5) in relation to any Entity (including those described in (i) through (iv) above), any other interest in that Entity or its business that allows the holder of that interest (whether directly or indirectly) to direct or control the direction of the management of the Entity or its business (including a managing partner interest in a partnership, a manager or managing member interest in a limited liability company, and a trustee of a trust), or to share in the revenue, profits or losses of, or any capital appreciation relating to, the VC Business, that Entity or its business. One individual Owner must be appointed to have authority over all business decisions related to the VC Business and to have the power to bind you in all dealings with us, which will be referred to as your “**Operating Principal**.”

H. You desire to obtain the right to operate one VC Business that initially will consist of one Primary Center and that will use the Marks and the System pursuant to the terms of this Agreement. The Primary Center and any Remote Centers that we authorize you to operate will be located within the territory specified on Appendix A (the “**Territory**”). We are willing to grant to you a license to open and operate such a VC Business on the terms and conditions of this Agreement.

NOW, THEREFORE, for and in consideration of the foregoing promises and the covenants and agreements contained herein, the parties agree as follows:

Section 1 Rights Granted.

1.1 Grant of Franchise. Upon the terms and conditions of this Agreement, we grant to you a non-exclusive license (the “**License**”) to operate one VC Business in the Territory using the Marks and the System. You will be required to establish a “doing business as” name, which must be approved by us in our sole discretion and in accordance with the Manuals. The VC Business will be headquartered and operated from the site in the Territory where the Primary Center is located, which will be specified on Appendix A.

(a) Remote Centers. If we, in our sole discretion, permit you to offer the VC Offerings from one or more Remote Centers located in the Territory, we and you will execute an “Authorization to Operate a Remote Center,” the current form of which is set forth as Appendix B (the “**Remote Center Authorization**”), which will identify the site for each Remote Center. If you desire to close your Remote Center, you must provide us at least 45 days’ advance written notice.

(b) Restrictions. You have no right to (i) sublicense the Marks or the System to any other person or Entity, (ii) provide the VC Offerings at any location other than the Centers or the residence or workplace of a patient or customer (“**Patient**”), or (iii) to use the Marks or the System in any wholesale, e-commerce, or other channel of distribution besides the operation of the VC Business. This License prohibits you from operating any business other than the VC Business at the same location as the Primary Center.

1.2 Acceptance of License. You hereby accept the License and agree to operate the VC Business according to the provisions of this Agreement for the entire Initial Term, as defined in Section 2.1 (Initial Term).

1.3 Limited Territorial Protection. During the Term, provided you are in compliance with this Agreement, we and our affiliates will not open or operate, or license a third-party to open or operate, a physical premises (whether a Primary Center or a Remote Center) for a VC Business within your Territory. Except for the foregoing sentence, we and our affiliates have the right to conduct any business activities, under any name, in any geographic area, and at any location, regardless of the proximity to or effect on your VC Business. For example, without limitation, we or our affiliates have the right to:

(a) establish, or license others to establish, businesses that use the System or elements of the System and offer products or services that are similar or identical to the VC Offerings from a physical premises, including a Primary Center or Remote Center, (i) under the Marks located anywhere outside of the Territory, or (ii) under names, symbols, or marks other than the Marks from a physical premises located anywhere, including inside and outside of the Territory;

(b) market, offer, sell, and/or provide (or authorize others to market, offer, sell, and/or provide) VC Offerings by any means using the Marks or other marks to physicians, insurance companies, businesses, or other referral sources (collectively, “**Referral Sources**”) and Patients located anywhere, including in homes or businesses within the Territory;

(c) advertise and promote (or authorize others to advertise and promote) VC Businesses and VC Offerings using the Marks in any manner anywhere, including inside and outside of the Territory; and

(d) acquire, be acquired by, or merge with other companies with existing infusion or pharmaceutical businesses anywhere (including inside or outside of the Territory) even if such businesses are located in and operate Centers in the Territory and/or service Patients that reside in the Territory, and to, at our option: (i) convert the other businesses to the Vital Care® name, (ii) permit the other businesses to continue to operate under another name, and/or (iii) permit the businesses to operate under another name and convert existing VC Businesses to such other name.

1.4 Territorial Rights and Restrictions.

(a) Physical Premises. You acknowledge and agree that you are only granted the right to operate the VC Business from physical premises (including a Primary Center and, if applicable, Remote Centers) located within the Territory. You must provide 60 days' advance written request to us before you seek any license or permit to operate outside of the Territory, including, but not limited to, a license to ship, mail or deliver prescription drugs to another state, where such activities are permitted by state law (a "**Non-Resident Pharmacy**"). We have the right to withhold consent to your request to operate a Non-Resident Pharmacy.

(b) Marketing and Services. You may market, offer, sell, or provide the VC Offerings to existing or prospective Patients or Referral Sources located anywhere in the state in which your VC Business is located, including inside and outside of the Territory, in accordance with any rules and restrictions we specify in our Manuals or otherwise in writing (which we may modify from time to time), including restrictions that may curtail, limit, or regulate certain activities outside of the Territory.

(c) Acknowledgements. You acknowledge and agree that you have no exclusive or protected rights with respect to any actual or potential Patients or Referral Sources located within the Territory. In addition, you acknowledge and agree that no matter the amount of Gross Revenue you have earned from Patients or Referral Sources outside the Territory or the amount of money that you have invested to develop business outside the Territory, (i) you will not have any right, title, or interest in any geographic area outside of the Territory; (ii) we are not obligated to offer you franchise rights, or a right of first refusal to purchase franchise rights, in any area outside the Territory; and (iii) we may establish (and license others to establish) a VC Business in any area outside the Territory without us or any party owing any compensation to you.

(d) Option to Purchase a New Franchise. In the event we propose to open and operate, or to license a third-party to open and operate, a physical presence (whether a Primary Center or a Remote Center) in a geographic area located outside of your Territory, and from which you have derived Gross Revenue that exceeds \$500,000 in the most recently completed calendar year from Patients and patients referred by Referral Sources located within such geographic area, we may in our sole discretion grant you the option to acquire a new franchise under our then-current form of franchise agreement (which you acknowledge may contain terms materially different from those contained in this Agreement). If you do not exercise such option within 30 days after receiving such our written notice, we may in our sole discretion revoke such option and proceed to open and operate, or to license a third-party to open and operate, the physical presence (whether a Primary Center or a Remote Center) in such geographic area.

1.5 Operating Principal, Key Manager, and Compliance Officer. Your Operating Principal, Key Manager (if known at the time of signing), and Compliance Officer (if known at the time of signing) will be listed on Appendix A and have the following qualifications:

(a) Operating Principal. You must appoint an individual Owner as your Operating Principal. Your Operating Principal must have at least 25% Ownership Interest in your Entity (whether direct or indirect) (unless this requirement is modified by us in our sole discretion). The Operating Principal must have authority over all business decisions related to your VC Business and must have the power to bind you in all dealings with us.

(b) Key Manager. You must appoint a full-time manager who is solely devoted to the management of the day-to-day operations of your VC Business, and may be the Pharmacist-in-Charge (the “**Key Manager**”). Your Operating Principal may serve as your Key Manager, unless we believe that he or she does not have sufficient experience or qualifications. Your Key Manager is not required to have an Ownership Interest in your Entity.

(c) Compliance Officer. You must appoint a Compliance Officer who has oversight of the VC Business and is authorized to make compliance-related decisions. The Compliance Officer must be granted the resources necessary to perform the role. The Compliance Officer will be required to participate in any compliance initiative designated by us.

(d) Notice to Us. You must provide us with written notice of your Key Manager, Pharmacist-In-Charge (if not the Key Manager), and Compliance Officer at least 60 days before opening and may not change your Operating Principal, Key Manager, Pharmacist-In-Charge, or Compliance Officer without our prior written approval, with a request for approval at least sixty (60) days in advance, or if prior approval is not possible, promptly upon the change.

1.6 Ownership and Guarantee.

(a) Owners of Equity. Each of your Owners must execute the “**Payment and Performance Guarantee**” that is attached in Appendix E (the “**Guarantee**”). By executing the Guarantee, each Owner will be bound by the provisions contained in this Agreement, including without limitation the restrictions set forth in Section 12 (Your Covenant Not to Compete). Further, a violation of any of the provisions of this Agreement, including the covenants contained in Section 12, by any Owner will also constitute a violation by you of your obligations under this Agreement. You represent that Appendix A includes a complete list of your Owners as of the Effective Date.

(b) Governing Documents. You agree to furnish us with a list of Owners and their percentage Ownership Interests, as well as copies of your governing documents and any other corporate documents, books, or records, including certificates of good standing from your state. The Owners may not enter into any shareholders’ agreement, management or operating agreement, voting trust, or other arrangement that gives a third-party the power to direct and control your affairs without our prior written consent. During the Term, your governing documents must provide that no transfer of any direct or indirect Ownership Interest may be made, except in accordance with Section 13 (Transfer and Assignment) of this Agreement. Any securities that you issue must bear a conspicuous printed legend to that effect. You must keep your entity in good standing to do business in the Territory and as otherwise required by law at all times during the Term and for at least two (2) years following Termination.

Section 2 Initial Term and Successor Term.

2.1 Initial Term. The initial term (the “**Initial Term**”) of the License begins on the Effective Date and ends ten years from the Effective Date, unless this Agreement is terminated sooner as provided in other sections of this Agreement.

2.2 Successor Term. Upon the expiration of the Initial Term, you may, at your option, obtain two additional consecutive successor terms of ten years each (each, a “**Successor Term**” and, collectively with the Initial Term, the “**Term**”) if you meet the following conditions:

(a) giving us written notice of your desire to obtain a successor License at least three, but no more than six, months before the expiration of the then-current Initial Term or Successor Term;

(b) substantially and timely complying with each provision of this Agreement or any other agreement with us, our affiliates, or your landlord throughout the Term and having no Event of Default (as defined in Section 14.1 (Events of Default)), or event which with the giving of notice and/or passage of time would constitute an Event of Default, in existence as of the expiration of the then-current Term;

(c) satisfying all of your monetary obligations to us, our affiliates, and our approved suppliers and meeting those obligations in a timely manner throughout the Term;

(d) delivering to us a fully executed franchise agreement on our then-current form of franchise agreement, which you acknowledge may contain terms materially different than those contained in this Agreement, including changes to the fees and the Territory;

(e) within six (6) months after the renewal date, refurbishing or renovating the VC Business, at your expense, to conform the decor, color schemes, storefront, signage, and presentation of the Marks at the Centers to our then-current image and, if necessary, in our sole opinion, to update and replace the equipment, furniture, signage, and fixtures to meet our then-current specifications;

(f) executing, and having your Owners execute, a general release, in a form we prescribe (our current form of which is attached as Appendix F), of any and all claims against us, our affiliates, and our and their past, present, and future officers, directors, owners, and employees arising out of, or relating to, your VC Business;

(g) completing, and having your Operating Principal, Key Manager, and Compliance Officer complete, all of our then-current training requirements, including any additional training that we may require;

(h) securing the right from your landlord to continue operating at the sites of the Centers for the remainder of such Successor Term; and

(i) paying to us the Successor Fee (as defined in Section 3.6 (Successor Fee)).

2.3 Our Right To Not Enter into a Successor Term. Notwithstanding the provisions of Section 2.2 (Successor Term), we will have the right to not enter into a Successor Term if, at the time of your written notice of intent to enter into a Successor Term or the expiration of the then-current Term, we are not then offering franchises to new or existing franchise owners on a system-wide basis.

Section 3 Fees.

3.1 Franchise Fee. You must pay us an initial franchise fee as set forth on Appendix A (the “**Franchise Fee**”) upon execution of this Agreement or as otherwise provided in Appendix A. The Franchise Fee is paid in consideration of the rights granted in Section 1 (Rights Granted) and will be deemed fully earned at the time paid. You acknowledge that we have no obligation to refund the Franchise Fee, in whole or in part, for any reason.

3.2 Royalty Fee.

(a) Standard Royalty Fee. You must pay us a monthly royalty fee (the “**Royalty Fee**”) equal to the aggregate of:

(i) 19.25% of Gross Revenue related to the sale of Therapies that we have designated in our Manuals as “**Non-Specialty Therapies**” and related products and services;

(ii) 10.25% of Gross Revenue related to the sale of Therapies that we have designated in our Manuals as “**Specialty Therapies**” and related products and services;

(iii) 3.25% of Gross Revenue related to the sale of Therapies that we have designated in our Manuals as “**Select Specialty Therapies**” and related products and services;

(iv) 1.75% of Gross Revenue related to the sale of Therapies that we have designated in our Manuals as “**Access Therapies**” and related products and services; and

(v) 19.25% of Gross Revenue related to any other products or services sold by your VC Business.

(b) Increased Royalty Fee. Notwithstanding anything to the contrary in this Agreement, if your trailing twelve-month (“**TTM**”) Gross Revenue exceeds \$10,000,000 in any month, you will be charged an additional Royalty Fee (the “**Increased Royalty Fee**”) in that and all subsequent qualifying months, as follows:

<u>TTM Gross Revenue</u>	<u>Increased Royalty Fee</u>
\$0 – 9,999,999	0.00%
\$10,000,000 - \$19,999,999	0.25%
\$20,000,000 - \$29,999,999	0.50%
\$30,000,000 - \$39,999,999	0.75%
\$40,000,000 - \$49,999,999	1.00%
\$50,000,000 - \$59,999,999	1.25%
\$60,000,000 - \$69,999,999	1.50%

\$70,000,000 - \$79,999,999	1.75%
\$80,000,000+	2.00%

The Increased Royalty Fee will continue to be calculated and paid monthly in accordance with this Section 3.2(b), provided that (i) if the TTM Gross Revenue of your VC Business is less than \$10,000,000 in any month, the Increased Royalty Fee will not be assessed, and (ii) if the TTM Gross Revenue of your VC Business is equal to or greater than \$80,000,000, the Increased Royalty Fee will not exceed 2% for each qualifying month. The Increased Royalty Fee is in addition to the standard Royalty Fee set forth in Section 3.2(a).

(c) The “**Royalty Fee**” (which includes both the standard Royalty Fee and the Increased Royalty Fee) will be calculated when the cash is collected or received by you or us using the applicable Royalty Fee that is in effect as of such date, rather than the Royalty Fee that was in effect when the products or services were provided. If a billing adjustment results in the refund of any Royalty Fees, the Royalty Fees will be refunded using the applicable Royalty Fee that is in effect as of the date of the refund, rather than the Royalty Fee that was in effect when the Royalty Fee was originally paid. Royalty Fees are not subject to refund or recoupment as a result of billing adjustments.

(d) Designation of Therapy Types. We will from time to time in our reasonable discretion designate Therapies as Non-Specialty Therapies, Specialty Therapies, Select Specialty Therapies, and Access Therapies based on, among other factors, the category and class of drug, the pricing and discounts offered by suppliers, the actual or anticipated profitability of the Therapy for franchisees, the length of time that a drug has been on the market, the dosage required, and the rarity of the Therapy. Generally, (i) Non-Specialty Therapies will include most Therapies used to treat acute conditions (such as hydration, anti-infectives, infusion nursing, and infusion per diems), (ii) Specialty Therapies will include most Therapies used to treat chronic conditions and some Therapies used to treat acute conditions, (iii) Select Specialty Therapies will include most Therapies used to treat very rare diseases and most Therapies that are new to the market, and (iv) Access Therapies will include certain Therapies that are strategically important for VC Businesses. However, there will be exceptions to these general categories. We will modify the Manuals when we add a new Therapy or re-classify an existing Therapy. You acknowledge and agree that if the classification of a Therapy changes, you will be required to pay the applicable Royalty Fee based on the Therapy’s then-current classification at the time the Therapy is provided.

(e) Gross Revenue. “**Gross Revenue**” means all revenue and other consideration that you receive or otherwise derive from operating the VC Business, including all Centers that you operate and all Therapies you provide at, or deliver to, Patients’ locations, (i) whether from cash, check, credit or debit card, gift card or gift certificate, other credit transactions, or reimbursements, (ii) whether you collect the revenue or we or our affiliates collect the revenue on your behalf, (iii) regardless of the payer or source of funds, (iv) regardless of method of collection, and (v) regardless of when you actually provide the VC Offerings or other products or services in exchange for the revenue. For the avoidance of doubt, Gross Revenue includes all revenue, true-up payments, rebates, or any other payments billed or received through Medicare Transaction Facilitators (or MTF) or any other alternative payment channels established and defined by the U.S. government. If you receive any proceeds from any business interruption insurance applicable to loss of revenue at the VC Business, there will be added to Gross Revenue an amount equal to the imputed gross revenue that the insurer used to calculate those proceeds. Gross Revenue does not include any sales or other taxes that you collect from Patients and pay

directly to the appropriate taxing authority. You may not deduct payment provider fees (i.e., bank or credit card company fees), or any other consideration received (whether in the form of rebates, promotional allowances, or otherwise) from your Gross Revenue calculation.

(f) Non-refundable. The Royalty Fee is non-refundable and is paid in consideration of the ongoing right to use the Marks and the System in accordance with this Agreement and not in exchange for services rendered by us.

3.3 Marketing Fee. If we establish a Vital Care® Brand Fund (the “**Brand Fund**”), you must contribute each month an amount that we specify up to 1% of your Gross Revenue (the “**Marketing Fee**”) to the Brand Fund.

3.4 Pharmacy Software Fee and Cyber Security Fees.

(a) Pharmacy Software Fee. We may require you to pay us, or a third-party that we designate, a software license fee (the “**Pharmacy Software Fee**”) for a license to use the pharmacy software that we require (the “**Pharmacy Software**”). We will specify the Pharmacy Software Fee in the Manuals and may change the fee at any time by providing you with written notice of any change at least 30 days before the implementation of the new fee amount. We may only increase the monthly fee once per year at a rate no greater than 5% per year at a rate no greater than 5% per year, beginning two (2) years after the date of your Pharmacy Software License. We may change the Pharmacy Software at any time.

(b) Cyber Security Fees. We may require you to pay us, or a third-party that we designate, fees related to any cyber-security initiative (the “**Cyber Security Fees**”), which includes monthly fees and, if applicable, hardware fees. We will specify the Cyber Security Fees in the Manuals and may change the fees at any time by providing you with written notice of any change at least 30 days before the implementation of the new fee amounts. Our current “**Cyber Security Standards**” (consisting of software, software services, content, professional services and hardware) are attached as Appendix G to this Agreement. We may only increase Cyber Security Fees once per year at a rate no greater than 5% per year, beginning two (2) years after the date of the signing of the Cyber Security Standards. We may change the required cyber security software, software services, content, professional services and hardware at any time.

3.5 Technology Fee. You must pay us a monthly technology fee that we specify up to 0.5% of your Gross Revenue (the “**Technology Fee**”) for various technology products and services (other than the Pharmacy Software or the products and services covered by the Cyber Security Fees) that we may provide or arrange for third parties to provide, which services are subject to change over time. We will specify the Technology Fee in the Manuals and may change the fee at any time and in any incremental amount (up to 0.5% of your Gross Revenue) by providing you with written notice of any change at least 30 days before the implementation of the new fee amount. We may add, delete, or otherwise modify the products and services that are included in the Technology Fee from time to time.

3.6 Successor Fee. Upon your execution of a successor franchise agreement pursuant to Section 2.2 (Successor Term), you will pay to us a successor fee equal to 25% of the applicable then-current franchise fee (the “**Successor Fee**”).

3.7 Transfer Fee. If you Transfer (as defined in Section 13.2(a) (Definition of Transfer) your VC Business or this Agreement, you must pay us a Transfer Fee as specified in Section 13.

3.8 Payment Dates.

(a) Operating Fees. Your Royalty Fees, Marketing Fees, Pharmacy Software Fees, Cyber Security Fees, and Technology Fees (the “**Operating Fees**”) are payable to us and must be reported to us at the times and in the manner that we specify from time to time in the Manuals or otherwise.

(b) Gross Revenue Collected by and Remitted to Us. Payment for all claims submitted by you (or by us) in connection with the VC Business, except Direct Claims (as defined in Section 3.8(c)), will be collected by and remitted to us on your behalf. With respect to Gross Revenue collected by and remitted to us on your behalf, we will deduct the applicable Operating Fees and any other amounts due under the Franchise Agreement, except as provided in Section 3.8(c), and remit the balance of such Gross Revenue to you within 15 days after our receipt of such payment from the paying agency or individual Patient. You acknowledge that we will not be liable for errors or incomplete billing as a result of errors committed by you or the paying agency, nor will we be responsible for delays in payment caused by the paying agency, including denial of coverage for an individual Patient or any errors or incomplete billing due to inappropriate or incorrect information provided by you to us. You are solely responsible for complying with third-party payor requirements, including providing appropriate documentation and billing codes.

(c) Gross Revenue Collected by and Remitted to You. Payment for all Medicare, Medicaid, and pharmacy benefit manager claims and any other claims preauthorized in writing by us submitted by you (or by us) in connection with the VC Business (collectively, “**Direct Claims**”) will be collected by and remitted to you. With respect to Gross Revenue derived from Direct Claims, your Royalty Fees and Marketing Fees are due weekly within five business days after the end of each calendar week, based on such Gross Revenue for the preceding week.

3.9 Maintain Separate Bank Account. You must establish a bank account to be utilized solely in connection with the VC Business (the “**Bank Account**”). All revenues of the VC Business that you collect will be deposited into the Bank Account within three days of your receipt of such revenue. We will deposit any revenues that we collect on your behalf into the Bank Account, after deducting any amounts owed to us. No funds other than those earned in connection with the VC Business will be deposited in such Bank Account.

3.10 Methods of Payment. You must make all payments to us by the method or methods that we specify from time to time in the Manual, which may include payment via wire transfer or electronic debit to your Bank Account. You must furnish us and your bank with all authorizations necessary to effect payment by the methods we specify. We currently require you to make payment by electronic debit from your Bank Account, and you must complete and sign an Authorization Agreement for Preauthorized Payments (the “**Bank Authorization**”) for this purpose. You must deliver a copy of the Bank Authorization to us within five business days of our request. You must maintain sufficient funds in your Bank Account to permit us to withdraw the Operating Fees due from time to time. You may not, under any circumstances, set off, deduct or otherwise withhold any Operating Fees, interest charges, or any other monies payable under this Agreement on grounds of our alleged non-performance of any obligations or for any other reason. We may require you to purchase merchant processing services from us, our affiliates, or a vendor that we have approved or designated, each of whom may charge a reasonable monthly fee and reasonable per transaction fee. The payment processor may process all credit card payments related to your VC Business, and remit payment to you of all monies owed, after withholding any Operating Fees payable to us and any payment processing fees payable to such processor.

3.11 Estimated Fees. If you fail to timely report your Gross Revenue, or we are otherwise unable to access your Gross Revenue, we may estimate the amount of fees due and make a corresponding withdrawal from your Bank Account or the revenue that we collect based on our estimate, plus 20% of our estimate. If we underestimate any Operating Fees due, you will remain obligated to pay the total amount of Operating Fees due, which we may debit from your Bank Account or the revenue that we collect automatically. If we overestimate any Operating Fees due, we will credit the fees Operating Fees (without interest) against fees due in the next payment period after we receive accurate records regarding your Gross Revenue.

3.12 Interest; Late Fee. If any payment due to us is not received in full by the due date, you agree to pay us daily interest on the amount owed, calculated from the due date until paid, at the rate of 18% per annum (or the maximum rate permitted by law, if less than 18%). You also agree to pay us a late fee in the amount of \$100 for each week that a payment is paid after the applicable due date. This late fee is subject to increase upon 60 days' prior written notice but will not be increased more than once in any 12-month period. You acknowledge that this Section 3.12 is not our agreement to accept any payments after they are due and that any late payments are a default under this Agreement.

3.13 Taxes. You are responsible for all taxes, assessments, and government charges levied or assessed on you in connection with your business activities under this Agreement. In addition, as part of the Operating Fees or any other fees that we charge, you will pay to us the amount of any taxes imposed on us or our affiliates (and any taxes imposed on us or our affiliates as a result of such imposition) by federal, state, or local taxing authorities as a result of our receipt of any such fees, not including any tax measured on our income.

Section 4 Centers, Site Selection, Development, and Opening of VC Business

4.1 Primary Center. You must operate a Primary Center throughout the Term. A Primary Center must (i) include an Infusion Pharmacy that consists of a closed-door infusion pharmacy and clean room, (ii) include an Infusion Suite with at least one treatment room where Therapies may be administered to Patients, and (iii) be staffed at all times the Center is open to the public by a licensed pharmacist, your Key Manager (who may be your licensed pharmacist), and a person who has (a) successfully completed our training program, and (b) is qualified to perform the patient services.

4.2 Remote Centers. Subject to Section 4.2(b) as such relates to a Remote Infusion Clinic, we may, in our sole discretion, authorize you to operate one or more Remote Centers within the Territory but at a different location than the Primary Center. If you would like to open and operate a Remote Center, you must (i) obtain our written consent, which will be evidenced by our, your, and, if applicable, the Clinic Operator's execution of a Remote Center Authorization, (ii) comply with the terms of Section 4.3 (Site Selection), 4.4 (Site Acquisition), and 4.5 (Center Construction) in the development of the Remote Center, and (iii) operate the Remote Center as part of the VC Business in accordance with the terms of this Agreement. All pharmaceuticals used in providing the Therapies at all Remote Centers must be dispensed by the Primary Center's Infusion Pharmacy. Remote Centers may not include an Infusion Pharmacy.

(a) Remote Infusion Suites. A Remote Infusion Suite must (i) include an Infusion Suite with one or more treatment rooms, and (ii) be staffed by a trained attendant at all times the Remote Infusion Suite is open to the public.

(b) Remote Infusion Clinics. A Remote Infusion Clinic must (i) include an Infusion Suite with one or more treatment rooms and (ii) be staffed by a doctor or nurse practitioner, as applicable or required by law. A Remote Infusion Clinic may be owned and operated by you, an Entity that is majority-owned by your Owners and approved by us, or by an Entity owned by a third-party that is approved by us and is subject to the applicable requirements of this Agreement, as set forth below (a “**Clinic Operator**”). You must provide us with a copy of any agreements between you and the Clinic Operator. If a Remote Infusion Clinic is operated by a Clinic Operator, the Clinic Operator will be required to execute a Remote Center Authorization and will be bound to comply with applicable terms of this Agreement, and each Clinic Operator owner (whether a direct or indirect owner) who is not one of your Owners will execute our then-current form of guarantee pursuant to which the Clinic Operator owner will guarantee the Clinic Operator’s obligations under this Agreement. You will be responsible for ensuring that the Clinic Operator operates the Remote Infusion Clinic in accordance with the terms of this Agreement. Any breach of this Agreement by the Clinic Operator will constitute an Event of Default by you under this Agreement.

4.3 Site Selection. If the site of the Primary Center has not been identified on Appendix A before the execution of this Agreement, you must locate a site in the Territory that is reasonably suited for the conduct of the VC Business and is consistent with any site selection guidelines that we may provide for Primary Centers. Similarly, if you desire to establish a Remote Center within the Territory at any time during the Term, you must do so consistent with any site selection guidelines that we may provide for Remote Centers. In addition to other System Standards that we may specify, we require all Centers to (i) be located in a stand-alone building, retail center, office or medical building, or office or medical park within the Territory and (ii) to have prominent signage bearing the Marks on the exterior of the Center (except for Centers located in an office or medical building in which exterior signage is not reasonably available). You may request in writing our advice during any site selection process before submitting proposed sites to us.

(a) Review Process. Before entering into any lease or purchase agreement for the site for any Center, you must submit (i) a site proposal package describing details about the proposed location, (ii) the proposed lease, purchase agreement, or letter of intent related to your acquisition of the location, and (iii) any other information that we reasonably require. We will review each location that you propose and determine whether to accept it as the site for a Center in our sole discretion. You acknowledge that we may refuse to accept a proposed location for any reason.

(b) Site Acceptance. If we accept the proposed location and you obtain it, we will insert a description of the site on Appendix A (for the Primary Center) or on a Remote Center Authorization for a Remote Center. **YOU ACKNOWLEDGE AND AGREE THAT OUR PROPOSAL OF A PROPOSED LOCATION OR ACCEPTANCE OF ANY SITE IS NOT A WARRANTY OR REPRESENTATION OF ANY KIND AS TO THE POTENTIAL SUCCESS OR PROFITABILITY OF YOUR VC BUSINESS. WHILE WE MAY PROVIDE ASSISTANCE AND GUIDANCE, IT IS SOLELY YOUR RESPONSIBILITY TO SELECT A SUITABLE LOCATION AND SITE FOR YOUR VC BUSINESS AND ENSURE THAT IT COMPLIES WITH ALL FEDERAL, STATE, AND LOCAL LAWS, ORDINANCES, AND REGULATIONS, INCLUDING HEALTHCARE REGULATORY REQUIREMENTS, ZONING REQUIREMENTS, AMERICANS WITH DISABILITIES ACT, OCCUPATIONAL HEALTH AND SAFETY, ENVIRONMENTAL, AND BUILDING REQUIREMENTS (“APPLICABLE LAWS”).** A location is not accepted until you have received our acceptance in writing, as indicated by our delivery of the completed and signed, as applicable, Appendix A or a Remote Center Authorization.

4.4 Site Acquisition.

(a) Lease. If you or your affiliate leases a site for a Center ("**Lease**"), you must provide a copy of it to us and include any provisions that we may reasonably require. Our review of the Lease is for our own benefit only and is not intended to supplement or replace a review by your attorney. We may require you to engage an attorney to review your Lease for the site that we have accepted and to supply us with reasonable documentation in connection with such review, including a lease abstract and confirmation that the terms in the agreement reflect the terms in any letter of intent between you and the third-party seller or lessor. You must deliver to us the completely executed Lease within 10 days after execution of the Lease, and you may not amend or renew any Lease without our written consent. You must comply with the terms and conditions of your Lease. We will not guarantee a lease for you.

(b) Acquisition Deadline. You must secure a site for a Center that we have accepted by signing a Lease or a purchase agreement (i) for the Primary Center, within 60 days after the Effective Date (the "**Primary Site Acquisition Deadline**"), and (ii) for any Remote Center, within 60 days after acceptance of the proposed site (the "**Remote Site Acquisition Deadline**"). We may extend the Primary Site Acquisition Deadline or any Remote Site Acquisition Deadline by up to 60 days in our sole discretion, and we may require you and your Owners to execute a general release (our current form of which is attached as Appendix F) as a condition of us agreeing to grant such extension. If you are unable or unwilling to acquire a site by the Primary Site Acquisition Deadline, as such may be extended in our sole discretion, we may terminate this Agreement without refunding the Franchise Fee.

4.5 Center Construction.

(a) Construction. We will make available to you specifications for the applicable Center type, including minimum requirements for the inventory storage area, Infusion Pharmacy, Infusion Suite, and the exterior and interior design and layout, as applicable. You must engage designers, architects, and engineers to adapt the exterior and interior design and layout, fixtures, furnishings, signs, Trade Dress, and equipment for the Center to meet our specifications. We reserve the right to designate or approve such designers, architects, and engineers. We will review the architectural drawings and specifications for the construction of the Center showing all leasehold improvements, interior designs, and elevations (collectively, "**Plans**"), which we must approve before their submission for permitting. After we have accepted the final Plans, you may not materially modify the Plans without our prior written consent.

(b) Permit, Licenses, and Compliance. Before beginning any construction, you, at your expense, must obtain all necessary government permits and licenses for the lawful construction and operation of your Center. You must abide by your landlord's rules and guidelines. It is your responsibility to ensure that all Plans comply with the Americans with Disabilities Act (the "**ADA**") and similar rules governing public accommodations for persons with disabilities, other applicable ordinances, building codes, permit requirements, and Lease requirements and restrictions. Our review of your Plans is limited to ensuring your compliance with our design requirements and is not designed to assess compliance with Applicable Laws or your Lease.

(c) Construction Phase. You must provide us with written notice identifying your proposed general contractor, and you must ensure that the contractor is duly licensed in your jurisdiction and adequately insured. You must notify us in writing promptly when construction begins and must maintain continuous construction until the Center is completed. You

agree to complete the construction of your Center in accordance with the approved Plans at your expense. We or our representatives may inspect the construction at all reasonable times or require you to submit to us photographs or videos of each Center throughout the construction process. After completion of construction, you must promptly obtain a certificate of occupancy and provide a copy of the certificate to us.

(d) Operating Assets. You must purchase and install, at your expense, all fixtures, furnishings, signs and equipment (“**Operating Assets**”) as we may reasonably direct for each applicable Center type from time to time in the Manuals or otherwise in writing.

(e) Conversion Businesses. If you operate an existing pharmacy or infusion business, we may permit you to convert your business to a VC Business (a “**Conversion Business**”). If you operate a Conversion Business, we may modify any of our standard requirements related to constructing, equipping, opening, and operating the VC Business and require you to execute a conversion addendum to this Agreement, in a form that we specify.

4.6 Opening Deadline. You must complete construction of your Primary Center and open your VC Business for business no later than 270 days after possession of the site for the Primary Center is delivered to you by your landlord and no later than 330 days after the Effective Date (the “**Opening Deadline**”), unless we grant you an extension in writing. We may, in our sole discretion, extend the Opening Deadline, which we may condition on you agreeing to pay an extension fee of \$2,500 for each month (or portion of a month) for which the Opening Deadline is extended and you and your Owners executing a general release (our current form of which is attached as Appendix F). You may not open the VC Business until you have received our written approval, which we will not provide until (i) we have viewed the certificate of occupancy, (ii) confirmed that you have complied with the Plans, and (iii) confirmed that you have complied with the pre-opening marketing obligations set forth in this Agreement and have done so in accordance with our System Standards as set forth in the Manuals. You must open the VC Business for business to the public within ten days from the date we give our written approval. Time is of the essence in constructing the premises for and opening the VC Business.

4.7 Relocation. You may not relocate any Center used in the VC Business without our prior written consent. Such approval will not be unreasonably withheld, provided that (i) the new location for the Center is satisfactory to us and located within the Territory, (ii) your lease, if any, for the new location complies with our then-current requirements, (iii) you comply with our then-current requirements for constructing and furnishing the new location, (iv) the new location will not, as determined in our sole discretion, materially and adversely affect the Gross Revenue of any other VC Business, (v) you have fully performed and complied with each provision of this Agreement within the last three years prior to, and as of, the date we consent to such relocation (the “**Relocation Request Date**”), (vi) no Event of Default (as herein defined), or event which with the giving of notice and/or passage of time would constitute an Event of Default, exists as of the Relocation Request Date, and (vii) you have met all of our then-current training requirements. If your Lease expires or is otherwise terminated, you must secure our approval of another site and enter into a Lease for the new approved site within 90 days. We reserve the right to terminate this Agreement if you fail to secure a new accepted site within 90 days after you lose the Lease.

Section 5 Training and Assistance

5.1 Initial Training. Before opening the VC Business, your Operating Principal, Key Manager, and Compliance Officer(collectively, “**Required Trainees**”) must personally attend

and satisfactorily complete our initial training program ("**Initial Training**"). We will provide Initial Training as soon as practicable after the execution and delivery of this Agreement at our option at our principal offices, currently in Brentwood, Tennessee, at any other location that we designate, or remotely via recorded media, teleconference, videoconference, the Internet, webinar, or any other means, as we determine. Currently, Initial Training includes four days of training at our offices. We reserve the right to modify the length and location of Initial Training. We may waive a portion of Initial Training or alter the training schedule if we determine that your Required Trainees have sufficient prior experience or training or have previously been trained at one of our VC Businesses. Each subsequent Operating Principal, Key Manager, and Compliance Officer must attend our Initial Training unless we otherwise agree in writing.

(a) Cost. The cost of providing instructors, facilities, and materials for your Required Trainees is included in the Franchise Fee, provided that all of your trainees are trained during the same training session. If space is available, you may bring more than three representatives to Initial Training. We reserve the right to charge, for each applicable training session, a training fee of \$1,000, which we may increase upon 60 days' written notice to you, for (i) each person in excess of three trainees, (ii) each person who is repeating the course or replacing a person who did not pass, and (iii) each subsequent Operating Principal, Key Manager, Compliance Officer, or employee who attend the course.

(b) Completion of Initial Training. If your Required Trainees are unable to successfully complete, in our sole discretion, Initial Training for any reason, your Required Trainees must repeat Initial Training, or you must send replacement Required Trainees to complete Initial Training. Your Required Trainees must successfully complete Initial Training at least ten days before the Opening Deadline. We will not refund the Franchise Fee or other fees paid by you. If you and your personnel satisfactorily complete our Initial Training, and you do not expressly inform us at the end of Initial Training that you feel that you or they have not been adequately trained, then you and they will be deemed to have been trained sufficiently to operate a VC Business.

5.2 Additional Training.

(a) New Owner Training. Before opening the VC Business, each Owner must personally attend and satisfactorily complete our New Owner Training Program ("**New Owner Training**"). We will provide New Owner Training on a quarterly basis at our principal offices, currently in Brentwood, Tennessee, at any other location that we designate, or remotely via recorded media, teleconference, videoconference, the Internet, webinar, or any other means, as we determine. New Owner Training is expected to be at least three (3) days of training at our offices, subject to modification. Each subsequent New Owner must attend our New Owner Training, unless we otherwise agree in writing.

(b) QuickStart Sales Training. Before opening the VC Business, but in any event within 90 days of hire, your Account Executive must personally attend and satisfactorily complete our QuickStart Training Program ("**QuickStart Training**"). We will provide QuickStart Training on a monthly basis at our principal offices, currently in Brentwood, Tennessee, at any other location that we designate, or remotely via recorded media, teleconference, videoconference, the Internet, webinar, or any other means, as we determine. QuickStart Training is expected to be at least three (3) days of training at our offices, subject to modification. Each subsequent Account Executive must attend our Initial Training, unless we otherwise agree in writing. New Owners are encouraged to attend QuickStart Training, but it is not mandatory.

(c) Job-Based Training. You must provide job description-based training and competencies to all VC Business employees before such employee is permitted to perform such responsibilities as outlined in Manuals and as may be required by an accrediting body, USP 797 and 800, and state and federal regulations.

(d) Periodic Training. We (or our designee) may periodically conduct mandatory or optional training programs for your Required Trainees and/or your employees. There will be no charge for training programs that we require you or your employees to attend, but we may charge you a reasonable fee for optional training programs. We (or our designee) may provide additional training in person in our office or a location that we designate or via recorded media, teleconference, videoconference, the Internet, webinar, or any other means, as we determine. We may require your Required Trainees or employees to satisfactorily complete any additional training programs that we specify.

5.3 Remedial Training. If, in our sole judgment, you fail to maintain the quality and service standards set forth in the Manuals, we may, in addition to all of our other rights and remedies, assign trainers to the VC Business to retrain VC Business employees and restore service levels and/or require you or your employees to repeat Initial Training or attend additional training programs at a location that we designate. We may charge a reasonable fee for each such trainer assigned to your VC Business (currently, \$500 per day). We may increase the amount to be charged for each trainer upon 60 days' prior written notice.

5.4 Training by You. You and/or your Operating Principal, Key Manager, or Compliance Officer are responsible for training all of your other employees, including subsequent Key Managers or Compliance Officers, in accordance with our standards and training programs. If, in our sole judgment, you fail to properly train your employees in accordance with our standards, we may prohibit you from training additional employees and require them either to attend training at our headquarters (for the fee described in Section 5.1(a) (Initial Training)) or pay for our costs and expenses to send one of our representatives to train them at your VC Business.

5.5 Requested Consulting Services. We will provide you additional consulting services with respect to the operation of the VC Business upon your reasonable request and subject to the availability of our personnel. We will make available to you information about new developments, techniques, and improvements relevant to the System. We may provide such additional consulting services through the distribution of printed or filmed/video material, an intranet or other electronic forum, meetings or seminars, teleconferences, webinars, or in person. If such services are rendered in person other than at our office, we reserve the right to charge you a consulting fee of \$500 for each of such employees or agents for each day or partial day services are rendered. We may increase the amount to be charged for such requested consulting services upon 60 days' prior written notice. Such additional consulting services will be rendered at a mutually convenient time. We cannot provide legal, tax, or accounting advice.

5.6 Conferences and Summits. You, your Operating Principal, your Key Managers, your Compliance Officer, or any of your representatives that we designate must attend franchise conventions, meetings, and teleconferences that we may require periodically in the Manuals or otherwise in writing. We, in our sole discretion, will designate the time and place of any meetings, which may be held in-person or remotely via teleconference or web seminar. We will be responsible for arranging meetings and providing meeting materials. We may require you to pay us a reasonable registration fee for you and each of your representatives. If you or any of your representatives fail to attend any events that we require you and/or they to attend, regardless of the reason for the absence, you must pay us the registration fee that each absent required

attendee would have incurred plus \$500 for each absent required attendee, unless we have previously excused them in writing in our sole discretion.

5.7 Travel and Living Expenses. You are responsible for any travel and living expenses (including meals, transportation, and accommodations), wages, and other expenses incurred by your trainees, employees, and representatives related to any training programs, meetings, or conferences. You are responsible for reimbursing us for any travel and living expenses incurred by our employees or agents related to providing any additional training, remedial training, or consulting services at your VC Business.

5.8 Third-Party Training. In addition to the other training requirements set forth in this Section 5, we may require your pharmacist and those of your employees that we designate, depending on their experience, to attend and successfully complete (as determined by us in our sole discretion), at your expense, sterile compounding training before the opening of the VC Business. Such training will be conducted by third parties approved by us.

Section 6 Business Operation and System Standards

6.1 Manuals.

(a) Compliance with the Manuals. We will furnish you with electronic access to our Manuals, on loan for as long as this Agreement or a successor franchise agreement remains in effect. We reserve the right to establish terms of use for access to the Manuals and any other restricted portion of our website. You must comply with and abide by each required System Standard contained in the Manuals, as they may be amended, modified, or supplemented periodically and such other written or electronically transmitted System Standards that we may issue periodically. You acknowledge that we may amend, modify, or supplement the Manuals at any time, so long as such amendments, modifications, or supplements will, in our good faith opinion, benefit us and our existing and future franchisees or will otherwise improve the System. You must comply with revised mandatory System Standards within 30 days after we transmit the updates, unless otherwise specified.

(b) Use of the Manuals. You acknowledge that we own the copyright in the Manuals and that your copy of the Manuals remains our property and will be returned to us, without keeping a copy, immediately upon expiration or termination of this Agreement. You will treat the Manuals, and the information contained therein, as confidential and will maintain the confidentiality of such information. You will not, without our prior written consent, copy, duplicate, record, use, or otherwise reproduce in any way the Manuals, in whole or in part, or otherwise make their contents available to any unauthorized person, except as provided in Section 10 (Proprietary Information).

6.2 Management and Personnel.

(a) Business Management. Unless otherwise specified in the Manuals, at all times that your VC Business is open for business, it must be under the personal, on-premises supervision of either your Operating Principal or a Key Manager. You may not permit your VC Business to be managed, directed, or controlled by any other person or Entity without our prior written consent.

(b) Personnel.

(i) Qualifications. You acknowledge that properly credentialed, licensed, and trained personnel are essential to the maintenance of the highest degree of quality and service. You must hire and maintain competent, appropriately licensed, trained staff, including, but not limited to, a full-time, dedicated sales account executive. You must ensure that your employees (i) are qualified to perform their duties in accordance with our System Standards, (ii) successfully pass a background check and have not been convicted of a felony that may affect patient health, welfare, or safety, (iii) hold appropriate and current unrestricted licenses and certifications (if applicable for their position), (iv) have not been disbarred or suspended from any state or federally funded program (e.g. Medicare, Medicaid, Champus), and (v) successfully complete any training programs that we require for their position. If you elect to engage one or more third-party nurse contractors in connection with your VC Business, you may use only those third-party nurse contractors that we designate or otherwise approve.

(ii) Employment Decisions and Policies. You are solely responsible for all labor and employment-related matters and decisions related to your VC Business, including hiring, firing, promoting, demoting, and compensating (including through wages, bonuses, or benefits) your employees. We do not require you to implement any employment-related policies or procedures or security-related policies or procedures that we (at our option) may make available to you in the Manuals or otherwise for your optional use. You will determine to what extent, if any, these policies and procedures may be applicable to your operations at the VC Business.

(c) Replacement Key Manager. If your Key Manager ceases to be employed by you at the VC Business, you must (i) notify us of the date their employment ceases within ten (10) days, (ii) promptly hire a new Key Manager, and (iii) have the new Key Manager successfully complete Initial Training within the first 60 days of employment. If you are unable to immediately appoint and train a Key Manager, we may, in our sole discretion, provide a Key Manager to work at your VC Business temporarily until a new Key Manager is appointed and trained. In such instances, you will pay to us our actual costs and expenses for such temporary Key Manager so assigned to the VC Business, including, without limitation, such Key Manager's salary and travel and living expenses. In addition, we may charge you a reasonable fee for this service.

6.3 Operation of the VC Business.

(a) Accreditation. You must obtain, within such reasonable times as we may specify, accreditation by those organizations that we specify as may be based on the services provided by the VC Business and must maintain such accreditation throughout the Term by completing any required re-accreditation processes. You must complete a Vital Care Quality Site Assessment at least six (6) months before any re-accreditation by any organization that we specify. We may require that you complete a Vital Care Quality Site Assessment at any time to ensure that the VC Business is upholding service and quality standards. You will be responsible for the costs of obtaining and maintaining such accreditations.

(b) Restrictions on Other Businesses. You may not operate any business other than your VC Business, without our consent, which will not be unreasonably withheld, provided that you have appointed a Key Manager other than you to run the day-to-day affairs of the VC Business. In addition to the restrictions on Competitive Businesses that are described in Section 12 (Your Covenant Not to Compete), your Owners and affiliates may not operate a mail-order pharmacy, a wholesale pharmacy, a retail pharmacy, any other pharmacy, or a pharmaceutical distribution or manufacturing business (collectively, a **"Pharmacy-Related**

Business”), unless both we and such Owner or affiliate (the “**Related Operator**”) have signed an “Authorization to Operate a Fenced-Off Pharmacy,” the current form of which is attached as Appendix C. We will not unreasonably withhold our consent to the operation of a Pharmacy-Related Business, provided that you and the Related Operator comply with Section 6.3(c). We refer to a Pharmacy-Related Business that we have approved that is operated by a Related Operator as a “**Fenced-Off Pharmacy**.”

(c) Operation of Fenced-Off Pharmacies. You acknowledge and agree that a Fenced-Off Pharmacy must be operated completely independently from the VC Business. To that end, you and the Related Operator must ensure that any Fenced-Off Pharmacy (i) is not operated from the site of a Center and has a separate address from the Center, (ii) does not use any portion of the Marks or the System, (iii) does not offer the Therapies, (iv) maintains a separate pharmaceutical license from you and must maintain separate billing and claims processing arrangements with third parties, (v) has a separate phone number, (vi) does not use the POS System used in the VC Business, (vii) does not use the vendor relationships that you establish through your association with us or the Vital Care® brand to purchase products or services for use in the Fenced-Off Pharmacy, (viii) maintains separate inventories, (ix) maintains separate books, records, and accounts from you that are accurately maintained in accordance with generally accepted accounting principles and preserved for a minimum of seven years from preparation, and (x), except as otherwise agreed by us in writing, does not share employees with the VC Business. You will cause the Related Operator to provide us with unrestricted access to inspect and audit the books, records, and tax returns of the Fenced-Off Pharmacy and the site of the Fenced-Off Pharmacy for the purpose of verifying compliance with this Section. We may specify in Appendix C additional terms related to the operation of the Fenced-Off Pharmacy that you and/or the Related Operator must follow. Any breach of these provisions by the Related Operator will constitute an Event of Default by you under this Agreement.

(d) Restrictions on Purchases and Sales. You agree to purchase products solely for resale to retail customers of the VC Business, and not for resale or redistribution to any other party, including other Vital Care® franchisees. You may not use vendor relationships that you establish through your association with us or the Vital Care® brand for any other purpose besides the operation of the VC Business, unless we consent otherwise in writing. You may not offer products or services in connection with the Marks on any website on the Internet or any other electronic communication network unless we consent in writing.

(e) Notice of Independent Contractor. During the Term, you agree to hold yourself out to the public as an independent contractor operating your VC Business under license from us, and you must display in a conspicuous location in or upon the VC Business, or in a manner that we specify, a sign containing the following notice or an alternative notice that we specify: “This business is owned and operated independently by [name of franchisee] who is an authorized licensed user of the trademark Vital Care®, which is a trademark owned by Vital Care Franchisor LLC.” You must include this notice or other similar language that we specify on all forms, advertising, promotional materials, business cards, receipts, invoices, letterhead, contracts, stationery, and other written materials we designate.

(f) Patient Documents. We will provide you with certain medical forms, patient agreements, and related waivers for use in your VC Business (“**Patient Documents**”). You will be responsible for (i) modifying Patient Documents to comply with Applicable Laws; and (ii) providing the appropriate Patient Documents to Patients. You must obtain our written consent before you use a modified or different form of such Patient Documents. Our review of any Patient Documents that you propose to use is limited to ensuring your

compliance with our content requirements. Our acceptance of a form of a Patient Document is not a warranty or representation of any kind as to the compliance of such agreement or waiver with Applicable Laws. It is solely your responsibility to ensure that any Patient Documents that you use in your VC Business comply with Applicable Laws.

(g) Upkeep of the VC Business. You must keep the exterior (including the parking lot) and interior of your VC Business and all Operating Assets in the highest degree of cleanliness, orderliness, sanitation, and repair in accordance with the Manuals and medical standards. You must place or display at each Center (interior and exterior) only those signs, emblems, designs, artwork, lettering, logos and display and advertising materials that we periodically require or authorize. You may not make any material alteration, addition, replacement, or improvement to your VC Business, including its Operating Assets, without our prior written consent.

(h) Refurbishing and Renovations. You agree to take, without limitation, the following actions during the Term at your expense: (i) thorough cleaning, repainting and redecorating of the interior and exterior of the VC Business at intervals that we may periodically designate and at our direction; (ii) interior and exterior repair of the VC Business as needed; and (iii) repair or replacement, at our direction, of damaged, worn-out or obsolete Operating Assets at intervals that we may periodically specify (or, if we do not specify an interval for replacing any item, as that item needs to be repaired or replaced). Upon our written request, you must refurbish the VC Business at your expense to conform the decor, Trade Dress, color schemes, signage, and presentation of the Marks to our then-current image. Such refurbishing may include, as we deem necessary, remodeling, redecoration, and other modifications to existing improvements and updating or replacing any Operating Assets. You acknowledge that this obligation could result in your making extensive structural changes to, and significantly remodeling and renovating, the VC Business, and/or in your spending substantial amounts for new Operating Assets, and you agree to incur, without limitation, any capital expenditures required in order to comply with this obligation and our requirements (even if those expenditures cannot be amortized over the remaining Term). Within 60 days after receiving written notice from us, you must submit plans to us for our approval that have been prepared according to the System Standards we prescribe. You must complete all work according to the plans we approve within the time period that we reasonably specify.

6.4 Territory Development.

(a) Active Development. You must actively promote your VC Business during the entire Term and follow any reasonable promotional guidelines that we may establish from time to time. You must expend efforts and resources necessary, appropriate, and sufficient to develop the VC Business in your Territory to its full potential. You must maintain sufficient staff and inventory to properly service the entire Territory.

(b) Minimum Performance Levels. During the Term, you must meet the following minimum performance levels (the “**Minimum Performance Levels**”) in each applicable year:

(i) During the first full year of operation of the VC Business beginning from the date your first Patient (or their insurance company) is charged and ending 12 months after such date, your total Gross Revenue must be \$500,000 or greater; and

(ii) During the first full calendar year of operation and each subsequent full calendar year of operation of the VC Business, your Gross Revenue must be \$1,000,000 or greater. The first full calendar year is the first year that the VC Business operates from January 1 to December 31 of such year.

If you fail to meet the Minimum Performance Levels in any year, such failure will be an Event of Default (as defined in Section 14.1 (Events of Default)).

6.5 Purchases, Products, Services, and Therapies.

(a) Purchases. We have the right to require that products, supplies (including fluids and serums), Operating Assets, and services (including nurse contracting, courier, and delivery services) that you purchase for resale or purchase or lease for use in your VC Business: (i) meet specifications that we establish from time to time; (ii) be a specific brand, kind, or model; (iii) be purchased or leased only from suppliers or service providers that we have expressly approved; and/or (iv) be purchased or leased only from a single source that we designate (which may include us or our affiliates or a buying cooperative organized by us or our affiliates). To the extent that we establish specifications, require approval of suppliers or service providers, or designate specific suppliers or service providers for particular items or services, we will publish our requirements in the Manuals.

(b) Products, Services, and Therapies You May Offer. In connection with your operation of the VC Business, you may offer to Patients only the products, services, and Therapies that we have approved in writing, which once approved are referred to as the VC Offerings. In addition, you must offer the specific VC Offerings that we require in the Manuals or otherwise in writing. We may change these specifications periodically, and we may designate specific VC Offerings as optional or mandatory. You must offer all VC Offerings that we designate as mandatory. You must maintain a sufficient supply of required products (including pharmaceuticals, supplies, and equipment necessary to provide the Therapies) to meet the inventory standards we prescribe in the Manuals (or to meet reasonably anticipated customer demand, if we have not prescribed specific standards).

(i) Therapies. You must perform the Therapies in accordance with the methods and techniques that are part of the System and may not permit anyone to perform the Therapies unless they have successfully completed our training program and obtained any required third-party certifications.

(ii) Home Services. You must offer Patients the opportunity to have Therapies provided in their homes, and you acknowledge that home infusion services are a core VC Offering.

(iii) Operating Hours. You must operate the VC Business in accordance with the requirements of the Patients being serviced by you and must ensure that trained personnel are available for 7-day-a-week, 24-hour-per-day, patient care services.

(iv) Pharmaceuticals. You must provide prescription medications only to Patients pursuant to a prescription from such Patients' licensed physicians and must comply with all Applicable Laws concerning the sale or transfer of pharmaceuticals to other health care providers. All pharmaceuticals used in your VC Business, whether for Therapies provided in Remote Centers or at Patients' homes, must be compounded and dispensed from your Infusion Pharmacy.

(v) Pricing. If we determine that we may lawfully require you to charge certain prices for goods or services, certain minimum prices for goods or services, or certain maximum prices for goods or services, you must adhere to our pricing policies as set forth in the Manuals or otherwise in writing from time to time.

(c) Revenue from Purchases. You acknowledge and agree that we and/or our affiliates may derive revenue based on your purchases and leases, including from charging you for products and services we or our affiliates provide to you and from promotional allowances, volume discounts, administrative fees, data analytics, and other payments made to us by suppliers and/or distributors that we designate or approve for some or all of our franchisees. We and our affiliates may use all amounts received from suppliers and/or distributors, whether or not based on your or other franchisees' actual or prospective dealings with them, without restriction for any purposes we or our affiliates deem appropriate. If you derive any revenue based on payments or promotional allowances received from suppliers and/or distributors, you must report to us the details of the arrangement, and such revenue will be included as part of your Gross Revenue.

(d) Approval Process. If you would like to offer products, services, or therapies or use any supplies, Operating Assets, or services that we have not approved or to purchase or lease from a supplier or service provider that we have not approved, you must submit a written request for approval and provide us with any information that we request. We have the right to inspect the proposed supplier's facilities and test samples of the proposed products and to evaluate the proposed service provider and the proposed service offerings. We may require the proposed supplier or service provider to visit our Franchise Support Center, currently in Meridian, Mississippi, or our Corporate Office currently in Brentwood, TN, to evaluate the proposed supplier or service provider in person. You agree to pay us a charge not to exceed the reasonable cost of the inspection and our actual cost of testing the proposed product or evaluating the proposed service or service provider, including laboratory, personnel, and travel costs, whether or not the item, service, supplier, or service provider is approved. We have the right to grant, deny, or revoke approval of products, services, therapies, suppliers, or service providers based solely on our judgment. We will notify you in writing of our decision as soon as practicable following our evaluation. If you do not receive our approval within 90 days after submitting all of the information that we request, our failure to respond will be deemed a disapproval of the request. You acknowledge that the products, services, and therapies that we approve for you to offer in your VC Business, which will be designated as VC Offerings, may differ from those that we permit or require to be offered in other VC Businesses.

(e) Reinspection. We reserve the right to reinspect the facilities and products of any approved supplier, test any items in your inventory (and not be charged for such items), and to reevaluate the services provided by any service provider. You agree to pay us a charge not to exceed the reasonable cost of the inspection and our actual cost of testing the items, services, suppliers, or service providers, including laboratory, personnel, and travel costs, if any inspected items, services, suppliers, or service providers fail to meet our System Standards.

(f) Revocation. We may revoke our approval of any item, service, supplier, or service provider that fails to meet any of our then-current System Standards. If you receive a notice of revocation of approval, you agree to cease purchasing or leasing the formerly-approved item or service or any items or services from the formerly-approved supplier or service provider and you must dispose of your remaining inventory of the formerly-approved items as we direct. If we revoke approval of a previously-approved product that you have been selling to Patients or service or Therapy that you have been offering to Patients, you must immediately

discontinue offering the service or Therapy and may continue to sell the product only from your existing inventory for up to 30 days following our disapproval. We have the right to shorten this period if, in our opinion, the continued sale of the product would prove detrimental to our reputation. After the 30-day period, or such shorter period that we may designate, you must dispose of your remaining previously-approved inventory as we direct.

6.6 Billing and Claims Processing Service. You must use our designated billing and claims processing service to collect insurance, Medicare, and Patient accounts (the “**Billing Service**”). In connection with the Billing Service, you will be required to enter into that certain Special Power of Attorney for Billing and Claims Processing attached hereto as Appendix H and incorporated herein. You must submit to us all billing and health insurance information for VC Offerings rendered to a prescribing physician or a Patient, together with billing instructions, health insurance information, and addresses. You agree that you (i) will be solely responsible for confirming health insurance coverage for the VC Offerings that you provide, (ii) must provide complete and accurate billing and claims processing information to us, (iii) must execute any documents that we require to process such claims, and (iv) must cooperate with us in obtaining such signatures as necessary from the Patient or prescribing physicians in order to comply with the requirements of the paying party or agency. You are solely responsible for any recoupment or clawbacks related to billing and claims processing.

6.7 Systemwide Programs.

(a) Referral Programs. We may, in our sole discretion, establish referral programs with medical providers, insurance providers, employers, managed care networks, or other organizations in which we offer their patients, employees, or participants (“**Program Participants**”) preferred pricing and/or preferred access to VC Businesses in our network (“**Referral Programs**”). We are not obligated to establish any Referral Programs or to refer any Program Participants to your VC Business. You must provide the VC Offerings to Program Participants in accordance with the pricing, policies, and standards that we specify in writing to you, which may be less favorable to you than your standard pricing. If you fail to do so, in addition to being an Event of Default, we may terminate your participation in the Referral Programs and direct such Program Participants to third parties or other VC Businesses in our network.

(b) Clinical Trial Programs. We may, in our sole discretion, establish clinical trial programs with pharmaceutical companies, researchers, or other third parties (collectively, “**Researchers**”) where we may require you to provide certain Therapies to participating Patients and to collect and report related information to us or such Researchers. We are not obligated to establish any clinical trial programs or to refer any Patients to your VC Business. You must provide the VC Offerings to Patients participating in such trials in accordance with the pricing, policies, and standards that we specify in writing to you, which may be less favorable to you than your standard pricing. If you fail to do so, in addition to being an Event of Default, we may terminate your participation in such clinical trials and direct such participating Patients to third parties or other VC Businesses in our network.

6.8 Technology System.

(a) Acquisition and Updates. You must obtain, maintain, and use the hardware, software, other equipment, and network connections that we specify periodically in the Manuals necessary to operate our point of sale system, the Billing Service, security system, and other technology systems that we designate (collectively, the “**Technology System**”). If we

require you to use any proprietary software or systems or to purchase any software or systems from a designated vendor, including the Pharmacy Software and software included in our Cyber Security Standards, you must execute and pay any fees associated with any license agreements or any related maintenance agreements that we or the licensor of the software or system require. You must replace, upgrade, or update at your expense the Technology System as we may require periodically without limitation. We will establish reasonable deadlines for implementation of any changes to our Technology System requirements.

(b) Use of the Technology System. You must use the Technology System to (i) enter and track all prescriptions, sales, and orders, (ii) update inventory, (iii) enter and manage your Patients' and Referral Sources' contact information, (iv) generate sales reports and analysis relating to the VC Business, (v) maintain and transmit to us financial and operating data, as required in the Manuals, and (vi) provide other services relating to the operation of the VC Business. You agree: (a) that your Technology System will be dedicated for business uses relating to the operation of the VC Business; (b) to use the Technology System in accordance with our policies and operational procedures; (c) to do all things necessary to give us unrestricted access to the Technology System at all times (including users IDs and passwords, if necessary) so that we may independently download and transfer data via a network connection that we specify (subject to any limitations imposed by Applicable Laws regarding patient privacy and confidentiality); (d) to maintain the Technology System in good working order at your own expense; (e) to ensure that your employees are adequately trained in the use of the Technology System and our related policies and procedures; and (f) not to load or permit any unauthorized programs or games on any hardware included in the Technology System. You are responsible for any and all consequences that may arise if the system is not properly operated, maintained and upgraded or if the Technology System (or any of its components) fails to operate on a continuous basis or as we or you expect.

6.9 Compliance with Laws. You must comply with all Applicable Laws. You must obtain and maintain in good standing, and provide to us upon our request, any and all licenses, permits, certificates, and consents necessary for you to lawfully operate the VC Business, including any necessary pharmacy licenses, nursing licenses, licenses to do business, fictitious name registrations, and sales tax permits. You have sole responsibility for such compliance despite any information or advice that we may provide. You must provide us, within five days of your receipt of such information, with copies of all inspection reports, warnings, certificates, and ratings issued by any governmental entity related to the VC Business, which indicates that you have failed to meet or maintain the highest governmental standards or have not fully complied with Applicable Laws.

6.10 Compliance with Good Business Practices and Payor Requirements.

(a) You must in all dealings with your Patients, prospective Patients, Referral Sources, suppliers, us, and the public adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct, and in compliance with your Code of Conduct or Code of Ethics, as applicable. You must operate the VC Business in accordance with the prevailing standards of care of physicians, pharmacists, or other health professionals, as appropriate. You agree to refrain from any business or advertising practice which might injure our business or the goodwill associated with the Marks or other VC Businesses.

(b) You must comply with all conditions of participation set forth by any payors. You have sole responsibility for such compliance despite any information or advice that we may provide. You must provide us, within five days of your receipt of such information, with

copies of all notices, claims, or investigations related to the VC Business initiated by any payor, and as further set forth in Section 6.13.

6.11 Insurance and Surety Bond. During the Term you must maintain in force at your sole expense the insurance coverage for the VC Business in the amounts, covering the risks, and containing only the exceptions and exclusions that we periodically specify in the Manuals for all similarly situated Businesses. All of your insurance carriers must be rated A or higher by A.M. Best and Company, Inc. (or such similar criteria as we periodically specify). These insurance policies must be in effect on or before the deadlines we specify. All coverage must be on an “occurrence” basis, except for any employment practices liability insurance coverage, which is on a “claims made” basis. All policies will apply on a primary and non-contributory basis to any other insurance or self-insurance that we or our affiliates maintain. All general liability and workers’ compensation coverage must provide for waiver of subrogation in favor of us and our affiliates. We may, upon at least 60 days’ notice to you, periodically increase the amounts of coverage required and/or require different or additional insurance coverage at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. All insurance policies must name us and any affiliates we designate as an additional insured and provide for 30 days’ prior written notice to us of a policy’s material modification or cancellation. You agree periodically to send us a valid certificate of insurance or duplicate insurance policy evidencing that you have maintained the required coverage and paid the applicable premiums. If you fail to obtain or maintain (or to prove that you have obtained or maintained) the insurance we specify, in addition to our other remedies, we may (but need not) obtain such insurance for you and the VC Business on your behalf, in which event you will cooperate with us and reimburse us for all premiums, costs and expenses we incur in obtaining and maintaining the insurance and pay us a reasonable fee for such service. You also must obtain and maintain a surety bond that meets the requirements specified in the Manuals.

6.12 Franchisee Advisory Council. We may establish an advisory council of franchisees (“**Franchisee Advisory Council**”) using a form and process set forth in the Manuals to advise us on various issues and strategies. The Franchisee Advisory Council will have an advisory role, but no operational or decision-making power. We may change the structure and process of the Franchisee Advisory Council or dissolve the Franchisee Advisory Council at any time. If we establish a Franchisee Advisory Council, you must participate in all council-related activities and meetings and must pay any dues related to the administration of the Franchisee Advisory Council.

6.13 Notice of Proceedings or Inquiries. You must notify us in writing within five days after the commencement of any action, suit or proceeding, or of the issuance of any inquiry, audit, subpoena, order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality which relates to, or may adversely impact, the operation or financial condition of the VC Business, including any criminal action or proceeding brought by you against any employee, Patient, or other person, but excluding civil proceedings against Patients to collect monies owed. In addition, you must notify us in writing within five days after receiving notice of a pending audit or investigation by any third party that is related to the operation of the VC Business.

6.14 Taxes. You will pay when due all taxes, assessments, and governmental charges upon or against you or your real or personal properties, income, and revenue; provided that no such tax, assessment, or governmental charge need be paid so long as the validity, applicability, or amount thereof is being contested in good faith by appropriate proceedings and appropriate reserves are maintained to pay the disputed amount, if necessary.

Section 7 Marketing

7.1 Our Advertising Materials. We may periodically formulate, develop, produce, and conduct, at our sole discretion, advertising or promotional programs in such form and media as we determine to be most effective. We may make available to you for you to purchase approved advertising and promotional materials, including signs, posters, collaterals, etc. that we have prepared. We or our affiliates will retain all copyrights relating to such advertising materials.

7.2 Brand Fund.

(a) Fund Management. We may, but are not obligated to, establish the Brand Fund, a segregated or independent fund into which all Marketing Fees will be paid. In no event will we be deemed a fiduciary with respect to any Marketing Fees we receive or administer. We are not required to have an independent audit of the Brand Fund completed. We will prepare an unaudited statement of contributions and expenditures for the Brand Fund and make it available within 60 days after the close of our fiscal year to franchisees that make a written request for a copy. If any monies in the Brand Fund remain at the end of a fiscal year, they will carry-over in the Brand Fund into the next fiscal year. We or one of our affiliates may make or otherwise arrange loans to the Brand Fund in any year in which the balance of the Brand Fund is negative and charge a reasonable rate of interest. The amounts loaned to the Brand Fund will be repaid from future contributions to the Brand Fund in the year the loan is made or in subsequent years.

(b) Use of Brand Fund. We may use monies in the Brand Fund and any earnings on the Brand Fund account for any costs associated with advertising (media and production), branding, marketing, public relations and/or promotional programs and materials, and any other activities we believe would benefit the Vital Care® brand or the VC Businesses generally, including advertising campaigns in various media, including Digital Marketing (as defined in Section 7.5(a) (Restrictions); creation, maintenance, and optimization of the System Website, other websites, or branded applications; keyword or adword purchasing programs; conducting and managing social media activities; direct mail advertising; market research, including secret shoppers and customer satisfaction surveys; branding studies; employing advertising and/or public relations agencies; purchasing promotional items; the developing and maintaining customer loyalty and lead generation programs; conducting and administering promotions, contests, giveaways, public relations events, and community involvement activities; and providing promotional and other marketing materials and services to our franchisees. We will not use the Brand Fund for anything whose sole purpose is the marketing of franchises, however, you acknowledge that the System Website, public relations activities, community involvement activities, and other activities supported by the Brand Fund may contain information about franchising opportunities. We will not use any contributions to the Brand Fund to defray our general operating expenses, except for reasonable administrative costs and overhead we incur in activities reasonably related to the administration of the Brand Fund or the management of Brand Fund-supported programs (including the pro-rata amount of salaries of our personnel who devote time to Brand Fund activities and retainers and fees for outside agencies). We may use monies in the Brand Fund to pay for an independent audit of the Brand Fund, if we elect to have it audited. We do not guarantee that you will benefit from the Brand Fund in proportion to your contributions to the Brand Fund.

(c) Control Over Brand Fund. We may consult with, in our sole discretion, a Franchise Advisory Council or a committee of franchisees that we appoint regarding marketing programs. However, we have the right to direct all marketing programs and uses of

the Brand Fund, with the final decision over creative concepts, materials, and media used in the programs and their placement.

(d) Materials Produced. Any sales and other materials produced with Brand Fund monies will be made available to you without charge or at a reasonable cost. The proceeds of such sales will also be deposited into the Brand Fund.

(e) Other Contributions. If we or our affiliates operate any VC Businesses, we or our affiliates will contribute to the Brand Fund a percentage of the receipts of those VC Businesses, on the same basis as required for franchisees. If we reduce the Brand Fund contribution rate for franchisees, we will reduce the contribution rate for company or affiliate-owned VC Businesses by the same amount. You acknowledge that our other franchisees may not be required to contribute to the Brand Fund, may be required to contribute to the Brand Fund at a different rate than you, or may be required to contribute to a different Brand Fund.

7.3 Local Marketing.

(a) Local Marketing Requirements. You must participate in such advertising, promotional, and community outreach programs that we may specify from time to time, at your own expense, in accordance with any policies and guidelines that we establish in the Manuals or otherwise in writing. You must use your best efforts to promote the VC Business in your Territory. You must cooperate with neighboring VC Businesses on any marketing impacting their market.

(b) Content of Marketing. You must ensure that all of your advertising, marketing, promotional, Patient relationship management, public relations, telemarketing, email marketing, and other brand related programs and materials that you or your agents or representatives develop or implement relating to the VC Business (i) are completely clear, factual and not misleading, (ii) comply with all Applicable Laws, (iii) are conducted in a dignified manner, (iv) conform to the highest ethical standards, and (v) comply with the advertising and marketing policies, standards, and requirements that we periodically specify in the Manuals or otherwise in writing.

(c) Approval of Advertising Materials. You must obtain our advance written approval before using or producing any advertising or marketing materials using any of the Marks, in whole or in part. We will have the final decision on all creative development of advertising and promotional messages. If our written approval is not received within 15 days from the date we received the material, the material is deemed disapproved. We reserve the right to require you to discontinue the use of any advertising or marketing materials at any time for any reason.

(d) Minimum Marketing Expenditure. In each calendar year, you must spend at least 1% of the Gross Revenue earned in the previous calendar year on local advertising and promotional activities (the “**Marketing Spending Requirement**”). Your Marketing Spending Requirement is in addition to your Marketing Fee. We have the right to designate in the Manuals the types of expenditures that will or will not count toward the Marketing Spending Requirement. At our request, you must submit appropriate documentation to verify compliance with the Marketing Spending Requirement. If you fail to spend (or prove that you spent) the Marketing Spending Requirement in any calendar year, then we may, in addition to and without limiting our other rights and remedies, require you to pay us the shortfall as an additional Marketing Fee or to pay us the shortfall for us to spend on local marketing for your VC Business.

(e) Grand Opening Advertising. In connection with the opening of the VC Business, you must spend a minimum of \$5,000 for grand opening advertising and promotion beginning 30 days before, and ending 30 days after, the opening of your VC Business in accordance with a plan that you must submit to us. We have the right to modify your grand opening plan, in our sole discretion, and may require you to use a public relations firm to assist with your grand opening. The wages and other payroll-related expenses of your employees will not be credited towards this spending requirement. No amount paid by you for your grand opening will be credited toward the Marketing Spending Requirement. You must provide us with supporting documentation evidencing these expenditures upon request.

7.4 Advertising Cooperatives. You agree to join and actively participate in any organizations or associations of franchisees or advertising cooperatives that we establish or approve for the purpose of promoting, coordinating, and purchasing advertising in local, regional, or national areas where there are multiple Businesses (“**Advertising Cooperatives**”) and to abide by the bylaws, rules, and regulations duly required by the Advertising Cooperative, which we have the right to mandate or approve. The Advertising Cooperative, if applicable, may require you to spend additional funds on marketing programs conducted by the Advertising Cooperative, which may be in addition to your Marketing Fee. Any amounts that you contribute to an Advertising Cooperative will count towards your compliance with the Marketing Spending Requirement. We will have the right to approve any marketing materials or marketing programs developed by any Advertising Cooperative in the same manner as specified in Section 7.3(c) (Approval of Advertising Materials).

7.5 Digital Marketing.

(a) Restrictions. We or our affiliates may, in our sole discretion, establish and operate websites, social media accounts (such as LinkedIn, Facebook, X (formerly known as Twitter), Instagram, Pinterest, etc.), applications, keyword or adword purchasing programs, mobile applications, or other means of digital advertising on the Internet or any electronic communications network (collectively, “**Digital Marketing**”) that are intended to promote the Marks, your VC Business, and the entire network of VC Businesses. We will have the sole right to control all aspects of any Digital Marketing, including those related to your VC Business. Unless we consent otherwise in writing, you and your employees may not, directly or indirectly, conduct or be involved in any Digital Marketing that use the Marks or that relate to the VC Business or the network.

(b) Digital Marketing by You. If we do permit you or your employees to conduct any Digital Marketing, you or your employees must comply with any policies, standards, guidelines, or content requirements that we establish periodically and must immediately modify or delete any Digital Marketing that we determine, in our sole discretion, is not compliant with such policies, standards, guidelines, or requirements. If we permit you or your employees to conduct any Digital Marketing, we will have the right to retain full control over all websites, social media accounts, mobile applications or other means of digital advertising that we have permitted you to use. We may withdraw our approval for any Digital Marketing or suspend or terminate your use of any Digital Marketing platforms at any time.

(c) System Website. As part of our Digital Marketing, we or one of our designees will operate and maintain a System Website, which will include basic information related to the VC Business. You must promptly provide us with any information that we request regarding your VC Business for inclusion on the System Website.

7.6 Referral Source Leads. We may, in our sole discretion, periodically establish programs through which we provide franchisees with information regarding potential Referral Sources located in their territories ("**Referral Source Leads**"). You acknowledge and agree that: (a) we are not required to establish any such program; (b) to the extent that we establish such a program (i) you have no right to receive any Referral Source Leads, (ii) you may not receive any Referral Source Leads, (iii) some franchisees may receive more Referral Source Leads than others, and (iv) Referral Source Lead volume may vary by geographic area, and, accordingly, some territories may have fewer Referral Source Leads than others.

Section 8 Records, Reports, Audits, and Inspections

8.1 Bookkeeping and Records. You agree to keep complete and accurate books, records, and accounts of all business conducted under this Agreement in accordance with generally accepted accounting principles. You must preserve all of your books and records in hard copy or in a format from which hard copies can be readily generated for at least seven years from the date of preparation or such longer period as may be required by law. You must maintain such information and records on the Technology System as we may require from time to time in the Manuals, and you acknowledge and agree that we will have access to that data remotely via a network connection that we will specify. At our request, you must retain and use, at your expense, the services of an accountant or accounting firm that we approve.

8.2 Reports and Financial Statements. You agree to submit and ensure that any applicable affiliate submits, to us financial and operational reports and records related to the VC Business and any Fenced-Off Pharmacy at the times and in the manner that we specify, including using our then-current forms or software programs, as specified in the Manuals or otherwise in writing.

Without limiting the generality of the foregoing, within 30 days after the end of each calendar quarter, you must submit your balance sheet and income statement for the previous calendar quarter, and by March 1 of each year, you must submit your balance sheet and income statement for the previous calendar year. With respect to your year-end income statement and balance sheet, the income statement and balance sheet must be reviewed by a certified public accountant and must have been prepared in accordance with generally accepted accounting principles. We have the right to demand audited financial statements if an Event of Default has occurred within the last calendar year. In addition, you must provide us within 15 days after our request, exact copies of federal and state income and other tax returns and any other forms, records, books, reports and other information that we periodically require relating to the VC Business or any Fenced-Off Pharmacy.

8.3 Additional Information. You will respond promptly to requests from us for clarification and/or additional information regarding the Account, the VC Business, any Fenced-Off Pharmacy, or any matter entrusted to you under this Agreement. We may from time to time require information about your or any affiliate's financial condition, earnings, sales, profits, costs, expenses, and performance to provide a basis for providing our prospective franchisees with information concerning actual or potential earnings of the VC Business or VC Businesses or to comply with Applicable Laws governing the sale of franchises. You will provide such information promptly upon our request by any deadlines that we specify, and you will certify that such information is true and complete in all material respects.

8.4 Inspection. We have the right, through our employees and any agents we designate, at any time during business hours and without prior notice to you to: (i) inspect each

Center and the VC Business for compliance with the Manuals, (ii) videotape, photograph or otherwise record the operation of the VC Business or any Fenced-Off Pharmacy, (iii) interview your employees, landlord, Patients, and Referral Sources, (iv) examine the records, invoices, payroll records, check stubs, sales tax records and returns, and other supporting records and documents of the VC Business or any Fenced-Off Pharmacy, (v) inspect the records, prescriptions, and charts of your Patients, (vi) examine your income tax records and any other information, records or properties relating to the ownership, management, or operation of the VC Business or any Fenced-Off Pharmacy, and (vii) inspect any Fenced-Off Pharmacy for the purpose of determining compliance with this Agreement. Our right to inspect your records includes records maintained electronically or off-site and includes the right to copy such records in order to review them off-site. You must cooperate with such inspections by giving our representatives unrestricted access and rendering such assistance as our representatives may reasonably request. If we notify you of any deficiencies after the inspection, you must promptly take steps to correct them. If you fail to correct any deficiencies within a reasonable time, not to exceed 30 days, we have the right to correct such deficiencies and charge you a reasonable fee plus our costs and expenses incurred in such inspection. Any inspections will be made at our expense, unless the inspection is necessitated by your repeated or continuing failure to comply with any provision of this Agreement, in which case we may charge you the costs of making such inspection, including the wages and cost of travel and living expenses for our representatives.

8.5 Auditing. Without limiting the foregoing, we may audit or cause to be audited any statement you or your affiliate are required to submit pursuant to Section 8.2 (Reports and Financial Statements), and we may review, or cause to be reviewed, the records maintained by any bank or other financial institution used by you or your affiliate in connection with the VC Business or any Fenced-Off Pharmacy. If any such audit or review discloses an understatement of the Gross Revenue for any period or periods, you will pay to us, within 10 days after demand for payment is made, all additional Royalty Fees, Marketing Fees, or other amounts required to be paid based upon the results of such audit or review. In addition, if such understatement for any period or periods is 2% or more of the Gross Revenue for such period or periods, you will reimburse us for the cost of such audit or review, including without limitation the charges of any independent accountant and any related attorneys' fees and the cost of travel and living expenses and wages for such accountant and employees or other agents of us. You will pay to us, upon demand, on any delinquent fees interest at the lesser of 18% per annum or the maximum rate allowed by law calculated from the date when the fees should have been paid to the date of actual payment. These remedies are in addition to our other remedies and rights under this Agreement and Applicable Laws.

Section 9 Intellectual Property.

9.1 Marks and Trade Dress.

(a) Acknowledgements. You acknowledge that we or our affiliates are the owner of the Marks and the Trade Dress, that you have no interest in the Marks and the Trade Dress beyond the nonexclusive License granted herein, and that, as between we and you, we have the exclusive right and interest in and to the Marks and the Trade Dress and the goodwill associated with and symbolized by them. Upon the expiration or termination of this Agreement, no monetary amount will be attributable to goodwill associated with your activities as a franchisee under this Agreement.

(b) Rights. Your right to use the Marks and the Trade Dress applies only to the VC Business operated at the Centers as expressly provided in this Agreement,

including advertising related to the VC Business. You may only use in your VC Business the Marks and the Trade Dress we designate, and only in compliance with written rules that we prescribe from time to time. You may not use any Mark (i) as part of any corporate or legal business name, (ii) with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos we have licensed to you or that we have otherwise approved in writing), (iii) in selling any unauthorized services or products, (iv) as part of any domain name, electronic address, metatag, social media account, or otherwise in connection with any website or other electronic medium without our consent, or (v) in any other manner we have not expressly authorized in writing, including the use of a “doing business as” or “d/b/a” name. No materials on which any of the Marks or the Trade Dress appears will be used by you without our prior written approval, which may be revoked at any time upon reasonable notice to you. You must display the Marks in a manner that we specify on signage at the VC Business and on all written materials, forms, advertising, promotional materials, supplies, employee uniforms, business cards, receipts, letterhead, contracts, stationery, and other materials we designate, which requirements may vary based on Center type. Any corporate “doing business as” or “d/b/a” name that you propose to use and/or register (such as “Vital Care of [Territory]”) must be pre-approved by us, and used only in connection with your VC Business.

9.2 Copyrights. You acknowledge that as between you and us, any and all present or future copyrights relating to the System or the Vital Care® concept, including, but not limited to, the Manuals and marketing materials (collectively, the “**Copyrights**”) belong solely and exclusively to us. You have no interest in the Copyrights beyond the non-exclusive License granted in this Agreement.

9.3 No Contesting Our Rights. During the Term and after its expiration or termination, you agree not to directly or indirectly contest our ownership, title, right or interest in or to, or our license to use, or the validity of (i) the Marks, (ii) the Trade Dress, (iii) the Copyrights, or (iv) any trade secrets, methods, or procedures that are part of the System (collectively, the “**Intellectual Property**”), or to contest our sole right to register, use, or license others to use the Intellectual Property.

9.4 Changes to the Intellectual Property. We have the right, upon reasonable notice, to change, discontinue, or substitute for any of the Intellectual Property and to adopt entirely different or new Intellectual Property for use with the System without any liability to you, in our sole discretion. You agree to implement any such change at your own expense within the time we reasonably specify.

9.5 Third-Party Challenges. You agree to notify us promptly of any unauthorized use of the Intellectual Property of which you have knowledge. You also agree to inform us promptly of any challenge by any person or Entity to the validity of our ownership of or our right to license others to use any of the Intellectual Property. We have the right, but no obligation, to initiate, direct, and control any litigation or administrative proceeding relating to the Intellectual Property, including, but not limited to, any settlement. We will be entitled to retain any and all proceeds, damages, and other sums, including attorneys’ fees, recovered or owed to us or our affiliates in connection with any such action. You agree to execute all documents and, render any other assistance we may deem necessary to any such proceeding or any effort to maintain the continued validity and enforceability of the Intellectual Property.

9.6 Post-Termination or Expiration. Upon the expiration or termination of this Agreement for any reason, all of your rights to use the Intellectual Property will automatically

revert to us without cost and without the execution or delivery of any document. Upon our request, you will execute all documents that we require to confirm such reversion.

9.7 Innovations. All ideas, concepts, techniques or materials relating to a VC Business or the System (collectively, “**Innovations**”), whether or not protectable intellectual property and whether created by or for you or your Owners, employees, or contractors, must be promptly disclosed to us and will be our sole and exclusive property, part of the System and the Intellectual Property, and works made-for-hire for us. To the extent any Innovation does not qualify as a work made-for-hire for us, by this Section you assign ownership of that Innovation, and all related rights to that Innovation, to us and agree to sign (and to cause your Owners, employees, and contractors to sign) whatever assignment or other documents we request to evidence our ownership or to help us obtain intellectual property rights in the Innovation. We and our affiliates have no obligation to make any payments to you or any other person with respect to any Innovations. You may not use any Innovation in operating the VC Business or otherwise without our prior approval.

Section 10 Proprietary Information.

10.1 Receipt of Proprietary Information. You acknowledge that before or during the Term, we may disclose in confidence to you, either orally or in writing, certain trade secrets, know-how, and other confidential information relating to the System, our business, our vendor relationships, or the construction, management, operation, or promotion of the VC Business (collectively, “**Proprietary Information**”), including (i) site selection criteria and methodologies; (ii) methods, formats, systems, System Standards, sales and marketing techniques, knowledge and experience used in developing and operating VC Businesses, including information in the Manuals; (iii) marketing research and promotional, marketing, advertising, public relations, customer relationship management and other brand-related materials and programs for VC Businesses; (iv) knowledge of specifications for and suppliers of, and methods of ordering, certain items that VC Businesses use and/or sell; (v) knowledge of the operating results and financial performance of other VC Businesses; (vi) customer communication and retention programs, along with data used or generated in connection with those programs; (vii) billing and claims processing methods and procedures; (viii) information regarding supplier contracts; (ix) any Personal Information (as defined in Section 10.3 (Personal Information)) that we own, including any Patient lists, and (x) any other information we reasonably designate from time to time as confidential or proprietary. “Proprietary Information” does not include (a) information that is part of the public domain or becomes part of the public domain through no fault of you, (b) information disclosed to you by a third-party having legitimate and unrestricted possession of such information, or (c) information that you can demonstrate by clear and convincing evidence was within your legitimate and unrestricted possession when the parties began discussing the sale of the franchise.

10.2 Nondisclosure of Proprietary Information. We and our affiliates own all right, title, and interest in and to the Proprietary Information. You will not, nor will you permit any person to, use or disclose any Proprietary Information (including all or any portion of the Manuals) to any other person, except to the extent necessary for your professional advisors and your employees to perform their functions in the operation of the VC Business. You acknowledge that your use of the Proprietary Information in any other business would constitute an unfair method of competition with us and our franchisees. You will be liable to us for any unauthorized use or disclosure of Proprietary Information by any employee or other person to whom you disclose Proprietary Information. You will take reasonable precautions to protect the Proprietary Information from unauthorized use or disclosure and will implement any systems, procedures, or training programs that we require. At our request, you will require anyone who may have access to the

Proprietary Information to execute non-disclosure agreements in a form satisfactory to us that identifies us as a third-party beneficiary of such covenants with the independent right to enforce the agreement.

10.3 Personal Information.

(a) Protection of Personal Information. You must comply with our System Standards, other directions from us, and all Applicable Laws regarding the organizational, physical, administrative and technical measures and security procedures to safeguard the confidentiality and security of Personal Information on your Technology System or otherwise in your possession or control and, in any event, employ reasonable means to safeguard the confidentiality and security of Personal Information. **"Personal Information"** means names, contact information, financial information, health insurance information, and other personal information of or relating to the VC Business's actual, prospective, and former Patients, Referral Sources, employees, and independent contractors. If there is a suspected or actual breach of security or unauthorized access involving Personal Information in your control or possession, you must notify us immediately after becoming aware of such actual or suspected occurrence and specify the extent to which Personal Information was compromised or disclosed. You are responsible for any financial losses you incur or remedial actions that you must take as a result of a breach of security or unauthorized access to Personal Information in your control or possession.

(b) Ownership of Personal Information. You agree that all Personal Information that you collect in connection with your VC Business, except information related to your employees, is owned by us and must be furnished to us as specified in the Manuals or at any time that we request it. In addition, we and our affiliates may, through the Technology System or otherwise, have independent access to Personal Information.

(c) Consents and Authorizations. You must secure from your actual and prospective Patients and others all required consents and authorizations (including HIPAA authorizations), and provide them all disclosures, that Applicable Law requires (i) to transmit and provide access to Personal Information to us and our affiliates and (ii) for you, us, and our affiliates to use that Personal Information in the manner that this Agreement contemplates.

(d) Your Use of Personal Information. You have the right to use Personal Information while this Agreement or a successor franchise agreement is in effect, but only to provide and market VC Offerings through the VC Business to Patients in accordance with the System Standards and Applicable Laws. During the Term, you may not sell, transfer, use, or allow third parties to access Personal Information for any purpose other than providing and marketing VC Offerings through the VC Business. After the termination or expiration of this Agreement, you may not sell, transfer, use, or allow third parties to access Personal Information for any purpose.

(e) Our Use of Personal Information. We and our affiliates may use Personal Information in any manner or for any lawful purpose, including sharing anonymized or aggregated data with third parties. You acknowledge and agree that we or our affiliates may derive revenue based on Personal Information and data sourced from the Billing Service or Technology System, and we and our affiliates may use such revenue without restriction for any purposes that we or they deem appropriate.

10.4 Compliance with Privacy Requirements. Without limiting anything in Section 10.3 (Personal Information), you must abide by: (i) the Payment Card Industry Data Security Standards (“**PCI-DSS**”) (as they may be modified from time to time or as successor standards are adopted) and all other standards and policies related to electronic payments enacted by applicable payment card associations; (ii) the Fair and Accurate Credit Transactions Act; (iii) all applicable privacy, data protection, and electronic payment laws (including applicable state laws); and (iv) any privacy, data protection, and breach-response policies that we establish from time to time (collectively, the “**Privacy Requirements**”).

(a) Security Measures. We may require that you use suppliers (and may require you to use one or more suppliers that we designate or approve) to provide security services that are consistent with the Privacy Requirements and periodic security audits to ensure that personally identifiable information and payment data is adequately protected. We may specify from time to time the specific security measures that you must maintain.

(b) Reporting of Data Breaches. If you suspect or know of a security breach, you must immediately give us notice of such security breach and promptly identify and remediate the source of any compromise or security breach at your expense, in accordance with the Privacy Requirements. You assume all responsibility for providing all notices of breach or compromise and all duties to monitor credit histories and transactions concerning Patients of the VC Business, unless otherwise directed by us.

Section 11 Indemnification.

11.1 Indemnification By You. You agree to indemnify and hold harmless us, and our affiliates and our and their respective owners, directors, officers, employees, agents, representatives, successors, and assignees (the “**Indemnified Parties**”) against, and to reimburse any one or more of the Indemnified Parties for, all Losses (defined below) directly or indirectly arising out of or relating to: (i) the operation of the VC Business, including any Remote Center, or any Fenced-Off Pharmacy; (ii) the business you conduct under this Agreement; (iii) your breach of this Agreement; or (iv) your noncompliance or alleged noncompliance with any law, ordinance, rule or regulation, including those concerning (a) VC Business’ construction, design or operation, (b) any clawback, fine, penalty, reimbursement, or payback to any payor in connection with the VC Business; and (d) any allegation that we or another Indemnified Party is a joint employer or otherwise responsible for your acts or omissions relating to your employees. “**Losses**” means any and all losses, expenses, obligations, liabilities, damages (actual, consequential, or otherwise), and reasonable defense costs that an Indemnified Party incurs, including accountants’, arbitrators’, mediators’, attorneys’, and expert witness’ fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced.

11.2 Indemnification Procedure. You agree to defend the Indemnified Parties against any and all claims asserted or inquiries made (formally or informally), or legal actions, investigations, or other proceedings brought, by a third-party and directly or indirectly arising out of or relating to any matter described in Subsection 11.1(i) through (iv) above (collectively, “**Proceedings**”), including those alleging the Indemnified Party’s negligence, gross negligence, willful misconduct and/or willful wrongful omissions. Each Indemnified Party may at your expense (i) defend and otherwise respond to and address any claim asserted or inquiry made, or Proceeding brought, that is subject to this Section 11 (instead of having you defend it as required above), and (ii) agree to settlements or take any other remedial, corrective, or other actions, for

all of which defense and response costs and other Losses you are solely responsible, subject to Section 11.3. An Indemnified Party need not seek recovery from any insurer or other third-party, or otherwise mitigate its Losses, in order to maintain and recover fully a claim against you. You agree that a failure to pursue a recovery or mitigate a Loss will not reduce or alter the amounts that an Indemnified Party may recover from you under this Section 11. Your obligations in this Section 11 will survive the expiration or termination of this Agreement.

11.3 Willful Misconduct or Gross Negligence. Despite Section 11.1, you have no obligation to indemnify or hold harmless an Indemnified Party for, and we will reimburse you for, any Losses (including costs of defending any Proceeding under Section 11.2) to the extent they are determined in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction to have been caused solely and directly by the Indemnified Party's willful misconduct or gross negligence, so long as the claim to which those Losses relate is not asserted on the basis of theories of vicarious liability (including agency, apparent agency, or employment) or our failure to compel you to comply with this Agreement. However, nothing in this Section 11.3 limits your obligation to defend us and the other Indemnified Parties under Section 11.2.

Section 12 Your Covenant Not to Compete.

12.1 During Term. You acknowledge that you will receive valuable, specialized training and confidential information regarding the operational, sales, promotional, and marketing methods of the Vital Care® concept. During the Term, you and your Owners must not, without our prior written consent, either directly or indirectly, for themselves, or through, on behalf of, or in conjunction with any other person or Entity:

(a) own, manage, engage in, be employed by, advise, make loans to, or have any other interest in (i) any business that provides the Therapies or health care products or services similar to, or the same as, the VC Offerings, or (ii) any entity that grants franchises or licenses for any of these types of businesses (collectively, each, a **"Competitive Business"**) at any location in the United States;

(b) divert or attempt to divert any actual or potential business, Patient, or Referral Source of the VC Business to any Competitive Business, by direct or indirect inducement or otherwise;

(c) perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System; or

(d) use any vendor relationship established through your association with us for any purpose other than to purchase products or equipment for use or retail sale in the VC Business.

For the avoidance of doubt, a "Competitive Business" does not include (i) a pharmacy or healthcare-related business that does not offer the Therapies or (ii) an inpatient (i.e., overnight) care facility.

12.2 After Termination, Expiration, or Transfer. For two years after the expiration or termination of this Agreement or an approved Transfer to a new franchisee (and with respect to the Owners, for two years from the expiration, termination, or Transfer of this Agreement or from the termination of the Owner's relationship with you, whichever occurs first),

you and your Owners must not, without our prior written consent, either directly or indirectly, for themselves, or through, on behalf of, or in conjunction with any other person or Entity:

(a) engage in any of the activities described in Section 12.1(a) or (b):
(i) within the Territory or (ii) within 10 miles of the border of the Territory; or

(b) provide any of the VC Offerings to or at the address of any locations where you provided the VC Offerings to Patients in the 12 months before the expiration or termination of this Agreement (or a Transfer or, for any Owner, the termination of the Owner's relationship with you); or

(c) engage in any of the activities described in Section 12.1(c) or (d) anywhere in the United States.

12.3 Covenants Regarding Disposition of Assets and Equity Upon Expiration or Termination.

(a) Restriction on Disposition of Assets and Equity. You further covenant and agree that for a period of two years following the expiration or termination of this Agreement (the "**Restricted Period**"), you and your Owners must not, without our prior written consent, either directly or indirectly, for themselves, or through, on behalf of, or in conjunction with any person or Entity, sell, assign, lease, sublease, gift, or directly or indirectly transfer (i) any Ownership Interest in your Entity, (ii) any site for a Center, or (iii) any inventory, supplies, Operating Assets, and other assets located at a Center or used in the operation of the VC Business (collectively, "**Restricted Assets and Equity**") to any person or Entity that you know or suspect, or should reasonably know or suspect, operates or intends to operate a Competitive Business. Before selling, assigning, leasing, subleasing, gifting, or directly or indirectly transferring any Restricted Assets and Equity (a "**Restricted Transaction**"), you must provide us with any information that we reasonably request regarding the Restricted Transaction, including information regarding the party acquiring such rights (the "**Acquiror**") and any sales or lease agreements related to the Restricted Transaction ("**Transaction Agreements**"), and must obtain our prior written consent with respect to such Restricted Transaction. We will not withhold or delay our approval of a Restricted Transaction, unless we, in our sole discretion, conclude that there is a reasonable chance that the Acquiror will use the Restricted Assets and Equity in conjunction with the operation of a Competitive Business or that the Transaction Agreements do not comply with Section 12.3(b) (Restrictive Covenants). We will not restrict the sale or disposition of Restricted Assets and Equity to another Vital Care® franchisee, provided that such existing franchisee (i) agrees to use such Restricted Assets and Equity solely to operate a VC Business and (ii) meets the qualifications specified in Section 13.4(g) (Conditions on Transfers).

(b) Restrictive Covenants. You must include in any Transaction Agreements such restrictive covenants as are necessary to ensure that the Restricted Assets and Equity are not used in conjunction with the operation of a Competitive Business during the Restricted Period and must make us a third-party beneficiary of such restrictive covenants with an independent right to enforce them. In the case of real property, you must take all steps necessary to ensure that these restrictive covenants become a matter of public record. You are responsible for monitoring the Acquiror's compliance with, and enforcing, such restrictive covenants.

(c) Liquidated Damages. If the Acquiror violates the restrictive covenants and you fail to enforce the restrictive covenants or if you complete a Restricted

Transaction without our prior written consent, we have the right to require you to pay us, as liquidated damages solely to compensate us for damages to the network and brand from the use of such assets or equity in a Competitive Business and not as a penalty, a sum equal to the amount of compensation that you have received, or are entitled to receive in the future, from the Acquiror related to the Restricted Transaction. You acknowledge and agree that the amount of liquidated damages described in the prior sentence reasonably represents our monetary losses resulting from such violations and is in addition to any other relief available at law or equity (including injunctive relief) that we may have the right to obtain.

(d) Acknowledgements. You acknowledge and agree that (i) the restrictive covenants in this Section 12.3 may materially reduce the number of eligible Acquirors of the Restricted Assets and Equity, which may negatively impact the amount of compensation that you may receive for the sale or lease of such assets or equity; (ii) the restrictions are reasonably necessary to protect us, our affiliates, our franchisees, and the Vital Care brand; (iii) you are willing to accept these restrictions in exchange for being granted a License to operate a VC Business and the opportunity to take advantage of the benefits of participating in the Vital Care network; and (iv) we would not grant you a License to operate a VC Business if you did not agree to such conditions, which are fundamental conditions of joining the network of VC Businesses.

12.4 Publicly Traded Corporations. Ownership of less than 5% of the outstanding voting stock of any class of stock of a publicly traded corporation will not, by itself, violate this Section 12.

12.5 Covenants of Owners and Employees. The Owners personally bind themselves to this Section 12 by signing this Agreement or the attached Guarantee. We may, in our sole discretion, require you to obtain from your officers, directors, Key Managers, Compliance Officers, Owners' spouses, salespeople, and other individuals that we may designate executed agreements containing nondisclosure and noncompete covenants similar in substance to those contained in this Section 12 as we prescribe in the Manuals and otherwise. The agreements must be in a form acceptable to us and specifically identify us as having the independent right to enforce them.

12.6 Enforcement of Covenants. You acknowledge and agree that (i) the time, territory, and scope of the covenants provided in this Section 12 are reasonable and necessary for the protection of our legitimate business interests; (ii) you have received sufficient and valid consideration in exchange for those covenants; (iii) enforcement of the same would not impose undue hardship; and (iv) the period of protection provided by these covenants will not be reduced by any period of time during which you are in violation of the provisions of those covenants or any period of time required for enforcement of those covenants. To the extent that this Section 12 is judicially determined to be unenforceable by virtue of its scope or in terms of area or length of time, but may be made enforceable by reductions of any or all thereof, the same will be enforced to the fullest extent permissible. You agree that the existence of any claim you may have against us, whether or not arising from this Agreement, will not constitute a defense to our enforcement of the covenants contained in this Section 12. You acknowledge that any breach or threatened breach of this Section 12 will cause us irreparable injury for which no adequate remedy at law is available, and you consent to the issuance of an injunction prohibiting any conduct violating the terms of this Section 12. Such injunctive relief will be in addition to any other remedies that we may have.

Section 13 Transfer and Assignment.

13.1 Transfer by Us. We may assign this Agreement and all of our rights, duties, and obligations under this Agreement to any person or Entity that we choose in our sole discretion. Upon any such assignment, we will be released from all of our duties and obligations hereunder, and you will look solely to our assignee for the performance of such duties and obligations. We may also delegate all or part of our obligations and duties under this Agreement to any third party or entity but, notwithstanding any such delegation, we will be responsible to ensure all such obligations and duties are performed in accordance with this Agreement.

13.2 Transfer-Related Definitions. For purposes of this Agreement, the following terms are defined as follows:

(a) **“Transfer”** as a verb means to sell, assign, give away, transfer, pledge, mortgage, or encumber, either voluntarily or by operation of law (such as through divorce or bankruptcy proceedings) (i) any direct, indirect, or beneficial interest in (A) this Agreement, (B) the VC Business, or (C) substantially all the assets of the VC Business, or (ii) any direct or indirect Ownership Interest in you. **“Transfer”** as a noun means any such sale, assignment, gift, transfer, pledge, mortgage, or encumbrance described in the previous sentence.

(b) **“Control Transfer”** includes any Transfer of (i) this Agreement or any interest in this Agreement; (ii) the VC Business or all or substantially all of the VC Business’ assets; or (iii) any Controlling Ownership Interest in you, whether directly or indirectly through a transfer of legal or beneficial Ownership Interests in any Entity Owner, and whether in one transaction or a series of related transactions, regardless of the time period over which these transactions take place.

(c) **“Controlling Ownership Interest”** in you means either (i) a 20% or greater direct or indirect Ownership Interest in you, or (ii) an acquisition of a direct or indirect Ownership Interest in you, or other right or interest, that directly or indirectly grants the power to direct, or cause the direction of the management or policies of you or the VC Business, where such which grants the power (whether directly or indirectly) to direct or cause the direction of management and policies of you or the VC Business to any individual or Entity, or group of individuals or Entities, that did not have such power before the acquisition (**“Change in Control”**).

(d) **“Non-Control Transfer”** means any Transfer that is not a Control Transfer, but in any event is a Transfer of less than 20% direct or indirect Ownership Interest in you and that does not result in a Change in Control.

(e) **“Permitted Transfer”** is limited to the following Transfers:

(i) **“Grant of a Security Interest”** means granting a security interest in the site for a Center (if you own the real property for the Center), the VC Business, any Operating Assets, this Agreement, or any direct or indirect legal and/or beneficial interest in you to a financial institution or other party that provided or provides any financing your acquisition, development, and/or operation of the VC Business.

(a) **“Transfer to a Trust”** means a Transfer from any Owner of his or her ownership interest in you (or any of your Owners that is an Entity) to a trust that he or she establishes for estate planning purposes, as long as he or she is a trustee of the trust and otherwise controls the exercise of the rights in you (or your Owner) held by the trust.

13.3 Our Right to Consent and Right of First Refusal.

(a) Our Right to Consent.

(i) Consent Required. This Agreement and the License are personal to you, and we have granted the License in reliance on your Owners' business skill, financial capacity, and personal character. Accordingly, neither you nor any of the Owners or any successors to any part of your interest in this Agreement or the License may make any Transfer or permit any Transfer to occur without obtaining our prior written consent, except for Permitted Transfers, subject to Section 13.6. Any purported Transfer, without our prior written consent, will be null and void and will constitute an Event of Default (as herein defined), for which we may terminate this Agreement without opportunity to cure. We may withhold our consent, among other reasons, as follows: (A) for a Control Transfer, in our sole and absolute discretion or subject to any conditions; (B) for a Non-Control Transfer, on any reasonable grounds or subject to reasonable conditions; or (C) for any transferee whose Ownership Interests in franchised businesses would be beyond any threshold that we may, in our discretion, determine to be appropriate. If your VC Business is not open and operating for at least twelve (12) months, we will not consent to a Transfer, and we are under no obligation to do so.

(ii) Effect of Consent. Our consent to a Transfer does not constitute a waiver of any claims that we have against the transferor, nor is it a waiver of our right to demand exact compliance with the terms of this Agreement. Furthermore, our consent does not constitute validation or confirmation of compliance with any Laws related to such Transfer.

(b) Our Right of First Refusal.

(i) Our Right. With respect to each proposed Transfer, we have the right to purchase the interest subject to Transfer on the same economic terms and conditions offered by a bona-fide third-party, or, at our option, the cash equivalent thereof ("**ROFR**"), provided that our ROFR does not apply to Permitted Transfers or a Transfer Upon Death or Incapacity as set forth in Section 13.7. To be a valid, bona-fide offer, the offer must be binding and include at a minimum payment terms, sources and terms of funds, and any specific conditions ("**Offer**"). We may, at our option, conditionally waive the ROFR before the parties finalize an Offer, but only upon a written letter of intent by a bona-fide purchaser that includes, at a minimum, payment terms, sources and terms of funds, and any specific conditions to the proposed transaction.

(ii) Election to Exercise Our ROFR. To exercise our ROFR, we will send written notice to you that we intend to purchase the interest proposed to be Transferred on the same economic terms and conditions offered by the bona-fide third party, or at our option, the cash equivalent. If we and you cannot agree on the reasonable equivalent in cash or if the Transfer is proposed to be made by gift, we will designate, at our expense, an independent appraiser to determine the fair market value of the interest proposed to be transferred. We may purchase the interest at the fair market value determined by the appraiser or may elect at that time not to exercise our rights. We must receive, and you and your Owners agree to make, all customary representations, warranties and indemnities given by the seller of the assets of a business or Ownership Interests in an Entity, as applicable, including representations and warranties regarding ownership and condition of, and title to, assets and (if applicable) Ownership Interests, liens and encumbrances on assets, validity of contracts and agreements, and the liabilities, contingent or otherwise, relating to the assets or Ownership Interests being purchased, and indemnities for all actions, events and conditions that existed or occurred in connection with the VC Business or your business before the closing of our purchase. Closing on our purchase must occur within 90 days after the date of our notice to the you electing to purchase the interest.

We may assign our right of first refusal to another Entity or person either before or after we exercise it.

(iii) Declining to Exercise Our ROFR. If we elect not to exercise our rights under this Section, the transferor may complete the Transfer after complying with the applicable provisions in Section 13. Closing of the Transfer must occur within 90 days of our election (or such longer period as Applicable Laws may require); otherwise, the third-party's offer will be treated as a new offer subject to our ROFR. Any material change in the terms of the offer from a third-party after we have elected not to purchase the seller's interest will constitute a new offer subject to the same right of first refusal as the third-party's initial offer. The Transfer is conditioned upon our determination that the Transfer was on terms substantially the same as those offered to us.

(c) Procedure for Consent and ROFR Consideration.

(i) If you desire or any Owner desires to make a Transfer, you must promptly provide us with written notice.

(ii) If you (or any affiliate on your behalf) or any Owner desires to advertise, promote, or list a potential Transfer, you must obtain our written approval before you or any Owner (or affiliate) (i) engage any broker, investment banker, or other agent, (ii) enter into a listing agreement or similar agreement, (iii) use any written materials related to, or using, the Marks in conjunction with the advertising, promotion, or listing of the potential Transfer, including, but not limited to, any confidential information memorandum or similar materials prepared or used by any such broker, investment banker, or agent, or (iv) notify any government agency or payor of the proposed Transfer. You (or such affiliate) or your Owners must obtain executed nondisclosure agreements from any such transferee and each of their respective brokers, investment bankers, or other agents that you (or such affiliate) or any Owner desires to engage in connection with the proposed Transfer. The form of each such nondisclosure agreement must be acceptable to us and specifically identify us as having the independent right to enforce it.

(iii) We have the right to communicate with both you, your counsel, and the proposed transferee on any aspect of the proposed Transfer and to share with the proposed transferee any information regarding the VC Business.

(iv) You agree to provide any information and documentation relating to the proposed Transfer that we reasonably require, including, but not limited to, a copy of the Offer, letter of intent, purchase agreement, and a lender application package, as may be applicable.

(v) We are not obligated to review the proposed Transfer by any specific deadline, but we anticipate that most reviews will be completed within 60 days after receiving all requested information.

(vi) No Transfer may be completed until (i) our consent is granted, if applicable ; (ii) we have declined to exercise our ROFR, (iii) all conditions set forth in Section 13.4 or as required as a condition to our consent or waiver of our ROFR, and (iv) all governing agencies and payors have been notified or have consented to the Transfer, as applicable, provided that we must have the opportunity to review and consent to any proposed filing before it is made.

13.4 Conditions on Transfers. Any approved Control Transfer or Non-Control Transfer are subject to the following conditions (unless waived by us or otherwise explicitly permitted in this Agreement):

(a) You or your transferee must pay to us a Transfer Fee equal to our administrative costs in processing such Transfer, including any attorneys' fees and other third-party costs that we incur, plus (i) for a Control Transfer, the greater of (a) \$100,000; or 3% of the then-current enterprise value of the VC Business subject to the Transfer, taken as a whole and including all tangible and intangible assets being conveyed, including goodwill; and (ii) for a Non-Control Transfer, \$10,000. Such Transfer Fees are payable for each Transfer, and without regard to the number of Transfers under Franchise Agreements that may be simultaneously taking place. You must make such payment by wire transfer from the proceeds of the sale at the closing if we so request.

(b) You must satisfy all of your accrued monetary obligations to us and must be in compliance with all obligations to us under this Agreement and any other agreement that you have with us and our affiliates as of the date of the request for our approval of the Transfer or you must make arrangements satisfactorily to us to come into compliance by the date of the Transfer.

(c) You and your Owners must execute a general release, in a form that we prescribe (our current form of which is attached as Appendix E), in favor of us, our affiliates, and our and their affiliates' past, present, and future officers, directors, managers, members, equity holders, agents, and employees, releasing them from all claims, including claims arising under federal, state, and local laws, rules, and regulations.

(d) You and your Owners must agree to remain liable for all of the obligations to us in connection with the VC Business arising before the effective date of the Transfer and execute any and all instruments that we reasonably request to evidence such liability.

(e) You and your Owners must continue to be bound by the provisions of Sections 9 (Intellectual Property), 10 (Proprietary Information), 11 (Indemnification), and 12 (Your Covenant Not to Compete) as if they were the Franchisee and this Agreement had expired or terminated as of the effective date of the Transfer.

(f) You must provide us with written notice from your landlord indicating that your landlord has agreed to transfer the Lease to your transferee, if applicable.

(g) Your proposed transferee (or, if the transferee is not an individual, all owners of any legal or beneficial interest in the transferee) must demonstrate to our satisfaction that he or she meets all of our then-current qualifications to become a Vital Care® franchisee, including not having any involvement with a Competitive Business, or if he or she is already a Vital Care® franchisee, he or she must not be in default under any of their agreements with us and must have a good record of customer service and compliance with our System Standards.

(h) Your proposed transferee and their representatives must successfully complete our then-current training requirements at their expense, if applicable.

(i) Your proposed transferee (and, if the transferee is not an individual, such owners of a legal or beneficial interest in the transferee as we may request) must (i) enter

into a written assignment, in a form satisfactory to us, assuming and agreeing to discharge and guarantee all of your obligations under this Agreement and (ii) must execute our then-current form of Guarantee.

(j) Your proposed transferee (and, if the transferee is not an individual, such owners of a legal or beneficial interest in the transferee as we may request) must commit to continuing to operate the VC Business under the Marks and using the System and must execute, for a term ending on the last day of the Term and with such Successor Term as is provided by this Agreement, our then-current franchise agreement for new franchisees and such other agreements as we may require (including an addendum for transferees), which agreements will supersede this Agreement in all respects. The terms of the new franchise agreement may differ significantly from the terms of this Agreement. The prospective transferee will not be required to pay any Franchise Fee.

(k) Your proposed transferee must make arrangements to modernize, renovate, or upgrade the VC Business, at its expense, to conform to our then-current System Standards for new Vital Care® Businesses.

(l) We must determine, in our sole discretion, that the purchase price and payment terms will not adversely affect the operation of the VC Business, and if you or your Owners finance any part of the purchase price, you and they must agree that all obligations under promissory notes, agreements, or security interests reserved in the VC Business are subordinate to the transferee's obligation to pay all amounts due to us and our affiliates and otherwise to comply with this Agreement.

13.5 Intentionally Omitted. Permitted Transfers. The other provisions in this Section do not apply to Permitted Transfers, including our ROFR and right to consent, provided that:

(a) A grant of a Security Interest is conditioned upon the following: (i) the party to whom you grant the Security Interest must sign our then-current form of lender consent to protect our rights under this Agreement; and (ii) any foreclosures or other exercise of the rights granted under that security interest are subject to all applicable terms and conditions of this Section 13.

(b) A Transfer to a Trust is conditioned upon the following: (i) you notify us in writing at least sixty (60) days in advance of the proposed Transfer; (b) any dissolution of or Transfer from such Trust is subject to all applicable terms and conditions of this Section 13; and (c) payment of the applicable Transfer Fee.

13.7 Transfer Upon Death or Incapacity. If any Owner dies, becomes incapacitated, or enters bankruptcy proceedings, that person's executor, administrator, personal representative, or trustee must apply to us in writing within three months after the event (death, declaration of incapacity, or filing of a bankruptcy petition) for consent to Transfer such person's interest, provided that third parties such as licensing agencies or payors may require notice before such time frame and you agree to provide the required information in compliance with the third-party requirements. The Transfer will be subject to the provisions of this Section 13, as applicable, including whether the Transfer is deemed a Control Transfer or Non-Control Transfer, except there will be no Transfer Fee due. In addition, if the deceased or incapacitated person is the Operating Principal, we will have the right (but not the obligation) to take over operation of the VC Business until the Transfer is completed and to charge a reasonable management fee for our

services. For purposes of this Section, “incapacity” means any physical or mental infirmity that will prevent the person from performing his or her obligations under this Agreement (i) for a period of 30 or more consecutive days or (ii) for 60 or more total days during a calendar year. In the case of Transfer by bequest or by intestate succession, if the heirs or beneficiaries are unable to meet the conditions of Section 13.4(g) (transferee meets qualifications), the executor may transfer the decedent’s interest to another successor that we have approved, subject to all of the terms and conditions for Transfers contained in this Agreement. If an interest is not disposed of under this Section 13.7 within 120 days after the date of death or appointment of a personal representative or trustee, we may terminate this Agreement under Section 14.2 (Our Remedies After an Event of Default).

Section 14 Termination and Default.

14.1 Events of Default. Any one or more of the following constitutes an “**Event of Default**” under this Agreement:

(a) You or any Owner make any material misrepresentations or omissions in connection with your application to us for the franchise, this Agreement, or any related documents, or you submit to us any report or statement that you know or should know to be false or misleading;

(b) Your Required Trainees fail to successfully complete initial training to our satisfaction at least ten days before the Opening Deadline;

(c) You fail to sign a Lease or purchase agreement that we have approved for a site that we have accepted by the Site Acquisition Deadline;

(d) You fail to open for business by the Opening Deadline;

(e) You fail to maintain possession of the site for your Primary Center and fail to secure our approval of and enter into a lease for a new, accepted site within 90 days after the expiration or termination of the Lease for the Primary Center;

(f) You suspend operation of the VC Business without our prior written consent for five or more consecutive business days on which you were required to operate, unless we determine, in our sole discretion, that the failure was beyond your control;

(g) You fail to have a licensed pharmacist who has successfully completed our initial training on the staff of your VC Business;

(h) After multiple attempts to reach you via telephone, e-mail, or other written correspondence, you fail to communicate with us within seven days after we send you a written communication in accordance with Section 17.11 (Notices) notifying you of our attempts to reach you and our need to receive a response from you.

(i) You fail to meet Minimum Performance Levels in any calendar year;

(j) You, your Operating Principal, your Key Managers, or any of your representatives that we designate fail to attend or participate in two or more required franchise conventions, meetings, and teleconferences during any 12-month period, without our prior written consent;

(k) You, any Owner, or any of your officers or directors are convicted of or plead *nolo contendere* to (i) any crime or offense that we believe is likely to have an adverse effect on our franchise system, the Marks and any associated goodwill, or the Vital Care® System (an “**Adverse Effect**”), (ii) any crime involving moral turpitude, (iii) any crime involving consumer, insurance, or healthcare fraud, or (iv) any felony;

(l) You, any Owner, or any of your officers or directors has engaged in or engages in activities that, in our reasonable opinion, are likely to have an Adverse Effect;

(m) You engage in a pattern of material, willful, and repeated deception of Patients concerning the source, nature, or quality of the products sold or services rendered;

(n) You, any Owner, or any of your officers or directors fail to comply with the ethical standards established in the state(s) where the professional services of the VC Business are performed, as evidenced by a state agency regulating the practice of pharmacy or nursing suspending, not renewing, or terminating any pharmacy license or any nursing license you may have obtained;

(o) You, any Owner, or any of your officers or directors are disbarred or suspended from participation in the Medicare, Medicaid or any other governmental program;

(p) You, your affiliates, or your Owners use any of the Marks or any other identifying characteristic of us other than in the operation or promotion of the VC Business;

(q) You or any of your Owners, directors, or officers disclose or divulge the contents of the Manuals or other Proprietary Information contrary to Section 10 (Proprietary Information);

(r) Any Transfer occurs that does not comply with Section 13 (Transfer and Assignment), including a Transfer or attempted or purported Transfer without our required consent or a failure to transfer to a qualified successor after death or disability within the time allowed by Section 13.7 (Transfer Upon Death or Incapacity);

(s) You or any Owner violates any of the covenants in Section 12 (Your Covenant Not to Compete);

(t) You breach or fail to comply with any law, regulation, or ordinance which results in a threat to the public’s health or safety and fail to cure the non-compliance within 24 hours following receipt of notice thereof from us or applicable public officials, whichever occurs first;

(u) You become insolvent or make an assignment for the benefit of your creditors, execution is levied against your business assets, or a suit to foreclose any lien or mortgage is instituted against you and not dismissed within 30 days;

(v) (i) You fail, refuse, or neglect to pay any monies owing to us or our affiliates or fail to make sufficient funds available to us as provided in Section 3.10 (Methods of Payment) within ten days after receiving written notice of your default or 30 days after due date of the payment, whichever is the shorter period, or (ii) you have previously been given at least two notices of nonpayment for any reason within the last 24 months and you subsequently fail to timely pay when due any monies; or (iii) you fail to do all things necessary to give us access to

the information contained in your Technology System pursuant to Section 6.8 (Technology System) within 10 days after receiving notice;

(w) You are more than 60 days past due on your obligations to suppliers and trade creditors in an amount exceeding \$2,000, unless you have given us prior notice that the failure to pay is a result of a *bona fide* dispute with such supplier or trade creditor that you are diligently trying to resolve in good faith;

(x) You fail to pay when due any federal, state or local income, service, sales or other taxes due on the VC Business's operation, unless you are in good faith contesting your liability for these taxes;

(y) You underreport Gross Revenue by more than 2% two times or more in any two-year period or by 5% or more for any period of one week or greater;

(z) You credit Gross Revenue related to the VC Business to any other business, including any Fenced-Off Pharmacy;

(aa) You, your affiliates, or your Owners use our vendor relationships to supply any business other than the VC Business, including any Fenced-Off Pharmacy, unless we have consented otherwise in writing;

(bb) You, your affiliates, or your Owners refuse to permit, or try to hinder, an examination, inspection, or audit of your books and records, the VC Business, any Fenced-Off Pharmacy, or any Center as required by this Agreement;

(cc) You fail to timely file any periodic report required in this Agreement or the Manuals three or more times in a 12-month period, whether or not you subsequently cure the default;

(dd) You or your affiliates default under any other franchise agreement or other agreement between you and us or our affiliates, provided that the default would permit us or our affiliate to terminate that agreement;

(ee) You breach or fail to comply with any other covenant, agreement, standard, procedure, practice, or rule prescribed by us, whether contained in this Agreement, in the Manuals, or otherwise in writing and fail to cure such breach or failure to our satisfaction within 30 days (or such longer period as Applicable Laws may require) after we provide you with written notice of the default; or

(ff) You commit the same default two or more times within any 12-month period, whether or not the defaults are cured, or you are in default three or more times within any 18-month period, whether or not the defaults are similar and whether or not they are cured.

14.2 Our Remedies After An Event of Default.

(a) Right to Terminate. If an Event of Default occurs, we may, at our sole election and without notice or demand of any kind, declare this Agreement and any and all other rights granted under this Agreement to be immediately terminated and, except as otherwise provided herein, of no further force or effect. Upon termination, you will not be relieved of any of

your obligations, debts, or liabilities under this Agreement, including any debts, obligations, or liabilities to which you committed under this Agreement or that you accrued before such termination.

(b) Other Remedies. If an Event of Default occurs, we may, at our sole election and upon delivery of written notice to you, take any or all of the following actions without terminating this Agreement:

(i) temporarily or permanently reduce the size of the Territory, in which event the restrictions on us and our affiliates under Section 1.3 (Limited Territorial Protection) will not apply in the geographic area that was removed from the Territory;

(ii) suspend your right to participate in one or more programs or benefits that the Brand Fund provides;

(iii) suspend any other services that we or our affiliates provide to you under this Agreement or any other agreement, including any services relating to the Technology System;

(iv) suspend or terminate any temporary or permanent fee reductions to which we might have agreed (whether as a policy, in an amendment to this Agreement, or otherwise);

(v) suspend our performance of, or compliance with, any of our obligations to you under this Agreement or other agreements;

(vi) undertake or perform on your behalf any obligation or duty that you are required to, but fail to, perform under this Agreement. You will reimburse us upon demand for all costs and expenses that we reasonably incur in performing any such obligation or duty; and/or

(vii) enter the Centers and any other premises used in the operation of the VC Business and assume the management of the VC Business ourselves or appoint a third-party (who may be our affiliate) to manage the VC Business. All funds from the operation of the VC Business while we or our appointee assumes its management will be kept in a separate account, and all of the expenses of the VC Business will be charged to that account. We or our appointee may charge you (in addition to the amounts due under this Agreement) a management fee equal to 3% of the VC Business' Gross Revenue during the period of management, plus any direct out-of-pocket costs and expenses. We or our appointee has a duty to utilize only reasonable efforts and will not be liable to you for any debts, losses, or obligations the VC Business incurs, or to any of your creditors for any products or services the VC Business purchases, while managing it. You will not take any action or fail to take any action that would interfere with our or our appointee's exclusive right to manage the VC Business and may, in our sole discretion, be prohibited from visiting the VC Business so as to not interfere with its operations. Our (or our appointee's) management of the VC Business will continue for intervals lasting up to 90 days each (and, in any event, for no more than a total of one year), and we will during each interval periodically evaluate whether you are capable of resuming the VC Business's operation and periodically discuss the VC Business' status with you.

(c) Exercise of Other Remedies. Our exercise of our rights under Section 14.2(b) (Other Remedies) will not (i) be a defense for you to our enforcement of any other

provision of this Agreement or waive or release you from any of your other obligations under this Agreement, (ii) constitute an actual or constructive termination of this Agreement, or (iii) be our sole or exclusive remedy for your default. You must continue to pay all fees and otherwise comply with all of your obligations under this Agreement (except as set forth in Section 14.2(b)(vii) (our assumption of management)) following our exercise of any of these rights. If we exercise any of our rights under Section 14.2(b), we may thereafter terminate this Agreement without providing you any additional corrective or cure period, unless the default giving rise to our right to terminate this Agreement has been cured to our reasonable satisfaction.

14.3 Termination By You. You may terminate this Agreement for cause only if: (i) we commit a material breach of this Agreement; (ii) you give us written notice of the breach; (iii) we fail to cure the breach, or to take reasonable steps to begin curing the breach, within 60 days after receipt of your notice; and (iv) you are in full compliance with your obligations under this Agreement. If we cannot reasonably correct the breach within this 60-day period but provide you, within this 60-day period, with reasonable evidence of our effort to correct the breach within a reasonable time period, then the cure period will run through the end of such reasonable time period. Termination will be effective no less than ten days after you deliver to us written notice of termination for failure to cure within the allowed period. Any attempt to terminate this Agreement without complying with this Section 14.3 (including by taking steps to de-identify the VC Business or otherwise cease operations under this Agreement) will constitute an Event of Default by you.

Section 15 Your Obligations Upon Expiration or Termination.

You covenant and agree that upon expiration or termination of this Agreement for any reason, unless we direct you otherwise:

15.1 Cease Operation of the VC Business and Use of the Intellectual Property. You must immediately cease operating the VC Business and cease using, by advertising or in any other manner, (i) the Intellectual Property (including, without limitation, the Marks and the Trade Dress), (ii) the System and all other elements associated with the System, and (iii) any colorable imitation of any of the Intellectual Property or any trademark, service mark, trade dress, or commercial symbol that is confusingly similar to any of the Marks or the Trade Dress. You must notify the Drug Enforcement Agency, the applicable State Board of Pharmacy, and the applicable Board of Nursing that you have ceased operation of the VC Business and deliver any applicable licenses and permits back to the issuing agency. You must provide all current Patients with proper notice to seek alternate arrangements and must ensure that arrangements have been made for the provision of such goods or services.

15.2 Payment of Costs and Amounts Due. You will pay upon demand all sums owing to us and our affiliates. If this Agreement is terminated due to an Event of Default, you will promptly pay all damages, costs, and expenses, including reasonable attorneys' fees, incurred by us as a result of your default. These payment obligations will give rise to and remain, until paid in full, a lien in favor of us against the VC Business premises and any and all of the personal property, fixtures, equipment, and inventory that you own at the time of the occurrence of the Event of Default. We are hereby authorized at any time after the Effective Date to make any filings and to execute such documents on your behalf of to perfect the lien created hereby. You also will pay to us all damages, costs, and expenses, including reasonable attorneys' fees, that we incur after the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provision of this Section 15 (Your Obligations Upon Expiration or Termination).

15.3 Return of Proprietary Information. You must immediately return to us, at your expense, all copies of the Manuals, all of your Personal Information, and all other Proprietary Information (and all copies thereof). You may not use any Proprietary Information or sell, trade or otherwise profit in any way from any Proprietary Information at any time following the expiration or termination of this Agreement.

15.4 Cease Identification with Us. You must immediately take all action required (i) to cancel all assumed name or equivalent registrations relating to your use of the Marks and (ii) to cancel or transfer to us or our designee all authorized and unauthorized domain names, social media accounts, telephone numbers, post office boxes, and classified and other directory listings relating to, or used in connection with, the VC Business or the Marks (collectively, “**Identifiers**”). You acknowledge that as between you and us, we have the sole rights to and interest in all Identifiers. If you fail to comply with this Section 15.4, you hereby authorize us and irrevocably appoint us or our designee as your attorney-in-fact to direct the telephone company, postal service, registrar, Internet Service Provider and all listing agencies to transfer such Identifiers to us. The telephone company, the postal service, registrars, Internet Service Providers and each listing agency may accept such direction by us pursuant to this Agreement as conclusive evidence of our exclusive rights in such Identifiers and our authority to direct their transfer. You must execute any documents that we may deem necessary to effectuate this provision.

15.5 Our Right to Purchase Business Assets.

(a) Exercise of Option. Upon termination of this Agreement for any reason (other than your termination in accordance with Section 14.3 (Termination By You)) or expiration of this Agreement without our and your signing a successor franchise agreement, we have the option, exercisable by giving you written notice within 15 days after the date of termination or expiration (the “**Exercise Notice**”), to purchase the inventory, supplies, Operating Assets, and other assets used in the operation of the VC Business that we do not already own and that we designate (the “**Purchased Assets**”). We have the unrestricted right to exclude any assets we specify relating to the VC Business from the Purchased Assets and not acquire them. You agree to provide us the financial statements and other information we reasonably require, and to allow us to inspect the VC Business and its assets, to determine whether to exercise our option under this Section 15.5. If you or one of your affiliates owns the site for a Center or another premises used in the operation of the VC Business, we may elect to include a fee simple interest in the site as part of the Purchased Assets or, at our option, lease the site from you or that affiliate by, at our option, assuming your existing Lease with your affiliate (if such a Lease exists) or entering into a lease for an initial five-year term with one renewal term of five years (at our option) on commercially reasonable terms. You (and your Owners) agree to cause your affiliate to comply with these requirements. If you lease a site for a Center or a premises used in the operation of the VC Business from an unaffiliated lessor, you agree (at our option) to assign the Lease to us or to enter into a sublease for the remainder of the Lease term on the same terms (including renewal options) as the Lease. You and your Owners will cooperate with us in order to obtain any necessary landlord consents. We will not have the right to acquire any assets used in any Fenced-Off Pharmacy.

(b) Operations Pending Purchase. While we are deciding whether to exercise our option under this Section 15.5 (Our Right to Purchase Business Assets), and, if we do exercise that option, during the period beginning with our delivery of the Exercise Notice and continuing through the closing of our purchase or our decision not to complete the purchase, you must continue to operate the VC Business in accordance with this Agreement. However, we may,

at any time during that period, assume the management of the VC Business ourselves or appoint a third-party (who may be our affiliate) to manage the VC Business pursuant to the terms of Section 14.2(b)(vii).

(c) Purchase Price. The purchase price for the Purchased Assets will be their fair market value for use in the operation of a Competitive Business (but not a Vital Care® Business). The purchase price will not include any value for any rights granted by this Agreement, goodwill attributable to the Marks, our brand image, any Proprietary Information (including our Patient lists), our other intellectual property rights, or participation in the network of VC Businesses. For purposes of determining the fair market value of all equipment (including the Technology System) used in operating the VC Business, the equipment's useful life will be determined to be no more than three years. If we and you cannot agree on fair market value for the Purchased Assets, we will select an independent appraiser after consultation with you, and his or her determination of fair market value will be the final and binding purchase price.

(d) Closing. We will pay the purchase price at the closing, which will take place within 60 days after the purchase price is determined, although we may decide after the purchase price is determined not to complete the purchase. We may set off against the purchase price, and reduce the purchase price by, any and all amounts you owe us or our affiliates. We are entitled to all customary representations, warranties and indemnities in our asset purchase, including representations and warranties as to ownership and condition of, and title to, assets, liens and encumbrances on assets, validity of contracts and agreements, and liabilities affecting the assets, contingent or otherwise, and indemnities for all actions, events and conditions that existed or occurred in connection with the VC Business before the closing of our purchase. At the closing, you agree to deliver instruments transferring to us: (i) good and merchantable title to the Purchased Assets, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us), with all sales and transfer taxes paid by you; and (ii) all of the VC Business's licenses and permits which may be assigned or transferred. If you cannot deliver clear title to all of the Purchased Assets, or if there are other unresolved issues, the sale will be closed through an escrow. You and your Owners further agree to sign general releases, in a form satisfactory to us, of any and all claims against us and our affiliates and our and their respective owners, officers, directors, employees, agents, representatives, successors and assigns.

(e) Assignment. We may assign our rights under this Section 15.5 (Our Right to Purchase Business Assets) to any Entity (who may be our affiliate), and that Entity will have all of the rights and obligations under this Section 15.5.

(f) Obligations if We Do Not Purchase Assets. If we do not exercise our option to acquire any of the inventory, supplies, Operating Assets, other assets, leases, or real property used in the operation of the VC Business, you must de-identify the Center in accordance with Section 15.6 and comply with Section 12.3 (Covenants Regarding Disposition of Assets and Equity).

15.6 De-identification of the Centers. If we do not exercise our option to acquire the Lease or each site for a Center, you will make such modifications or alterations to the Centers immediately upon termination or expiration of this Agreement that we deem necessary to distinguish the appearance of the Centers from a Vital Care® Business, including, but not limited to, removing the signs, the Marks, and any Trade Dress so as to indicate to the public that you are no longer associated with us. If you do not comply with the requirements of this Section 15.6, we may enter the VC Business (including any Centers) without being guilty of trespass or any

other tort, for the purpose of making or causing to be made any required changes. You agree to reimburse us on demand for our expenses in making such changes.

15.7 Promote Separate Identity. You will not, directly or indirectly, in any manner, identify yourself, or any individual connected with you, as a former Vital Care® franchisee or as otherwise having been associated with us, or use in any manner or for any purpose any of the Marks.

15.8 Comply with Noncompete. You and your Owners must comply with the covenant not to compete in Section 12 (Your Covenant Not to Compete)

15.9 Liquidated Damages. If this Agreement is terminated pursuant to Section 14.2 (Our Remedies After an Event of Default), you must pay us, as liquidated damages solely to compensate us for damages due to your failure to continue operating the VC Business for the remainder of the then-current Initial Term or Successor Term and not as a penalty, a sum equal to:

(a) If the Agreement is terminated more than two years after the date on which your VC Business initially opens for business (as determined by the date the first Patient is charge and even if it was originally operated by another party before a Transfer to you):

(i) the average Royalty Fees and, if applicable, Marketing Fees owed by you (even if not paid) per month over the 12-month period preceding the date of termination (or, if the VC Business was not open throughout such 12-month period, the average Royalty Fees and, if applicable, Marketing Fees owed by you (even if not paid) per month for the period during which the VC Business was open) multiplied by

(ii) (x) 48, if there are 48 or more months remaining in the then-current Initial Term or Successor Term, (y) the number of months remaining in the then-current Initial Term or Successor Term, if there are 13 to 47 months remaining in such term, or (z) 12, if there are 0 to 12 months remaining in the then-current Initial Term or Successor Term.

(b) If the Agreement is terminated two years, or less than two years, after the date on which your VC Business initially opens for business (even if it was originally operated by another party before a Transfer to you), the greater of (i) \$250,000 or (ii) the amount calculated using the formula in Section 15.9(a).

This liquidated damages provision will not limit our right to injunctive relief relating to any violations of this Agreement, nor limit any damages available to us arising out of such violations. You acknowledge and agree that the amount of liquidated damages determined in accordance with the preceding formula reasonably represents our monetary losses resulting from the termination of this Agreement.

15.10 Injunctive and Other Relief. You acknowledge that your failure to abide by the provisions of this Section 15 (Your Obligations Upon Expiration or Termination) will result in irreparable harm to us, and that our remedy at law for damages will be inadequate. Accordingly, you agree that if you breach any provisions of this Section 15, we are entitled to injunctive relief (including the remedy of specific performance) in addition to any other remedies available at law or in equity.

15.11 Maintain Entity in Good Standing. You must maintain your Entity in an active status and in good standing until all obligations have been satisfied, but in any event, for at least two years after the termination or expiration of the Agreement.

Section 16 Dispute Resolution and Governing Law.

16.1 Mandatory Pre-Litigation Mediation. Except as otherwise provided in this Section, before filing any proceeding to resolve any dispute based upon, arising out of, or in any way connected with this Agreement, a party must submit the dispute for mediation. All parties must attend and participate in the mediation.

(a) Conduct of Mediation. The mediation will be governed by the rules of the American Arbitration Association (the “**AAA**”) before one mediator selected by the parties, and if the parties cannot agree upon the mediator, then a mediator selected by the AAA. It is the intent of the parties that mediation will be held not later than 30 days after a written request for mediation will have been served on the other parties. The mediation will be held in the metropolitan area of our then-current principal place of business (currently, Brentwood, Tennessee) and will not last more than one day.

(b) Post-Mediation. If we and you do not resolve our dispute through mediation, then thereafter any party may file for arbitration if the matter involves a Covered Dispute (as defined in Section 16.2(a) (Arbitration)), in accordance with the terms of Section 16.2 (Individual Arbitration of Covered Disputes).

(c) Exceptions to Mediation. Neither party will be obligated to pursue mediation in accordance with this Section 15.1 in connection with (i) Excepted Disputes (as defined in Section 16.2(b) (Excepted Disputes)) or (ii) requests for temporary restraining orders, preliminary injunctions or other procedures in a court of competent jurisdiction to obtain interim relief when deemed necessary by such court to preserve the *status quo* or prevent irreparable injury pending resolution of the actual dispute.

16.2 Individual Arbitration of Covered Disputes.

(a) Arbitration. Except for the Excepted Disputes specified in Section 16.2(b) (Excepted Disputes), all disputes between (i) you, your affiliates (including Clinic Operators and Related Operators), or your Owners, and/or your, your affiliates’, or your Owners’ officers, directors, owners, and employees (the “**Franchisee Related Parties**”) and (ii) us, our affiliates, and/or our or our affiliates’ officers, directors, owners, and employees (the “**Franchisor Related Parties**”) relating to (a) this Agreement, (b) the relationship of any of the Franchisor Related Parties with any of the Franchisee Related Parties, or (c) your VC Business, including disputes related to compliance with franchise, labor, or employment laws (collectively, (a) through (c), the “**Covered Disputes**”), will be resolved by binding arbitration. **This means that all Covered Disputes that either party would otherwise have the legal right to sue for in court will be subject to final and binding arbitration under the arbitration provisions set forth in this Section and not decided by a court or a jury.** The Franchisee Related Parties and Franchisor Related Parties will all be considered third-party beneficiaries of this Agreement and will be included in the term “parties” or “party” in this Section 16. If there are any ambiguities in the terms or conditions of this Section 16.2, it is the parties’ intent that all ambiguities be resolved in favor of arbitration.

(b) Excepted Disputes. The following disputes will not be resolved through arbitration or mediation unless we consent to arbitration or mediation: (i) disputes relating to your use of the Marks (including Lanham Act or common law claims); (ii) disputes that otherwise relate to the ownership or validity of any of the Intellectual Property or the enforcement of our intellectual property rights; (iii) disputes that involve protection of our Proprietary Information; and (iv) disputes related to our enforcement of Section 12 (Your Covenant Not to Compete) (collectively, “**Excepted Disputes**”).

(c) Arbitration Procedure. The arbitration proceeding will be conducted by one arbitrator and, except as this Section 16.2 otherwise provides, according to the then-current Commercial Arbitration Rules of the AAA. All arbitration proceedings will be held at the offices of the AAA or other suitable offices that we select in the metropolitan area in which our principal place of business is then located (currently, Brentwood, Tennessee). The arbitrator will have no authority to select a different hearing locale.

(d) Scope of Arbitrator’s Authority.

(i) Scope. The arbitrator (and not a court) will decide all issues in any Covered Dispute, including issues regarding the non-availability of class arbitration, timeliness, scope of arbitrator’s authority, arbitration procedures, statute of limitations, and all other issues regarding the application, interpretation, enforceability, coverage, and implementation of this Section 16.2, including whether the parties have entered into this Agreement. In accordance with Section 16.7 (Mutual Waiver of Class or Collective Actions), the arbitrator will have no authority to consider or resolve any claim or issue in a Covered Dispute on any basis other than on an individual basis and may not consolidate or join one or more Covered Disputes pertaining to you or a Franchisee Related Party with any other dispute(s).

(ii) Relief. The arbitrator will have the power and authority to award any remedy or relief available under Applicable Laws, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys’ fees and costs (in accordance with Section 16.11 (Attorneys’ Fees and Costs), except the arbitrator may not (i) declare any Mark generic or otherwise invalid or (ii) award any special, consequential, exemplary, or punitive damages against either party, except as expressly provided in Section 16.6 (Mutual Waiver of Punitive Damages).

(iii) Binding Decision. The decision and award of the arbitrator will be final, conclusive, and binding on all parties regarding any claims, counterclaims, issues, or accountings presented or pled to the arbitrator, and judgment on the award, including any partial, temporary or interim award, may be entered in any court of competent jurisdiction (and such proceeding will not itself be deemed a Covered Dispute).

16.3 Forum for Litigation. Any litigation related to an Excepted Dispute will be filed exclusively in the United States District Court for the district in which we have our principal place of business at the time of filing (currently, the U.S. District Court, Middle District of Tennessee). However, if such district court does not have subject-matter jurisdiction over such dispute, such lawsuit must be filed in a state court with jurisdiction over such dispute. The parties waive all questions of personal jurisdiction and venue for the purpose of carrying out this provision.

16.4 Governing Law. This Agreement will be governed by, construed, and enforced in accordance with the laws of the State of Tennessee, provided, however, that if any of the provisions of this Agreement would not be enforceable under the laws of such state, then such

provisions will be interpreted and construed under the laws of the state in which the VC Business is located. In the event of any conflict-of-law question, the laws of Tennessee will prevail, without regard to the application of Tennessee conflict-of-law rules. This Agreement will be governed by federal and state arbitration laws, except for any such arbitration law that would otherwise prohibit or bar the arbitration of a Covered Dispute. Where a state law permits arbitration and a federal law does not, the state law will apply. Conversely, where a federal law permits arbitration and a state law does not, the federal law will apply.

16.5 MUTUAL WAIVER OF JURY TRIAL. THE PARTIES EACH KNOWINGLY, VOLUNTARILY, AND IRREVOCABLY WAIVE ANY RIGHT TO A TRIAL BY A JURY IN ANY DISPUTE AND ANY RIGHT TO HAVE A COVERED DISPUTE BE DECIDED BY A COURT OR A JURY.

16.6 MUTUAL WAIVER OF PUNITIVE DAMAGES. EXCEPT FOR YOUR OBLIGATION TO INDEMNIFY US FOR THIRD-PARTY CLAIMS UNDER SECTION 11.1 (INDEMNIFICATION BY YOU), CLAIMS RELATED TO YOUR INFRINGEMENT OF OUR INTELLECTUAL PROPERTY, AND CLAIMS RELATED TO YOUR BREACH OF YOUR OBLIGATIONS UNDER SECTION 10.2 (NONDISCLOSURE OF PROPRIETARY INFORMATION), NEITHER PARTY WILL BE ENTITLED TO RECOVER SPECIAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES UNDER THIS AGREEMENT.

16.7 MUTUAL WAIVER OF CLASS OR COLLECTIVE ACTIONS. YOU AND WE EACH WAIVE ANY RIGHT TO BRING ANY CLAIMS ON A CLASS-WIDE OR GROUP, REPRESENTATIVE, CONSOLIDATED, JOINT, OR COLLECTIVE BASIS IN ANY MEDIATION, ARBITRATION, OR LITIGATION. EACH PARTY MUST BRING ANY CLAIMS AGAINST THE OTHER PARTY ON AN INDIVIDUAL BASIS AND MAY NOT JOIN ANY CLAIM IT MAY HAVE WITH CLAIMS OF ANY OTHER PERSON OR ENTITY OR OTHERWISE PARTICIPATE IN A CLASS OR COLLECTIVE ACTION AGAINST THE OTHER PARTY.

16.8 ONE-YEAR LIMITATION ON CLAIMS. ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OUR RELATIONSHIP WITH YOU OR RELATED TO COVERED DISPUTES WILL BE BARRED UNLESS AN ARBITRATION OR JUDICIAL PROCEEDING IS COMMENCED IN THE PROPER FORUM WITHIN ONE YEAR FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIM, except for claims (which may be brought by us against you at any time): (i) relating to third-party claims or suits brought against us as a result of your operation of the VC Business; (ii) for injunctive relief to enforce the provisions of this Agreement relating to your use of the Marks; (iii) relating to your financial obligations upon the termination or expiration of the Agreement; (iv) relating to your operation of a Fenced-Off Pharmacy; (v) concerning your obligations under Section 10 (Proprietary Information) or Section 12 (Your Covenant Not to Compete) of this Agreement; and (vi) regarding an assignment of this Agreement or any ownership interest therein.

16.9 Remedies Not Exclusive. No right or remedy that the parties have under this Agreement is exclusive of any other right or remedy under this Agreement or under Applicable Laws. Each and every such remedy will be in addition to, and not in limitation of or substitution for, every other remedy available at law or in equity or by statute or otherwise.

16.10 Our Right to Injunctive Relief. Notwithstanding our agreement to arbitrate, either party will have the right to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction with respect to any dispute subject to

arbitration; provided, however, that such party must contemporaneously submit the dispute for arbitration on the merits as provided in Section 16.2 (Arbitration). In addition to any other relief available at law or equity, we will have the right to obtain restraining orders or temporary or permanent injunctions to: (i) enforce, among other matters, the provisions of this Agreement related to the System; (ii) enforce your obligations on termination or expiration of this Agreement; and (iii) prohibit any act or omission by you or your employees that is a violation of applicable Law or that threatens the Intellectual Property. You agree that we will not be required to prove actual damages or post a bond in excess of \$1,000 or other security in seeking or obtaining injunctive relief (both preliminary and permanent) and/or specific performance with respect to this Agreement.

16.11 Attorneys' Fees and Costs.

(a) You agree to reimburse us for all expenses we reasonably incur (including attorneys' fees, arbitrators' fees, and court costs): (i) to enforce the terms of this Agreement or any obligation owed to us or any Franchisor Related Party by you and/or any Franchisee Related Party (whether or not we initiate a legal proceeding, unless we initiate and fail to substantially prevail in such court or formal legal proceeding); and (ii) in the defense of any claim you and/or any Franchisee Related Party assert against us or any Franchisor Related Party on which we or such Franchisor Related Party substantially prevail in court or other formal legal proceedings.

(b) We agree to reimburse you for all expenses you reasonably incur (including attorneys' fees, arbitrators' fees, and court costs): (a) to enforce the terms of this Agreement or any obligation owed to you or any Franchisee Related Party by us or any Franchisor Related Party (whether or not you initiate a legal proceeding, unless you initiate and fail to substantially prevail in such court or formal legal proceeding); and (b) in the defense of any claim we and/or any Franchisor Related Party assert against you or any Franchisee Related Party on which you or such Franchisee Related Party substantially prevail in court or other formal legal proceedings.

Section 17 Miscellaneous.

17.1 Entire Agreement. This Agreement and the documents referred to herein constitute the entire agreement between you and us with respect to the VC Business and supersede all prior discussions, understandings, representations, and agreements concerning the same subject matter. Notwithstanding the foregoing, nothing in this Agreement will disclaim or require you to waive reliance on any representations that we made in the most recent Franchise Disclosure Document (the "**FDD**") that we delivered to you or your representatives. This Agreement includes the terms and conditions on Appendix A and any other Appendices, which are incorporated into this Agreement by this reference.

17.2 Amendments and Modifications. This Agreement may be amended or modified only by a written document signed by each party to this Agreement. The Manuals and any policies that we adopt and implement may be changed by us from time to time.

17.3 Waiver. Any term or condition of this Agreement may be waived at any time by the party which is entitled to the benefit of the term or condition, but such waiver must be in writing. No course of dealing or performance by any party, and no failure, omission, delay, or forbearance by any party, in whole or in part, in exercising any right, power, benefit, or remedy, will constitute a waiver of such right, power, benefit, or remedy. Our waiver of any particular

default does not affect or impair our rights with respect to any subsequent default you may commit. Our waiver of a default by another franchisee does not affect or impair our right to demand your strict compliance with the terms of this Agreement. We have no obligation to deal with similarly situated franchisees in the same manner. Our acceptance of any payments due from you does not waive any prior defaults.

17.4 Importance of Timely Performance. Time is of the essence in this Agreement.

17.5 Construction. The headings in this Agreement are for convenience of reference and are not a part of this Agreement and will not affect the meaning or construction of any of its provisions. Unless otherwise specified, all references to a number of days will mean calendar days and not business days. The words “**include**,” “**including**,” and words of similar import will be interpreted to mean “**including, but not limited to**,” and the terms following such words will be interpreted as examples of, and not an exhaustive list of, the appropriate subject matter.

17.6 Severability. Each provision of this Agreement is severable from the others. If any provision of this Agreement or any of the documents executed in conjunction with this Agreement is for any reason determined by a court to be invalid, illegal, or unenforceable, the invalidity, illegality, or unenforceability will not affect any other remaining provisions of this Agreement or any other document. The remaining provisions will continue to be given full force and effect and bind us and you.

17.7 Applicable State Law Controlling. If the termination, renewal, or other provisions set forth in this Agreement are inconsistent with any applicable state statute, in effect as of the Effective Date, governing the relationship of us and franchisees, the provisions of such statute will apply to this Agreement, but only to the extent of such inconsistency.

17.8 Survival. Each provision of this Agreement that expressly or by reasonable implication is to be performed, in whole or in part, after the expiration, termination, or Transfer of this Agreement will survive such expiration, termination, or Transfer, including, but not limited to, Sections 9 (Intellectual Property), 10 (Proprietary Information), 11 (Indemnification), 12 (Your Covenant Not to Compete), 15 (Your Obligations Upon Expiration or Termination), and 16 (Dispute Resolution and Governing Law).

17.9 Consent. Whenever our prior written approval or consent is required under this Agreement, you agree to make a timely written request to us for such consent. Our approval or consent must be in writing and signed by an authorized officer to be effective.

17.10 Independent Contractor Relationship.

(a) Independent Nature of Relationship. This Agreement establishes an independent contractor relationship. This Agreement does not create, nor does any conduct by either party create, a fiduciary or other special relationship or make you or us an agent, legal representative, joint venturer, partner, joint employer, employee, or servant of each other for any purpose.

(b) No Authorization to Act on our Behalf. You are not authorized to (i) make any contract, agreement, warranty, or representation on our behalf or (ii) create any obligation, express or implied, on our behalf. You are, and will remain, an independent contractor

responsible for (a) all obligations and liabilities of, and for all loss or damage to, the VC Business, including any personal property or real property and (b) all claims or demands based on damage or destruction of property or based on injury, illness, or death of any person or persons, directly or indirectly, resulting from the operation of the VC Business. Further, we and you are not and do not intend to be partners, associates, or joint employers in any way, and we will not be construed to be jointly liable for any of your acts or omissions under any circumstances. We have no relationship with your employees, and you have no relationship with our employees.

17.11 Notices.

(a) Legal Notices. All notices related to defaults, transfers, renewal or non-renewal, termination, and legal disputes (“**Legal Notices**”) must be in writing and must be given by one of the following methods of delivery: (i) personally; (ii) by certified or registered mail, postage prepaid; (iii) by overnight delivery service; or (iv) by e-mail. Legal Notices to you must be sent to the e-mail address that we provide you for your VC Business or to the address or e-mail address set forth on Appendix A. Legal Notices to us must be sent to the following address or e-mail address:

Vital Care Franchisor LLC
12 Cadillac Drive, Unit 230
Brentwood, Tennessee 37027
Attn: Legal Department
legalnotices@vitalcare.com

(b) Routine Notices. All routine requests for approval related to day-to-day operations (and communications related to such requests) and all notices other than Legal Notices must be in writing and may be communicated (i) by you to us via e-mail to the addresses that we specify and (ii) by us to you via e-mail to the address that we provide for your VC Business or via modifications to the Manuals.

(c) Additional Notice Information. Either party may change the addresses that it has provided for Legal Notices by giving the other party written notice of the change. All notices will be deemed received the same day when delivered personally or by e-mail and upon attempted delivery when sent by registered or certified mail or overnight delivery service.

17.12 Execution. This Agreement will not be binding on either party until it is executed by both parties. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, and all of which will constitute one and the same instrument.

17.13 Successors and Assigns. Except as expressly otherwise provided herein, this Agreement is binding upon and will inure to the benefit of the parties and their respective heirs, executors, legal representatives, successors, and permitted assigns.

17.14 No Third-Party Beneficiaries. Except as expressly otherwise provided herein, no third-party will have the right to claim any of the benefits conferred under this Agreement.

17.15 Additional Terms; Inconsistent Terms. The parties may provide additional terms by including the terms on Appendix A. To the extent that any provisions of Appendix A are in direct conflict with the provisions of this Agreement, the provisions of Appendix A will control.

Section 18 Your Representations and Acknowledgments.

You (on behalf of yourself and your Owners) represent, warrant, and acknowledge as follows:

18.1 Truth of Information. The information (including without limitation all personal and financial information) that you and your Owners have furnished or will furnish to us relating to the subject of this Agreement is true and correct in all material respects and includes all material facts necessary to make such information not misleading in light of the circumstances when made.

18.2 Due Authority. This Agreement has been duly authorized and executed by you or on your behalf and constitutes your valid and binding obligation, enforceable in accordance with its terms, subject to applicable bankruptcy, moratorium, insolvency, receivership, and other similar laws affecting the rights of creditors generally.

18.3 Terrorist Acts. You acknowledge that under applicable U.S. law, including, without limitation, Executive Order 13224, signed on September 23, 2001 (the “**Order**”), we are prohibited from engaging in any transaction with any person engaged in, or with a person aiding any person engaged in, acts of terrorism, as defined in the Order. Accordingly, you represent and warrant to us that, as of the date of this Agreement, neither you nor any person holding any direct or indirect Ownership Interest in you, controlled by you, or under common control with you is designated under the Order as a person with whom business may not be transacted by us, and that you: (i) do not, and hereafter will not, engage in any terrorist activity; (ii) are not affiliated with and do not support any individual or Entity engaged in, contemplating, or supporting terrorist activity; and (iii) are not acquiring the rights granted under this Agreement with the intent to generate funds to channel to any individual or Entity engaged in, contemplating, or supporting terrorist activity, or to otherwise support or further any terrorist activity.

18.4 Timely Receipt and Review of Agreement and Disclosure Document. You have received an execution ready copy of this Agreement at least seven calendar days before you executed this Agreement or any related agreements or paid any consideration to us. You have also received a FDD required by applicable state and/or federal laws, including a form of this Agreement, at least 14 calendar days (or such longer time period as required by applicable state law) before you executed this Agreement or any related agreements or paid any consideration to us.

18.5 Acknowledgement of Terms; Disclaimer. You understand and accept that the terms and covenants in this Agreement are reasonable and necessary for us to maintain our high standards of quality and service, as well as the uniformity of those standards at each VC Business, and to protect and preserve the goodwill of the Marks. You understand that you are solely responsible for the operation of the VC Business.

18.6 Acknowledgements in Certain States. The following acknowledgements apply to all franchisees and VC Businesses, except those that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

(a) Independent Investigation. You have conducted an independent investigation of the business venture contemplated by this Agreement and recognize that it involves business risks and that your results will be largely dependent upon your own efforts and

ability. You have reviewed this Agreement and the FDD and have been accorded ample time to consult with, and ask questions of, our representatives and to consult with your own legal counsel and other advisors about the potential risks and benefits of entering into this Agreement, and we have advised you to do so.

(b) No Reliance on Contrary Representations. You have no knowledge of any representations made about the Vital Care® franchise opportunity by us, our affiliates, or any of our or their officers, directors, owners, or agents that are contrary to the statements made in our FDD or to the terms and conditions of this Agreement. You are not relying on any representations or warranties, express or implied, furnished by us or our representatives other than those expressly set forth in this Agreement and the FDD.

(c) Financial Performance Representations. Except as may be stated in the FDD, neither we, nor any of our affiliates, nor any of our or our affiliates' officers, agents, employees, or representatives have made any representation to you, express or implied, as to the historical revenues, earnings, or profitability of any VC Business or the anticipated revenues, earnings, or profitability of the business subject to the License or any other business operated by us, our licensees, our franchisees, or our affiliates. Any information you have acquired from other Vital Care® franchisees regarding their sales, profits or cash flows is not information obtained from us, and we make no representation about that information's accuracy.

18.7 No Waiver or Disclaimer of Reliance in Certain States. The following provision applies only to franchisees and franchises that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

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

IN WITNESS WHEREOF, upon signing below, each of the undersigned has executed this Agreement under seal as of the Effective Date.

FRANCHISOR

VITAL CARE FRANCHISOR LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

[Entity Name]

By: _____

Name: _____

Title: _____

Date: _____

**APPENDIX A
TO THE
FRANCHISE AGREEMENT**

FRANCHISEE-SPECIFIC TERMS

- 1. Effective Date:**
- 2. Franchisee's Name:**
- 3. Franchisee's State of Organization *(if applicable)*:**
- 4. Ownership of Franchisee (Recital G and Section 1.6):**

Your Owners are as follows:

<u>Name</u>	<u>Percentage Ownership</u>
_____	_____ %
_____	_____ %
_____	_____ %

For any Entity Owner, the owners of that Entity are as follows:

Entity Owner Name: _____

<u>Name</u>	<u>Percentage Ownership</u>
_____	_____ %
_____	_____ %
_____	_____ %

Entity Name: _____

<u>Name</u>	<u>Percentage Ownership</u>
_____	_____ %
_____	_____ %
_____	_____ %

- 5. Territory (Recital H):**

[See Zip Code Attachment]

6. Operating Principal (Recital G and Section 1.5):

7. Key Manager (Section 1.5):

8. Compliance Officer (Section 1.5):

9. Franchise Fee (Section 3.1):

\$60,000 due upon the Effective Date (for first VC Business)

\$40,000 due upon the Effective Date (for each additional VC Business)

10. Primary Center Address (Section 4.1):

11. Franchisee's Address and E-mail Address for Notices (Section 17.11):

12. Additional Terms; Inconsistent Terms (*if any*) (Section 17.15):

Signature Page for Appendix A (Franchisee-Specific Terms)

FRANCHISOR

VITAL CARE FRANCHISOR LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

[Entity Name]

By: _____

Name: _____

Title: _____

Date: _____

**APPENDIX B
TO THE
FRANCHISE AGREEMENT**

AUTHORIZATION TO OPERATE A REMOTE CENTER

1. Franchise Agreement: This Authorization to Operate a Remote Center modifies the Franchise Agreement dated _____ that granted Franchisee the right to operate a Primary Center at _____ (the "Franchise Agreement"). All capitalized terms used in this Authorization are defined in the Franchise Agreement.

2. Type of Remote Center:

___ Remote Infusion Suite

___ Remote Infusion Clinic

3. Remote Center Address (Section 4.2): By signing this Authorization, the parties listed below agree that a Remote Center of the type specified in Paragraph 2 may be operated during the Term of the Franchise Agreement at the following address:_____.

4. Remote Infusion Clinic Operator (if applicable): If you will be operating a Remote Infusion Clinic, it will be operated by:

___ Franchisee

___ An Entity that is majority-owned by your Owners and approved by us. The affiliate that will own and operate the Remote Infusion Clinic for the duration of the Term will be _____, a _____ with a principal place of business at _____ (the "**Clinic Operator**"). By signing below, the Clinic Operator acknowledges and agrees (i) it is majority-owned by your Owners, (ii) it will operate the Remote Infusion Clinic in accordance with the terms of the Franchise Agreement, as though it were the "Franchisee" named in the Franchise Agreement, and (iii) it will have no right to continue to use the Marks or System or to operate the Remote Infusion Clinic after the expiration or termination of the Franchise Agreement or the termination of this Authorization.

Signature Page for Appendix B (Authorization to Operate a Remote Center)

FRANCHISOR

VITAL CARE FRANCHISOR LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

[Entity Name]

By: _____

Name: _____

Title: _____

Date: _____

CLINIC OPERATOR (if applicable)

[Entity Name]

By: _____

Name: _____

Title: _____

Date: _____

**APPENDIX C
TO THE
FRANCHISE AGREEMENT**

AUTHORIZATION TO OPERATE A FENCED-OFF PHARMACY

(Section 6.3(b))

- 1. Franchise Agreement:** This Authorization to Operate a Fenced-Off Pharmacy modifies the Franchise Agreement dated _____ that granted Franchisee the right to operate a Primary Center at _____ (the "**Franchise Agreement**"). All capitalized terms used in this Authorization are defined in the Franchise Agreement.
- 2. Description of Fenced-Off Pharmacy's Business:**
- 3. Related Operator:** The Owner or affiliate that will own and operate the Fenced-Off Pharmacy will be _____, a _____ with a principal place of business at _____ (the "**Related Operator**").
- 4. Address of Fenced-Off Pharmacy:** By signing this Authorization, the parties listed below agree that a Fenced-Off Pharmacy of the type specified in Paragraph 2 may be operated by Related Operator during the Term of the Franchise Agreement at the following address:_____.
- 5. License # of Fenced-Off Pharmacy (if applicable):**
- 6. Additional Terms Related to the Operation of the Fenced-Off Pharmacy:**
- 7. Related Operator's Consent and Acknowledgement:** By signing below, the Related Operator acknowledges and agrees (i) it is an Owner or affiliate of Franchisee, (ii) it will operate the Fenced-Off Pharmacy in accordance with the terms of Section 6.3(c) (Operation of Fenced-Off Pharmacies) of the Franchise Agreement, (iii) it will provide regular financial reports to Franchisee or us in the form and frequency that we specify, and (iv) it will provide us and/or Franchisee with unrestricted access (consistent with the inspection and auditing rights described in Sections 8.4 (Inspection) and 8.5 (Auditing) of the Franchise Agreement) to inspect and audit the books, records, and tax returns of the Fenced-Off Pharmacy and the site of the Fenced-Off Pharmacy for the purpose of verifying compliance with Section 6.3(c) of the Franchise Agreement and this Authorization.

[Signature Page for Appendix C (Authorization to Operate a Fenced-Off Pharmacy)]

FRANCHISOR

VITAL CARE FRANCHISOR LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

[Entity Name]

By: _____

Name: _____

Title: _____

Date: _____

RELATED OPERATOR (if applicable)

[Entity Name]

By: _____

Name: _____

Title: _____

Date: _____

**APPENDIX D
TO THE
FRANCHISE AGREEMENT**

Marks

Registered Marks

Registered on the Principal Register of the United States Patent and Trademark Office:

Mark	Registration No.	Registration Date
VITAL CARE	2,169,655	June 29, 2018 (Renewed)
	2,312,058	March 21, 2020 (Renewed)
VITAL CARE INFUSION SERVICES	7,124,728	August 1, 2023
	7,124,726	August 1, 2023
	7,124,727	August 1, 2023

**APPENDIX E
TO THE
FRANCHISE AGREEMENT
VITAL CARE FRANCHISOR LLC
PAYMENT AND PERFORMANCE GUARANTEE**

In order to induce Vital Care Franchisor LLC (“**Franchisor**”) to enter into a Vital Care® Franchise Agreement (the “**Franchise Agreement**”) by and between Franchisor and the Franchisee named in the Franchise Agreement dated _____ to which this Payment and Performance Guarantee (the “**Guarantee**”) is attached (“**Franchisee**”), the undersigned (collectively referred to as the “**Guarantors**” and individually referred to as a “**Guarantor**”) hereby covenant and agree as follows:

- 1. Guarantee of Payment and Performance.** The Guarantors jointly and severally unconditionally guarantee to Franchisor and its affiliates the payment and performance when due, whether by acceleration or otherwise, of all obligations, indebtedness, and liabilities of Franchisee to Franchisor, direct or indirect, absolute or contingent, of every kind and nature, whether now existing or incurred from time to time hereafter, whether incurred pursuant to the Franchise Agreement or otherwise, together with any extension, renewal, or modification thereof in whole or in part (the “**Guaranteed Liabilities**”). The Guarantors agree that if any of the Guaranteed Liabilities are not so paid or performed by Franchisee when due, the Guarantors will immediately do so. The Guarantors further agree to pay all expenses (including reasonable attorneys’ fees) paid or incurred in endeavoring to enforce this Guarantee or the payment of any Guaranteed Liabilities. The Guarantors represent and agree that they have each reviewed a copy of the Franchise Agreement and have had the opportunity to consult with counsel to understand the meaning and import of the Franchise Agreement and this Guarantee.
- 2. Waivers by Guarantors.** The Guarantors waive presentment, demand, notice of dishonor, protest, and all other notices whatsoever, including without limitation notices of acceptance hereof, of the existence or creation of any Guaranteed Liabilities, of the amounts and terms thereof, of all defaults, disputes, or controversies between Franchisor and Franchisee and of the settlement, compromise, or adjustment thereof. This Guarantee is primary and not secondary and will be enforceable without Franchisor having to proceed first against Franchisee or against any or all of the Guarantors or against any other security for the Guaranteed Liabilities. This Guarantee will be effective regardless of the insolvency of Franchisee by operation of law, any reorganization, merger, or consolidation of Franchisee, or any change in the ownership of Franchisee.
- 3. Term: No Waiver.** This Guarantee will be irrevocable, absolute, and unconditional and will remain in full force and effect as to each of the Guarantors until the later of (i) such time as all Guaranteed Liabilities of Franchisee to Franchisor and its affiliates have been paid and satisfied in full, or (ii) the Franchise Agreement and all obligations of Franchisee thereunder expire. No delay or failure on the part of Franchisor in the exercise of any right or remedy will operate as a waiver thereof, and no single or partial exercise by Franchisor of any right or remedy will preclude other further exercise of such right or any other right or remedy.

- 4. Other Covenants.** Each of the Guarantors agrees to comply with the provisions of Sections 8 (Records, Reports, Audits, and Inspections), 9 (Intellectual Property), 10 (Proprietary Information), 11 (Indemnification), and 12 (Your Covenant Not to Compete) of the Franchise Agreement as though each such Guarantor were the "Franchisee" named in the Franchise Agreement and agrees that the undersigned will take any and all actions as may be necessary or appropriate to cause Franchisee to comply with the Franchise Agreement and will not take any action that would cause Franchisee to be in breach of the Franchise Agreement.
- 5. Dispute Resolution.** Section 16 (Dispute Resolution and Governing Law) of the Franchise Agreement is hereby incorporated herein by reference and will be applicable to any all disputes between Franchisor and any of the Guarantors, as though Guarantor were the "Franchisee" referred to in the Franchise Agreement.
- 6. Miscellaneous.** This Agreement will be binding upon the Guarantors and their respective heirs, executors, successors, and assigns, and will inure to the benefit of Franchisor and its successors and assigns.

IN WITNESS WHEREOF, the undersigned Guarantors have caused this Guarantee to be duly executed as of the day and year first above written.

Print Name: _____

Print Name: _____

Print Name: _____

Print Name: _____

APPENDIX F
TO THE
FRANCHISE AGREEMENT
FORM OF GENERAL RELEASE

THIS GENERAL RELEASE (“Release”) is executed on _____
by:

- (i) _____, a [state] [individual or type of entity] with a principal address at _____ (“**Franchisee**”); and
- (ii) _____, a [state] [individual or type of entity] with a principal address at _____ [and _____, a [state] [individual or type of entity] with a principal address at _____] (collectively, “**Owners**”).

RECITALS

- A. Vital Care Franchisor LLC (“**Franchisor**”) and Franchisee are parties to the following Franchise Agreements (the “**Franchise Agreements**”):

VB Business Number	Date of Franchise Agreement

- B. Franchisee and Owners are executing this Release as a condition of (check one):

- ____ (i) Franchisor’s consent to a Transfer (as defined in the applicable Franchise Agreement) under the terms of the applicable Franchise Agreement;
- ____ (ii) Franchisor’s granting Franchisee a successor term; or
- ____ (iii) Franchisor’s agreeing to amend the applicable Franchise Agreement or waive any of its rights under the applicable Franchise Agreement, including, but not limited to, extending, in our sole discretion, the Primary Site Acquisition Deadline or the Opening Deadline.

AGREEMENT

In consideration of the foregoing, it is hereby agreed as follows:

1. Release by Franchisee and Owners. Franchisee (on behalf of itself and its parents, subsidiaries, and affiliates and their respective past and present officers, directors, shareholders, managers, members, agents, and employees, in their corporate and individual capacities), and Owners (on behalf of themselves and their respective heirs, representatives, successors and assigns) (collectively, the “**Releasors**”), freely and without any influence, forever release (i) Franchisor, (ii) Franchisor’s past and present officers, directors, shareholders,

managers, members, agents, and employees, in their corporate and individual capacities, and (iii) Franchisor's past and present parents, subsidiaries, predecessors, and affiliates and their respective past and present officers, directors, shareholders, managers, members, agents, and employees, in their corporate and individual capacities (collectively, the "**Released Parties**"), from any and all claims, debts, demands, liabilities, suits, judgments, and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, or suspected or unsuspected (collectively, "**Claims**"), that any Releasor ever owned or held, now owns or holds, or may in the future own or hold arising out of, or relating to, any act, omission, or event occurring on or before the date of this Release, including, without limitation, (a) Claims arising under federal, state, and local laws, rules, and ordinances and (b) Claims arising out of, or relating to, the Franchise Agreement(s) and any other agreements between any Releasor and any Released Party.

2. Risk of Changed Facts. Franchisee and Owners (on behalf of all Releasors) (a) understand that the facts in respect of which the release in Section 1 is given may turn out to be different from the facts now known or believed by them to be true and (b) hereby accept and assume the risk of the facts turning out to be different and agree that the release in Section 1 will nevertheless be effective in all respects and not subject to termination or rescission by virtue of any such difference in facts.

3. Covenant Not to Sue. Franchisee and Owners (on behalf of all Releasors) covenant not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any person or entity released under Section 1 with respect to any Claim released under Section 1.

4. No Prior Assignment and Competency. Franchisee and Owners (on behalf of all Releasors) represent and warrant that: (a) the Releasors are the sole owners of all Claims and rights released in Section 1 and that the Releasors have not assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim released under Section 1; (b) each Releasor has full and complete power and authority to execute this Release, and that the execution of this Release will not violate the terms of any contract or agreement between them or any court order; and (c) this Release has been voluntarily and knowingly executed after each of them has had the opportunity to consult with counsel of their own choice.

5. Complete Defense. Franchisee and Owners (on behalf of all Releasors): (a) acknowledge that the release in Section 1 will be a complete defense to any Claim released under Section 1; and (b) consent to the entry of a temporary or permanent injunction to prevent or end the assertion of any such Claim.

6. Waiver of Statutory Preservation Provisions. Franchisee and Owners (on behalf of all Releasors) each expressly waives any rights or benefits conferred by the provisions of Section 1542 of the California Civil Code, to the extent such provision would be applicable, which provides as follows:

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

This waiver extends to any other statute or common law principle of similar effect in any applicable jurisdiction, including without limitation, California and or any other jurisdiction in which the Releasors reside. Franchisee and Owners (on behalf of all Releasors) acknowledge and represent that they have each consulted with legal counsel before executing this release and that they understand its meaning, including the effect of Section 1542 of the California Civil Code, and

expressly consent that this release will be given full force and effect according to each and all of its express terms and provisions, including, without limitation, those relating to the release of unknown and unsuspected claims, demands, and causes of action.

7. Successors and Assigns. This Release will inure to the benefit of and bind the successors, assigns, heirs, and personal representatives of the Released Parties and each Releasor.

8. Counterparts. This Release may be executed in two or more counterparts (including by scanned copy), each of which will be deemed an original, and all of which will constitute one and the same instrument.

The following language applies only to transactions governed by the Washington Franchise Investment Act

The release provided above does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, chapter 19.100 RCW, or the rules adopted thereunder in accordance with RCW 19.100.220(2).

IN WITNESS WHEREOF, Franchisee and Owners have executed this Release as of the date shown above.

FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Date: _____

OWNER:

Print Name: _____

Date: _____

OWNER:

Print Name: _____

Date: _____

OWNER:

Print Name: _____

Date: _____

APPENDIX G
TO THE
FRANCHISE AGREEMENT
CYBER SECURITY STANDARDS

These Cyber Security Standards ("**Standards**") form part of the Vital Care Franchise Agreement (the "**Franchise Agreement**") between Vital Care Franchisor LLC ("**VC**") and Franchisee (each, a "**Party**" and collectively, the "**Parties**") and applies where VC provides or arranges for the provision of any of the Services set forth herein to Franchisee.

Background

- A. VC and Franchisee entered into the Franchise Agreement regarding Franchisee's operation of one or more Vital Care® franchise(s) (each, a "**VC Business**") in accordance with the distinctive business format and set of specifications and operating procedures (the "**System**"). The Franchise Agreement permits VC to change, improve, add to, and further develop the elements of the System from time to time.
- B. The Franchise Agreement provides that Franchisee must comply with and abide by each required System Standard in the Manuals, as they may be amended, modified, or supplemented periodically and such other written or electronically transmitted System Standards that VC may issue periodically. "System Standards" is defined to include, but is not limited to, suggested policies, procedures, standards, specifications, rules, and requirements set out in the Manuals and otherwise in writing. VC has the right to amend, modify, or supplement the Manuals at any time, so long as such amendments, modifications, or supplements will, in VC's good faith opinion, benefit VC and VC's existing and future franchisees or will otherwise improve the System. Franchisee must comply with revised mandatory System Standards within 30 days after VC transmits updates, unless otherwise specified.
- C. The Franchise Agreement also provides that Franchisee must obtain, maintain, and use the hardware, software, other equipment, and network connections that VC specifies periodically in the Manuals necessary to operate VC's point of sale system, Billing Service, security system, and other technology systems that VC designates ("**Technology Systems**"). Franchisee must execute and pay any fees associated with any license agreements or any related maintenance agreements that VC or the licensor of the software or system require if such designation by VC requires Franchisee to use proprietary software or systems or the purchase of any software or systems from a designated vendor. Franchisee is also required to replace, upgrade, or update at Franchisee's expense the Technology System as VC requires periodically. VC must establish reasonable deadlines for implementation of any changes to its Technology System requirements.
- D. The Franchise Agreement further provides that VC may provide or arrange for third parties to provide various technology products and services to Franchisee, which is subject to change over time. Additionally, Franchisee must pay the fees connected with any such technology products or services via the Technology Fee. VC is required to specify the Technology Fee in the Manuals and may change the fee at any time by providing Franchisee with written notice of any change at least 30 days prior to the

implementation of a new fee amount. VC has the right to add, delete, or otherwise modify the products and services that are included in the Technology Fee from time to time.

- E. To exercise the foregoing and other rights under the Franchise Agreement, VC desires to provide or arrange for the provision of Services to Franchisee as tools to assist Franchisee's compliance with the Cyber Security Standards and requires Franchisee to use the Services as part of the System, System Standards, and/or the Technology Systems except as expressly set forth in Exhibit A.
- F. The Parties desire to enter into these Standards on the terms below to allow Franchisee to use the Services set forth in Exhibit A in the operation of its VC Business.

NOW THEREFORE, in consideration of the mutual promises in these Standards, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Definitions.

1.1. For the purposes of these Standards, capitalized terms used in these Standards and not otherwise defined herein have the meanings ascribed to them in the Franchise Agreement.

1.2. **"Authorized Users"** means Franchisee's employees, agents, and contractors who are (i) authorized by Franchisee to access and use the applicable Services; and (ii) assigned an email address by VC.

1.3. **"Content"** means the data or information that is distributed to Franchisee by VC hereunder, which may include Third Party Content. Content includes, but may not be limited to, the Cyber Security Standards, policies, standards, concepts, reports, training materials, and documentation.

1.4. **"Cyber Security Standards"** means the System Standards set forth in VC's then-current Franchise Security Standard Policy and Franchise Technology Acceptable Use Policy, as amended from time to time.

1.5. **"Cyber Security Standards Notice"** means VC's written notice to Franchisee requiring Franchisee to comply with the Cyber Security Standards.

1.6. **"Deliverable"** means all Work Product provided by VC or a Subcontractor to Franchisee related to the performance of Professional Services under these Standards.

1.7. **"Effective Date"** means thirty (30) days following the date of VC's Cyber Security Standards Notice to Franchisee or upon the Opening Date Deadline, as defined in the Franchise Agreement.

1.8. **"Hardware"** means any equipment, content, or any other physical product, including any Third Party Hardware, set forth on Exhibit A.

1.9. **"Professional Services"** means any training, consulting, support, or other professional services set forth on Exhibit A.

1.10. **“Software”** means the machine-readable, compiled, object code form of proprietary software, including any Third Party Software. Software shall include the object code form of any subsequent releases during the Term and any modifications (including bug fixes, error corrections, enhancements, and updates) to which Franchisee may be entitled pursuant to these Standards.

1.11. **“Software Services”** means the computing, processing, technology, subscription, cloud, maintenance, support, implementation, configuration, hosting, software as a service, or any other related services necessary to use the Software, including any Third Party Software Services.

1.12. **“Subcontractor”** means a Third Party engaged by VC to provide Professional Services or Software Services to Franchisee at the direction or on behalf of VC.

1.13. **“Third Party”** means a party or parties other than Franchisee or VC.

1.14. **“Third Party Content”** means data or information that is owned and/or provided by a Third Party, which may include, but may not be limited to, data or information within Third Party Software.

1.15. **“Third Party Hardware”** means equipment owned and/or provided by a Third Party.

1.16. **“Third Party Materials”** means collectively, the Third Party Content, Third Party Hardware, Third Party Software Services, and Third Party Software.

1.17. **“Third Party Software Services”** means services related to and necessary to use Third Party Software that is owned and/or provided by a Third Party.

1.18. **“Third Party Software”** means software that is owned and/or provided by a Third Party, including any open-source software.

1.19. **“Third Party Terms”** means all terms, conditions, documentation, licenses, and requirements of Third Parties applicable to Third Party Materials, including, but not limited to, end user license agreements, direct licenses and agreements Franchisee has with Third Parties, and the licenses and agreements VC has with Third Parties.

2. **Rights Granted.**

2.1. Generally. Throughout the Term, Franchisee shall comply with the Cyber Security Standards, and Franchisee shall use the services set forth in and as specified in Exhibit A (the **“Services”**).

2.2. Software, Software Services, and Content. Subject to the terms of these Standards, the Franchise Agreement, and Third Party Terms, during the Term, to the extent the Services are provided to Franchisee as set forth in Exhibit A, VC grants to Franchisee, exercisable by and through its Authorized Users, a limited term, non-exclusive, non-transferable, non-sublicensable right and license, as applicable, to access and use (a) the Software, (b) Software Services, and (c) Content solely for Franchisee's internal business operations and solely to the extent reasonably necessary for Franchisee to manage its VC Business.

2.3. Software Services. Subject to the terms of these Standards, the Franchise Agreement, and Third Party Terms, to the extent the applicable Third Party does not provide directly to Franchisee, during the Term, to the extent the Services are provided to Franchisee as set forth in Exhibit A, VC will provide Franchisee reasonable technical support services for the Software in accordance with VC's standard policies and procedures.

2.4. Professional Services. Subject to the terms of these Standards and the Franchise Agreement, during the Term, to the extent the Services are provided to Franchisee as set forth in Exhibit A, VC will provide Franchisee the Professional Services in accordance with VC's standard policies and procedures.

2.5. Deliverables. Subject to the rights and licenses granted hereunder, as between the Parties, VC shall own all right, title, and interest in and to the Deliverables resulting from VC's and/or Subcontractor's performance of Professional Services under these Standards.

2.6. Hardware. Subject to the terms of these Standards, the Franchise Agreement, and Third Party Terms, during the Term, Franchisee shall use any Hardware purchased pursuant to this Agreement solely for Franchisee's internal business operations and solely to the extent reasonably necessary for Franchisee to manage its VC Business. For the avoidance of doubt, Franchisee's use of Hardware shall comply with the Manuals, which includes, but is not limited to, the Cyber Security Standards.

2.7. Restrictions. In addition and subject to any restrictions in the Franchise Agreement and the Third Party Terms, Franchisee shall not and shall ensure Authorized Users do not (a) use, copy, modify, create derivative works of, adapt, distribute, disclose, reproduce, publish, sell, license, sublicense, rent, lease, or allow access to the Software, Hardware, Work Product, or Content except as expressly set forth in these Standards, (b) translate, decipher, decrypt, disassemble, decompile, reverse engineer, or otherwise attempt to derive or discover the source code of any portion of the Software, except as expressly set forth in these Standards or as approved in writing by VC or the applicable Third Party, (c) provide any copies of the object code relating to the Software to any person or entity, (d) use the Services in any manner that violates any applicable law or Third Party Terms, (e) violate or attempt to violate or circumvent any security procedures or interfere or attempt to interfere with or disrupt the integrity or performance of the Services or take any action compromising the enjoyment and use of the Services by any other franchisee, customer, or third party, (f) take any action compromising VC's or Third Parties' rights in the Services, (g) access or attempt to access the Software or Content utilizing any data mining tool, robot, spider, or other data harvesting or extraction tool, (h) submit, input, or introduce any virus, Trojan horse, worm, or other harmful component or code to or into the Services or VC or Third Party systems, or (i) use any component of the Software to provide services to third parties as a service bureau or data processor. Subject to Third Party Terms, Franchisee may make one copy of the Software and Content as necessary for back-up, testing, and archival purposes only.

2.8. Modification of Services. In addition and subject to any modification rights in Third Party Terms, VC reserves the right to make changes to the Cyber Security Standards or Services at any time that it deems necessary or useful, and such changes may include the addition or removal of any features or components of the Services.

2.9. Suspension of Services. In addition and subject to any suspension rights in Third Party Terms, if (a) there is a threat to the security of VC's or a Third Party's systems or the Services, or (b) undisputed invoices are 60 days or more overdue, in addition to any other rights and remedies (including termination), VC and/or Third Party may suspend the

Services for up to five days without liability until all issues are resolved.

2.10. Monitoring. Although VC has no obligation to Franchisee to monitor Franchisee's use of the Services, VC may do so and may prohibit any use of the Services it believes may be (or alleged to be) in violation of these Standards or Third Party Terms. Use or access of the Service not in accordance with the terms of these Standards and Third Party Terms is strictly prohibited. Any violation of this Section 2 will cause VC irreparable and immediate harm, and VC is entitled to injunctive relief to prevent such violation.

2.11. Reservation of Rights. Except for Hardware, the Parties acknowledge and agree that VC does not sell any Services to Franchisee, rather, all rights, including ownership of the Services remain with VC or the applicable Third Party. VC and the applicable Third Party reserve all rights, title, and interest to the Services not expressly granted under these Standards.

3. **Franchisee Responsibilities.**

3.1. Technical Requirements. Franchisee shall be responsible for obtaining, protecting, and maintaining any equipment and ancillary services needed to connect to, access or otherwise use the Services, including, without limitation, modems, hardware, servers, software, operating systems, networking, web servers and the like (collectively, "**Equipment**"). Franchisee agrees to maintain the Equipment requirements specified by VC or Third Parties from time to time. Franchisee acknowledges that some Services require up-to-date Equipment, Software, and Hardware, and it shall update its Equipment, Software and Hardware periodically in accordance with VC's or Third Party's requirements. Franchisee shall also be responsible for maintaining the security of the Equipment, Franchisee account, passwords (including but not limited to administrative and user passwords) and files, and for all uses of Franchisee's account or the Equipment with or without Franchisee's knowledge or consent.

3.2. Authorized Users. Franchisee shall designate Authorized Users that are authorized to access and use the Services. Franchisee warrants that (a) each Authorized User will be bound to the confidentiality and use restrictions set forth herein and within Third Party Terms; and (b) it shall use its best efforts to protect the security of the Services. Franchisee shall promptly restrict access for any Authorized Users who are no longer employed with Franchisee or otherwise authorized by Franchisee to access the Services and no longer have a need to access and use the Services.

3.3. Access. Subject to the terms of these Standards, the Franchise Agreement, and Third Party Terms, Franchisee is solely responsible for issuing login credentials to its Authorized Users. In addition, (a) Franchisee will (i) limit access to the Services to Authorized Users, (ii) require that each Authorized User only use the unique login credentials assigned to the Authorized User, (iii) maintain a current directory of Authorized Users, and (iv) notify VC immediately of any known or suspected unauthorized access to, or use of, the Services or breach of the confidentiality of login credentials, and (b) Franchisee will require each Authorized User to (i) protect the confidentiality of all login credentials, and (ii) notify Franchisee immediately of any known or suspected breach of the confidentiality of any login credentials. Franchisee acknowledges that Franchisee will be fully responsible for ensuring Authorized Users' compliance with these Standards and all Third Party Terms, and Franchisee will be fully responsible for all liabilities from any non-compliance by it or any Authorized User.

3.4. Business Associate Agreement. The Parties expressly agree to comply with the terms of the Business Associate Agreement executed between the Parties, which shall

apply to any Protected Health Information used or disclosed in connection with VC's provision of the Services. The Business Associate Agreement is incorporated herein as part of these Standards by this reference.

3.5. Cooperation Required. VC's and Third Parties' obligations are conditioned on Franchisee fulfilling its obligations under these Standards, including, without limitation:

3.5.1. Providing VC and/or Third Parties with all information and assistance necessary to detect, simulate or reproduce and correct any program or software errors;

3.5.2. Providing VC and/or Third Parties with access to the Equipment or Hardware used to operate the Software and its related operating environment for the purpose of providing the Services;

3.5.3. Causing all Equipment and facilities which are used in connection with the operation or security of the Equipment, Software, and Hardware to be maintained properly and in good operating condition as specified by the applicable manufacturer. All charges for such media and services shall be the sole responsibility of Franchisee;

3.5.4. Maintaining regular back-ups of data files, application source code (if applicable) and operating system software;

3.5.5. Reasonably cooperating with VC and/or Third Parties to facilitate the performance and provision of the Services, including providing VC and/or Third Parties access to and use of all appropriate facilities, systems, equipment, and supporting materials requested, as reasonably necessary for VC and/or Third Party to perform its obligations under these Standards; and

3.5.6. Cooperating with VC and/or Third Parties in taking actions and executing documents, as appropriate to achieve the objectives of these Standards.

3.6. Data Use. Franchisee will secure and maintain records to validate all necessary rights, authorizations, permissions, and consents necessary to provide Franchisee Data to VC and/or Third Parties, for VC and/or Third Parties to provide the Services in compliance with these Standards and all applicable laws and for VC and Third Parties to use and disclose the Franchisee Data as set forth in these Standards and Third Party Terms. VC shall not provide any Franchisee Data that (a) is false, inaccurate, defamatory, abusive, libelous, unlawful, obscene, threatening, harassing, fraudulent, pornographic, or harmful, or that could encourage criminal or unethical behavior, (b) violates or infringes the privacy, copyright, trademark, trade dress, trade secrets or intellectual property rights of any person or entity, or (c) contains or transmits a virus or any other harmful component. Franchisee is solely responsible for the accuracy, quality, integrity, legality, reliability, and appropriateness of all Franchisee Data.

3.7. Limitation on Government Use. Franchisee may not remove or export from the United States or allow the export or re-export of the Services or any direct product thereof in violation of any restrictions, laws or regulations of the United States Department of Commerce, the United States Department of Treasury Office of Foreign Assets Control, or any other United States or foreign agency or authority. As defined in FAR section 2.101, the Software and documentation are "commercial items" and according to DFAR section 252.227 7014(a)(1) and (5) are deemed to be "commercial computer software" and "commercial computer software

documentation.” Consistent with DFAR section 227.7202 and FAR section 12.212, any use modification, reproduction, release, performance, display, or disclosure of such commercial software or commercial software documentation by the U.S. Government will be governed solely by the terms of these Standards and applicable Third Party Terms and will be prohibited except to the extent expressly permitted by the terms of these Standards and applicable Third Party Terms.

4. Third Party Materials.

4.1. Indirect Licenses. Franchisee acknowledges that the Cyber Security Standards and Services provided under these Standards may include Third Party Materials. Each Third Party licensor of Third Party Materials has a proprietary interest in such materials and is a direct and intended beneficiary of these Standards and may enforce it directly against Franchisee. The availability of certain Third Party Materials is subject to the Third Party Terms, which terms may change from time to time or which licenses may terminate or expire. VC reserves the right to unilaterally amend these Standards as necessary to comply with the requirements of Third Party Terms, which may include the termination of licenses for certain Third Party Materials. Notwithstanding anything to the contrary in these Standards, Franchisee is expressly prohibited from using the Third Party Materials in a manner that it and/or VC is prohibited in Third Party Terms and is subject to all restrictions applicable to it and/or VC in Third Party Terms.

4.2. Direct Licenses. Franchisee understands and agrees that certain Third Party Materials may require Franchisees and/or Authorized Users to obtain a license for the Third Party Materials and/or enter into Third Party Terms directly with the Third Party licensor prior to VC’s distribution to Franchisee or prior to Franchisee’s use of the Services. The grant of any right or license under these Standards by VC is contingent upon the continuance of Franchisee’s and Authorized Users’ acceptance and execution of such Third Party Terms. The Fees do not include any fees payable direct to Third Parties where Franchisee is required to obtain a license directly from a Third Party. Franchisee shall be separately and solely responsible for payment of any such fees directly to Third Parties.

4.3. Modifications. Third Party Materials may be modified or amended by the Third Party at any time at the sole discretion of the Third Party; therefore, VC may modify and amend these Standards and Fees per the Third Party Terms and/or Third Party modification of its fees.

4.4. Professional Services. VC shall have the right to provide any of the Professional Services and Deliverables to Franchisee through subcontractors (“**Subcontractors**”); provided, however, VC will remain fully responsible for the performance of each Subcontractor and for its compliance with the terms and conditions of these Standards.

5. Fees and Payment Terms.

5.1. Fees. As a condition of the licenses and rights granted hereunder, Franchisee will pay to VC the fees set forth on Exhibit A (“**Fees**”). VC will start billing Fees on the first of the month following the Effective Date of the Cyber Security Standards implementation. The Fees up to 0.5% of Franchisee’s Gross Revenue may be considered a Technology Fee under the Franchise Agreement. Fees that exceed that threshold or do not otherwise meet the definition of “Technology Fee” in the Franchise Agreement, shall be considered fees owed as part of Franchisee’s obligations with respect to the Technology System. All Fees will be paid in accordance with any payment terms set forth in the Franchise Agreement

5.2. Increase in Fees. VC will have the right to pass through to Franchisee any additional or increase in access, monthly, or other fees imposed on VC by Third Parties, which may increase the fees specified in Section 5.1 (Fees). Such increases will be effective upon notice to Franchisee and may be included in the next applicable invoice.

5.3. Reimbursement for VC Expenses. Franchisee will reimburse VC for all costs, expenses, and other fees incurred by VC, Subcontractors, and/or Third Parties in providing Services to Franchisee under these Standards; provided, however, that the expenses must be approved in advance by Franchisee.

6. **Intellectual Property.**

6.1. Work Product. “**Work Product**” means any technology, documentation, software, procedures, designs, inventions, methodologies, techniques, discoveries, know-how, show-how, and works of authorship developed, conceived, or introduced by VC or Third Parties, including Deliverables, in the course of VC or Third Parties performing Services (whether acting alone or in conjunction with Franchisee or Authorized Users, affiliates or others) and (a) all United States and foreign patents issued or issuable thereon, (b) all copyrights and other rights in works of authorship, collections, and arrangements of data, (c) mask work rights, (d) trade secrets on a world-wide basis, and (e) trademarks, trade names, and other forms of corporate or product identification, and any division, continuation, modification, enhancement, derivative work or license of any of the foregoing ((a)-(e) collectively, “**Intellectual Property**”) .

6.2. Ownership of Intellectual Property. VC and/or Third Parties retain all right, title, and interest, in the Software, related documentation, Content, Services, Deliverables, and Work Product. Subject to the terms of these Standards, the Franchise Agreement, and any Third Party Terms, during the Term, VC grants to Franchisee a limited, nonexclusive, non-transferable, non-sublicensable license to use Work Product only for Franchisee's own internal purposes in connection with the Software and Services. Franchisee retains all right, title, and interest in all data related to Franchisee that is exchanged or made available under these Standards, including Protected Health Information (collectively, “**Franchisee Data**”), except as otherwise provided under the Franchise Agreement or Third Party Terms.

7. **Confidential Information.**

7.1. Definition of Confidential Information. “**Confidential Information**” means (a) the source and object code of all components of the Software, (b) the documentation related to the Software, (c) Proprietary Information, (d) the terms and conditions of these Standards, (e) the Content, Deliverables, and Work Product, and (f) all other information of a confidential or proprietary nature disclosed by one Party to the other Party in connection with these Standards which is either (i) disclosed in writing and clearly marked as confidential at the time of disclosure, (ii) disclosed orally and clearly designated as confidential in a written communication to the receiving Party within 7 days following the disclosure, or (iii) ordinarily considered confidential by a reasonable businessperson. “Confidential Information” shall not include information (1) publicly available through no breach of these Standards, (2) independently developed or previously known to it, without restriction, prior to disclosure by the disclosing Party, or (3) rightfully acquired from a third party not under an obligation of confidentiality.

7.2. Protection of Confidential Information. Each Party shall (a) secure and protect the Confidential Information using the same degree or greater level of care that it uses to

protect such Party's own confidential information, but no less than a reasonable degree of care, (b) use the Confidential Information of the other Party solely to perform its obligations or exercise its rights under these Standards, (c) require their respective employees, agents, attorneys, and independent contractors who have a need to access such Confidential Information to be bound by confidentiality obligations sufficient to protect the Confidential Information, and (d) not transfer, display, convey or otherwise disclose or make available all or any part of such Confidential Information to any third party except as otherwise permitted herein, which for the avoidance of doubt, includes VC's permitted disclosures to Third Parties, including Subcontractors, as needed to perform its obligations or to provide the Services set forth herein. Either Party may disclose the other Party's Confidential Information to the extent required by applicable law or regulation, including without limitation any applicable Freedom of Information or sunshine law, or by order of a court or other governmental entity, in which case the disclosing Party shall notify the other Party as soon as practical prior to such disclosure and an opportunity to respond or object to the disclosure. Franchisee acknowledges that VC or Third Party may be required to make available to the Secretary of Health & Human Services or Comptroller General of the United States its books, documents, and records necessary to verify the nature and extent of the costs of those Services.

8. **Term and Termination.** The initial term of these Standards will be effective as of the Effective Date of this Agreement and expire upon the expiration or earlier termination of the Term of the Franchise Agreement (the "**Initial Term**"). These Standards will automatically renew upon renewal of the Franchise Agreement (each a "**Renewal Term**" and collectively, the "**Renewal Terms**"). The Initial Term and all Renewal Terms are collectively, the "**Term**." These Standards may be terminated immediately by mutual written consent. Upon termination of these Standards, Franchisee will immediately cease using the Services, Software, Content, Deliverables, and Work Products and all access and rights granted to Franchisee under these Standards will immediately terminate and revert to VC. Franchisee shall, within five days following such termination, destroy or return to VC all Software, Content, and any related documentation, and all Confidential Information of VC or Third Parties, and certify such return or destruction in writing to VC.

9. **Compliance with Laws and Export Restrictions.** Franchisee shall comply with all applicable federal, state, and local laws, regulations, and ordinances related to these Standards and the use of the Services. Franchisee agrees to comply with all export and re-export restrictions and regulations of the Department of Commerce or other United States agency or authority, and not to transfer, or authorize the transfer of, the Software to a prohibited country or otherwise in violation of any such restrictions or regulations.

10. **No Federal Health Care Program Exclusion.** Each Party represents to the other Party that: (a) neither the representing Party nor any of its officers, directors, or employees or contractors providing services under these Standards are currently excluded, debarred, or otherwise ineligible to participate in federal health care programs, (b) neither the representing Party nor any of its officers, directors, employees or contractors providing services under these Standards have ever been convicted of a criminal offense related to health care, and (c) the representing Party is not aware of any circumstances which may result in the representing Party or any of its officers, directors, employees or contractors providing services under these Standards being excluded from participation in federal health care programs. This shall be an ongoing representation and warranty during the Term of these Standards and each Party shall immediately notify the other Party of any change in status of the representation and warranty set forth in this Section.

11. **No Warranties.** EXCEPT AS EXPRESSLY PROVIDED HEREIN OR BY A

THIRD PARTY WITH RESPECT TO THIRD PARTY MATERIALS, VC AND THIRD PARTIES DISCLAIM, ALL WARRANTIES, BOTH EXPRESS AND IMPLIED, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY, AND ANY WARRANTY OF NON-INFRINGEMENT, OR ANY WARRANTIES ARISING FROM TRADE PRACTICE OR COURSE OF DEALING. VC AND THIRD PARTIES DO NOT WARRANT THAT THE SERVICES SHALL BE ERROR-FREE OR UNINTERRUPTED, OR THAT ALL DEFECTS SHALL BE CORRECTED, OR THAT THE SOFTWARE OR SERVICES SHALL MEET FRANCHISEE'S REQUIREMENTS.

12. **Indemnity.** Franchisee will defend, indemnify, and hold harmless VC, Third Parties, and its and their affiliates, owners, officers, directors, employees, shareholders, agents, representatives, successors, and assignees (the "**Indemnified Parties**") from and against any third party claims, suits, liabilities, obligations, judgments, and causes of action ("**Third Party Claims**") and associated amounts payable, Losses, costs, and expenses (including reasonable attorneys' fees) to the extent arising out of any claim related to (a) Franchisee's use of the Services, (b) misappropriation, misuse, or unauthorized use of an Indemnified Party's Intellectual Property, (c) Franchisee Data infringing any Intellectual Property rights enforceable in the country(ies) where the Franchisee Data is accessed, provided to, or received by an Indemnified Party or was improperly provided to an Indemnified Party in violation of any person's rights, (d) Franchisee's breach of these Standards or any Third Party Terms, or (e) negligence or fraud by Franchisee or Authorized Users. Franchisee's foregoing obligations shall be in addition to the indemnification obligations and subject to the indemnification procedures and related terms set forth in the Franchise Agreement and Third Party Terms.

13. **Insurance.** Subject to and in addition to the insurance requirements set forth in the Franchise Agreement, during the Term and for a period of three (3) years thereafter, Franchisee must maintain cyber liability insurance, which includes network security liability, privacy, liability, regulatory action, breach response, cyber extortion, and network interruption coverage with a limit of liability no less than \$5 million U.S. dollars per claim and \$10 million U.S. dollars in the aggregate.

14. **Limitation of Liability.** VC'S, ITS AFFILIATES', DISTRIBUTORS', AGENTS', SUBCONTRACTORS', AND THIRD PARTY LICENSORS' AND SUPPLIERS' MAXIMUM LIABILITY TO FRANCHISEE FOR ANY CLAIM WHATSOEVER ARISING OUT OF OR IN ANY WAY RELATED TO THESE STANDARDS WILL BE THE AMOUNT OF FEES THAT FRANCHISEE HAS PAID VC UNDER THESE STANDARDS IN THE TWELVE MONTHS PRECEDING THE EVENT GIVING RISE TO THE CLAIM. IN NO EVENT SHALL VC, ITS AFFILIATES, DISTRIBUTORS, AGENTS, SUBCONTRACTORS, AND THIRD PARTY LICENSORS AND SUPPLIERS HAVE ANY LIABILITY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES OF ANY KIND ARISING OUT OF THESE STANDARDS AND HOWEVER CAUSED AND UNDER ANY THEORY OF LIABILITY, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, LOSS OF DATA, OR OTHER INDIRECT ECONOMIC DAMAGE FOR ANY CONSEQUENCES ATTRIBUTABLE TO OR RELATED TO ANY USE, MISUSE, ERRORS, SEQUENCING, COMPLETENESS, ACCURACY OF DATA, OR THE INTERPRETATION OF THE INFORMATION CONTAINED OR NOT CONTAINED IN THE SERVICES, REGARDLESS OF WHETHER THE PARTY ALLEGEDLY LIABLE WAS ADVISED, HAD OTHER REASON TO KNOW, OR IN FACT KNEW OF THE POSSIBILITY THEREOF OR SUCH DAMAGES WERE REASONABLY FORESEEABLE. THE FOREGOING LIMITATIONS, EXCLUSIONS AND DISCLAIMERS SHALL APPLY, REGARDLESS OF WHETHER THE CLAIM FOR SUCH DAMAGES IS BASED IN CONTRACT, WARRANTY, STRICT LIABILITY, NEGLIGENCE, AND

TORT OR OTHERWISE. INsofar AS APPLICABLE LAW PROHIBITS ANY LIMITATION HEREIN, THE PARTIES AGREE THAT SUCH LIMITATION WILL BE AUTOMATICALLY MODIFIED, BUT ONLY TO THE EXTENT SO AS TO MAKE THE LIMITATION PERMITTED TO THE FULLEST EXTENT POSSIBLE UNDER SUCH LAW. THE PARTIES AGREE THAT THE LIMITATIONS ON LIABILITIES SET FORTH HEREIN WILL APPLY NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY AND EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LIABILITIES.

15. **Dispute Resolution.** The Parties will resolve any dispute arising out of or in any way related to this Agreement in the same manner set forth in the Franchise Agreement.

16. **Assignment.** Franchisee will not assign its rights or duties under these Standards without the prior written consent of VC.

17. **Notice.** All notices related to these Standards must be in writing and must be given by one of the following methods of delivery: (a) personally, (b) by certified or registered mail, postage prepaid, (c) by overnight delivery service, or (d) by e-mail to the following addresses (which either Party may change by giving written notice to the other Party).

If to Vital Care Franchisor LLC:

12 Cadillac Drive, Unit 230
Brentwood, Tennessee 37027
Attn: Legal Department
legalnotices@vitalcare.com

If to Franchisee:

As set forth in the Franchise Agreement

18. **Force Majeure.** Neither Party shall be liable for any loss, damages or penalty (other than the obligation to pay money) resulting from any failure to perform due to causes beyond the reasonable control of such Party, including, but not limited to: supplier delay, acts of God, labor disputes, terrorism, war, unavailability of components, acts of governmental authorities or judicial action, or material interruption in telecommunications or utility service. The delayed Party shall perform its obligations within a reasonable time after the cause for the failure has been remedied, and the other Party shall accept the delayed performance.

19. **Survival.** The following sections shall survive termination or expiration of these Standards: Sections 2.11 (Reservation of Rights), 6 (Intellectual Property), 7 (Confidential Information), 8 (Term and Termination), 11 (No Warranties), 12 (Indemnity), 13 (Insurance), 14 (Limitation of Liability), and 15 (Dispute Resolution), as well as any obligation to pay Fees arising prior to termination.

20. **Entire Agreement.** These Standards, the Franchise Agreement, and all documents incorporated herein by reference constitute the entire agreement between the Parties and supersedes any prior or contemporaneous agreements or understandings with respect to the subject matter of these Standards. Except as otherwise expressly set forth herein, these Standards may be modified only by a written agreement signed by all of the Parties hereto. Except as expressly modified by these Standards, all terms and conditions of the Franchise Agreement are hereby ratified and shall remain in full force and in effect as originally constituted. VC may exercise and apply all other rights set forth in the Franchise Agreement to these Standards and the Services provided hereunder as if such rights were set out in full herein.

21. **Waiver.** No waiver of the enforcement of any provision of these Standards may be

deemed a continuing waiver.

22. **Conflicts.** In the event of any conflict or inconsistency in meaning among provisions of these Standards, Third Party Terms, and the Franchise Agreement, the terms shall be given the following order of precedence: (a) Third Party Terms with respect to the Third Party Materials to which they apply, (b) these Standards, and (c) the Franchise Agreement.

The Parties have executed these Standards as of the Effective Date.

VITAL CARE FRANCHISOR LLC

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT A
Services and Fees

1. If the Effective Date of the Franchise Agreement is after [insert month] 1, 2025, Franchisee shall receive the Cyber-as-a Service and pay the Fees associated with those Services.
2. If the Effective Date of the Franchise Agreement is prior to [insert month] 1, 2025, Franchisee shall notify VC in writing within five (5) business days of its receipt of the Cyber Security Standards Notice of its election of Services, which may be one of the following options: (i) the Vital Care Infusion Services Support Package; or (ii) the Cyber Standards Only Package. Franchisee's failure to provide notice in compliance with the foregoing shall constitute Franchisee's election to receive option (i), the Vital Care Infusion Services Support Package. Franchisee shall pay the Fees associated with the elected Services.
3. Services and Fees: VC and/or a Third Party will provide the following Services as available and as provided by VC and/or the applicable Third Party.

a. Vital Care Infusion Services Support Package:

i. Services:

1. Software and Software Services:

- a. Antivirus and Intrusion Detection
- b. Laptop Software Maintenance
- c. Endpoint firewalls
- d. Mobile Device Management
- e. Email Accounts, Protection and MFA Vitalcare.com
- f. Email, teams, sharepoint and onedrive backup and restores for vitalcare.com domain
- g. Security Incident and Event Monitoring
- h. 24x7 Security Operations Center
- i. Vulnerability Management

2. Content:

- a. Franchise Technology Acceptable Use Policy
- b. Franchise Security Standard Policy
- c. Access to Threat Intelligence

3. Professional Services:

- a. Franchise Security Official Consulting
- b. Annual Cyber Training
- c. Phishing Campaigns
- d. Third Party Risk Management
- e. Annual Security Assessment
- f. Hardware Configuration
- g. Service Desk Support for Hardware and Software

4. Hardware:

- a. Laptop
- b. Franchise option to leverage their own laptops.

ii. Fees:

1. Monthly Fees:

- a. \$40 US dollars per employee per month (PEPM)

2. Hardware Fee:

- a. If provided by VC, the fair market value of all Hardware provided to Franchisee pursuant to this Agreement as of the date such Hardware is provided.

b. **Cyber Standards ONLY Package*:**

i. Services:

1. Software and Software Services:

- a. Antivirus and Intrusion Detection
- b. Endpoint firewalls
- c. Email Accounts, Protection and MFA Vitalcare.com
- d. Vitalcare.com email, teams, sharepoint and onedrive backup and restores.
- e. Security Incident and Event Monitoring
- f. 24x7 Security Operations Center

2. Content:

- a. Franchise Technology Acceptable Use Policy
- b. Franchise Security Standards Policy
- c. Access to Threat Intelligence

3. Professional Services:

- a. Franchise Security Official Consulting
- b. Annual Cyber Training
- c. Phishing Campaigns
- d. Third Party Risk Management
- e. Annual Security Assessment

ii. Fees:

1. Monthly Fees:

- a. \$40 US dollars per employee per month (PEPM)

*For clarity, Franchisee shall be solely responsible for implementing all Services not provided by VC to comply with the Cyber Security Standards Policy, Content, and all other requirements of the Franchise Agreement (e.g., Franchisee local IT). If Franchisee does not abide to the Cyber Security Standards, VC has the option to mandate the Vital Care Infusion Services Support Package.

APPENDIX H

**TO THE
FRANCHISE AGREEMENT**

SPECIAL POWER OF ATTORNEY FOR BILLING AND CLAIMS PROCESSING

STATE OF _____

COUNTY OF _____

_____ being the duly elected representative acting
on behalf of _____, doing business as
_____ (herein referred to as "Principal"), having its principal place of
business located at _____, City of
_____, County of _____, State of _____,
do hereby nominate, constitute and appoint Vital Care Franchisor LLC, as its true and lawful
attorney-in-fact, for it and in its name, place, and stead, and for its benefit.

As its attorney-in-fact, Vital Care Franchisor LLC, shall have the following powers to act
on behalf of Principal:

To file and process claims for accounts receivable; to make application for and to use
health care provider numbers; to endorse checks made payable to Principal and deposit them in
a common account with other revenues received under the Vital Care Franchisor LLC Franchise
Agreements; to receive payment of debts; to invoice or bill and receive payments from
Medicare/Medicaid, second party or third party payers for services provided or rendered by
Principal; and to negotiate and execute managed care contracts and related contracts on behalf
of Principal.

I further give and grant unto said attorney-in-fact full power and authority to do and perform
every act necessary and proper to be done in the exercise of any of the foregoing powers as fully
as we might or could do if personally present, and hereby ratify and confirm all that my said
attorney-in-fact shall lawfully do or cause to be done by virtue hereof.

It is understood that the Principal of this Special Power of Attorney for Billing and Claims
Processing shall have the power to revoke said Special Power of Attorney for Billing and Claims
Processing at any time by giving Vital Care Franchisor LLC two (2) weeks' written notice.

IN WITNESS WHEREOF, the Principal has executed this Special Power of Attorney for
Billing and Claims Processing as of the _____ day of _____, 20__.

_____, a _____
d/b/a _____
PRINCIPAL

BY: _____

ITS: _____

SWORN TO and SUBSCRIBED before me by _____, this the _____
day of _____, 20____.

Notary Public
My Commission Expires:_____

FDD EXHIBIT D

BUSINESS ASSOCIATE AGREEMENT

BUSINESS ASSOCIATE AGREEMENT

This **BUSINESS ASSOCIATE AGREEMENT** ("Business Associate Agreement") is entered into and effective as of the ____ day of _____, 20__ (the "**Effective Date**"), by and between _____ ("**Franchisee**") and **Vital Care Franchisor LLC**, a Delaware Limited Liability Company ("**Business Associate**").

RECITALS

WHEREAS, Franchisee and Business Associate have entered into a Franchise Agreement dated as of the Effective Date, the terms of which are incorporated herein by reference (the "**Underlying Agreement**"), that involves the transmission or creation of protected health information subject to the Health Insurance Portability and Accountability Act of 1996 ("**HIPAA**"), the Health Information Technology for Economic and Clinical Health Act ("**HITECH Act**"), and their implementing regulations as set forth in 45 CFR Parts 160--164 (the "**HIPAA Regulations**"), and, pursuant to which the parties have established the permitted and required uses and disclosures of such Protected Health Information (as defined in the HIPAA Regulations); and

WHEREAS, Business Associate and Franchisee desire to comply with the "business associate" requirements of the HIPAA Regulations and to memorialize their agreements with respect to such compliance.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions set forth herein, the consideration set forth in the Underlying Agreement, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Business Associate and Franchisee agree as follows:

1. Definitions. Unless otherwise defined herein, capitalized terms shall have the same meaning as set forth in the HIPAA Regulations in place at the time a dispute arises. "**PHI**" means Protected Health Information (as defined in the HIPAA Regulations) created, maintained, accessed, received or transmitted by Business Associate in its capacity as a business associate (as defined in the HIPAA Regulations) of Franchisee.

2. Use and Disclosure of PHI. Business Associate may use PHI only as permitted or required by this Business Associate Agreement or as Required By Law (as defined in the HIPAA Regulations). Business Associate shall not use or disclose PHI received from Franchisee in any manner that would constitute a violation of the HIPAA Regulations, if Franchisee made the same use or disclosure. Business Associate shall comply with the minimum necessary requirements of the HIPAA Regulations. Business Associate (a) may use and disclose PHI to perform its obligation under the Underlying Agreement and to provide services to Franchisee; (b) use and disclose PHI to create information that is de-identified in compliance with the HIPAA Regulations and further use and disclose such de-identified information as permitted by law; (c) use PHI to perform Data Aggregations (as defined in the HIPAA Regulations) services related to the Health Care Operations (as defined in the HIPAA Regulations) of Franchisee; and (d) use or disclose PHI for Business Associate's proper management and administration and to carry out Business Associate's legal responsibilities, provided that Business Associate may only disclose PHI for such purposes if (x) such disclosure is Required By Law or (y) Business Associate obtains

reasonable assurances from the person to whom the PHI is disclosed that (i) it will be held confidentially and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and (ii) the person agrees to notify Business Associate of any instances of which it is aware in which the confidentiality of the PHI has been breached.

3. Subcontractors. If any Subcontractor (as defined in the HIPAA Regulations) of Business Associate will have access to PHI, then Business Associate will enter into an agreement with such Subcontractor whereby the Subcontractor agrees to be bound by the same restrictions and conditions with respect to such information, including agreeing to comply with applicable provisions of the HIPAA Security Rule (45 CFR Part 160 and Part 164, Subparts A and C).

4. Safeguards for Protection of PHI. Business Associate will implement reasonable and appropriate safeguards to prevent any use or disclosure of PHI in violation of this Business Associate Agreement. Business Associate will also comply with the applicable provisions of the HIPAA Security Rule with respect to electronic PHI to prevent any use or disclosure of such information other than as provided by this Business Associate Agreement.

5. Reports. To the extent Business Associate becomes aware or discovers any use or disclosure of PHI not permitted by this Business Associate Agreement, any Security Incident (as defined in the HIPAA Regulations) involving electronic PHI or any Breach (as defined in the HIPAA Regulations) of Unsecured Protected Health Information involving PHI, Business Associate shall promptly report such use, disclosure, Security Incident or Breach to Franchisee. Notwithstanding the foregoing, the parties acknowledge and agree that this Section constitutes notice by Business Associate to Franchisee of the ongoing existence and occurrence of attempted but Unsuccessful Security Incidents (as defined below) for which no additional notice to Franchisee shall be required. “**Unsuccessful Security Incidents**” shall include, but not be limited to, pings and other broadcast attacks on Business Associate’s firewall, port scans, unsuccessful log-on attempts, denials of service and any combination of the above, so long as no such incident results in unauthorized access, use or disclosure of electronic PHI. All reports of Breaches shall be made in compliance with 45 CFR §164.410.

6. Access and Amendment. In accordance with 45 CFR §164.524, Business Associate shall permit Franchisee or an Individual (or the Individual’s designee) to inspect and obtain copies of any PHI about the Individual that is in Business Associate’s custody or control and that is maintained by Business Associate in a Designated Record Set (as defined in the HIPAA Regulations). If the requested PHI is maintained electronically, Business Associate must provide a copy of the PHI in the electronic form and format requested by the Individual (as defined in the HIPAA Regulations), if it is readily producible, or, if not, in a readable electronic form and format as agreed to by Business Associate, Franchisee and the Individual. Business Associate will, upon receipt of notice from Franchisee, promptly amend or permit Franchisee access to amend PHI held in a Designated Record Set by Business Associate so that Franchisee may meet its amendment obligations under 45 CFR §164.526.

7. Privacy Rule Compliance. To the extent the Business Associate is to carry out one or more of Franchisee’s obligation(s) under Subpart E of 45 CFR Part 164, Business Associate shall comply with the requirements of Subpart E that apply to the Franchisee in the performance of such obligation(s).

8. Accounting of Disclosures. Business Associate agrees to document all disclosures of PHI by Business Associate and information related to such disclosures as would be required

for Franchisee to respond to an individual's request for an accounting of disclosures of PHI under 45 CFR § 164.528. Such documentation shall include: (a) the date of the disclosure; (b) the name of the entity or person who received the PHI and, if known, the address of such entity or person; (c) a brief description of the PHI disclosed; and (d) a brief statement of the purpose of the disclosure (which would reasonably inform an individual of the basis for the disclosure).

9. HHS. Business Associate agrees to make its internal practices, books and records relating to the use and disclosure of PHI available to the Secretary of HHS for purposes of determining Franchisee's compliance with the HIPAA Regulations. Notwithstanding the provision above, no attorney-client privilege or other privilege shall be deemed waived by Franchisee or Business Associate.

10. Franchisee Obligations. Franchisee shall notify Business Associate of (i) any limitations in its notice of privacy practices, (ii) any changes in, or revocation of, permission by an Individual to use or disclose PHI, and (iii) any confidential communication request or restriction on the use or disclosure of PHI that Franchisee has agreed to or with which Franchisee is required to comply, to the extent any of the foregoing affect Associate's use or disclosure of PHI. Franchisee shall not request Business Associate to use or disclose PHI in a manner not permitted by the HIPAA Regulations or other applicable law, shall obtain all permissions or authorizations, if any, required to disclose PHI to Business Associate in order for Business Associate to perform its obligations under the Underlying Agreement, and only disclose to Business Associate the minimum Protected Health Information necessary to allow Business Associate to perform its obligations under the Underlying Agreement.

11. Term and Termination. This Business Associate Agreement shall be effective as of the Effective Date and shall remain in effect until termination of the Underlying Agreement or until terminated as set forth below, whichever is earlier.

A. Either party may terminate this Business Associate Agreement effective immediately if it determines that the other party has breached a material provision of this Business Associate Agreement and failed to cure such breach within thirty (30) days of being notified by the other party of the breach. If the non-breaching party determines that cure is not possible, such party may terminate this Business Associate Agreement effective immediately upon written notice to other party.

B. Upon termination of this Business Associate Agreement for any reason, Business Associate will, if feasible, return to Franchisee or destroy all PHI maintained by Business Associate in any form or medium, including all copies of such PHI. Further, Business Associate shall recover any PHI in the possession of its Subcontractors and return to Franchisee or securely destroy all such PHI. In the event that Business Associate determines that returning or destroying any PHI is infeasible, Business Associate may maintain such PHI but shall continue to abide by the terms and conditions of this Business Associate Agreement with respect to such PHI and shall limit its further use or disclosure of such PHI to those purposes that make return or destruction of the PHI infeasible. All of Business Associate's obligations under this Business Associate Agreement shall survive termination and remain in effect (a) until Business Associate has completed the return or destruction of PHI as required by this Section and (b) to the extent Associate retains any PHI pursuant to this Section.

12. Notice. Any notice or other communication by either party to the other shall be in writing and shall be given in accordance with the notice provisions of the Underlying Agreements.

14. Merger. This Business Associate Agreement supersedes all previous contracts and constitutes the entire agreement of whatsoever kind or nature existing between the parties respecting the within subject matter, and no party shall be entitled to benefits other than those specified herein. As between the parties, no oral statement or prior written material not specifically incorporated herein shall be of any force and effect; the parties specifically acknowledge that in entering into and executing this Business Associate Agreement, the parties rely solely upon the representations and agreements contained in this Business Associate Agreement and no others. All prior representations or agreements, whether written or verbal, not expressly incorporated herein are superseded and no changes in or additions to this Business Associate Agreement shall be recognized unless and until made in writing and signed by all parties hereto. This Business Associate Agreement may be amended only by an instrument in writing executed jointly by all parties hereto and may be supplemented only by documents delivered in accordance with the express terms hereof.

15. Counterparts. This Business Associate Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

16. No Third-Party Beneficiaries. Nothing express or implied in this Business Associate Agreement is intended to confer, nor shall anything herein or therein confer, upon any person other than Franchisee and Business Associate and their respective successors or assigns in interest, any rights, remedies, obligations, or liabilities whatsoever.

17. Modification. Upon the occurrence of changes or amendments to the HIPAA Regulations or other law that affect the legality of this Business Associate Agreement or the Underlying Agreement or any provision in such agreements, Franchisee and Business Associate agree to modify such agreements to comport with such changes or amendments in the HIPAA Regulations or other law. Any modification of this Business Associate Agreement shall be in writing and signed by Franchisee and Business Associate. Any modification of the Underlying Agreement shall be in accordance with the terms set out therein.

18. Priority of Agreement. If any portion of this Business Associate Agreement is inconsistent with the terms of the Underlying Agreement, the terms of this Business Associate Agreement shall prevail. Except as set forth above, the remaining provisions of the Underlying Agreement are herein ratified in their entirety.

IN WITNESS WHEREOF, the parties have caused this Business Associate Agreement to be executed in multiple originals, all as of the day and year first above written.

FRANCHISEE: _____ d/b/a _____ By: _____ As Its: _____	BUSINESS ASSOCIATE: Vital Care Franchisor LLC By: _____ As Its: _____
--	--

FDD EXHIBIT E

LIST OF FRANCHISEES

(AS OF DECEMBER 31, 2024)

Franchisees with Open VC Businesses

ALABAMA

Brindley's Vital Care
c/o Steven Brindley
209 Sand Mountain Drive East, Ste 100
Albertville , Alabama 35950
256-878-2111

Vital Care of Auburn
c/o Brad Manning
890 N. Dean Road, Suite 500
Auburn, Alabama 36830
334-780-1475

Birmingham Vital Care
c/o Rees Oliver
300 Airport Commons Drive, Suite 304
Calera, Alabama 35040
205-605-7633

Vital Care of Dothan
c/o Jason McGee
301 Perry Ave
Dothan, Alabama 36303
334-500-5645

Vital Care of Northwest Alabama
c/o Ross Woods
416 N. Seminary Street Suite 1400
Florence, Alabama 35630
256-740-3999

Vital Care of Foley
c/o Tim Mixon
14965 Hwy 59, Suite 101
Foley, Alabama 36535
251-947-5593

Rocket City Vital Care
c/o Chris Pamperin
250 Chateau Drive SW, Suite 112
Huntsville, Alabama 35801
256-970-1800

Burnham's Vital Care of Mobile
c/o John McKinney
2724 Old Shell Road, Unit A
Mobile, Alabama 36607
251-460-1010

Druid City Vital Care
c/o Ryan McFerrin
611 McFarland Blvd. Suite C
Northport, Alabama 35476
205-409-9601

C & M Vital Care
c/o Dan McConaghy
5567 Highway 43
Satsuma, Alabama 36572
251-675-3228

ARIZONA

Vital Care Infusion Services of Scottsdale
c/o Ben Krawetz
10752 N. 89th Place, Suite C-126
Scottsdale, Arizona 85260
480-534-1355

ARKANSAS

Vital Care Infusion Services
c/o Ryan McFerrin
1211 SE 28th Street, Suite 10
Bentonville, Arkansas 72712
479-250-9555

Vital Care of Little Rock
c/o Wade Phillips
15200 Chenal Parkway, Suite 100
Little Rock, Arkansas 72211
501-451-6080

COLORADO

Vital Care of Colorado Springs
c/o Ryan McFerrin
7435 Sisters Grove, Suite 310
Colorado Springs, Colorado 80923
719-842-7682

Vital Care of Grand Junction
c/o Robby Galeria
1401 N. 1st St., Suite B
Grand Junction, Colorado 81501
970-783-7355

Vital Care of Denver
c/o Ryan McFerrin
1551 Professional Lane, Suite 101
Longmont, Colorado 80501
720-204-6913

CONNECTICUT

Vital Care of Shelton
c/o Aston Brissett
4 Corporate Dr Suite 392
Shelton, Connecticut 6484
203 447-0088

FLORIDA

Vital Care of Fort Myers
c/o Al Ramani
24840 S. Tamiami Trail, Suite 1 & 2
Bonita Springs, Florida 34134
239-314-0278

Vital Care of Sarasota
c/o Robby Galeria
1826 60th PL E., Units 5-6
Bradenton, Florida 34203
941-201-4379

Vital Care of Coral Springs
c/o Felix Arancherry
7463 West Sample Road
Coral Springs, Florida 33065
754-336-1712

Vital Care of Gainesville
c/o Bill Stewart
6241 NW 23rd St Suite 101
Gainesville, Florida 32653
352-283-8411

Vital Care of Jacksonville
c/o Anna Moyer
8110 Cypress Plaza Drive Suite 301
Jacksonville, Florida 32256
904-900-7077

Vital Care of Melbourne
c/o Michael Geppert
2861 Electronics Drive
Melbourne, Florida 32935
321-475-2007

FLORIDA cont.

Capstone Vital Care
c/o Brad Manning
10501 S. Orange Avenue, Suite 123
Orlando, Florida 32824
407-992-8494

Vital Care of Panama City
c/o Tim Mixon
5620 Cherry Street, Suite A
Panama City, Florida 32404
850-388-4333

Vital Care of Pensacola
c/o Tim Mixon
6565 N W St, Suite 220 & 230
Pensacola, Florida 32505
850-985-8912

Vital Care of Tallahassee
c/o Musa Darwish
124 Marriott Drive, Suite 105
Tallahassee, Florida 32301
850-558-5588

Vital Care of Tampa
c/o Kyle Neal
8600 Hidden River Pkwy, Suite 300
Tampa, Florida 33637
813-632-8545

GEORGIA

Vital Care of Sandy Springs
c/o Vrinda Naik
5881 Glenridge Drive NE, Suite 110
Atlanta, Georgia 30328
678-705-2055

Carmichael Vital Care Pharmacy
c/o Wanda Hickman
150 Martin Luther King Blvd., Suite D
Monroe, Georgia 30655
770-207-5886

IDAHO

Vital Care of Boise
c/o Hilary McNicholas
12828 W. LaSalle Street STE 101
Boise, Idaho 83713
208-579-7400

Vital Care of Eastern Idaho
c/o Robby Galeria
2375 East Sunnyside Rd Suite F2
Idaho Falls, Idaho 83404
208-623-8614

ILLINOIS

Vital Care of Elmhurst
c/o Sadiya Ahmed
17W755 Butterfield Road, Suite 102
Oakbrook Terrace, Illinois 60181
630-485-6767

IOWA

NuCara Pharmacy #3
c/o Brian Wegmann
209 East San Marnan Drive
Waterloo, Iowa 50702
319-236-8891

KANSAS

Sunflower State Vital Care
c/o Kent Wheeler
6001 SW 6th Avenue, Suite 110 B
Topeka, Kansas 66615
785-228-4750

Vital Care of Wichita
c/o Kent Wheeler
3450 N. Rock Road Bldg. #700
Ste 701-A
Wichita, Kansas 67226
316-234-0240

KENTUCKY

Etown Vital Care
c/o Navas Yoonus
914 North Dixie Avenue, Suite 101
Elizabethtown, Kentucky 42701
270-506-2463

LOUISIANA

Vital Care of Baton Rouge
c/o Jonathan Sims
7612 Picardy Avenue, Suite B
Baton Rouge, Louisiana 70808
225-766-7453

RX Remedies Vital Care
c/o Randall Stafford
1809 Main Street
Franklinton, Louisiana 70438
985-839-4384

Vital Care of Houma
c/o Thanh Nguyen
304 Corporate Drive, Suite A
Houma, Louisiana 70360
985-262-8214

Vital Care of Lafayette
c/o Matthew Valliere
101 La Rue France, Suite 100
Lafayette, Louisiana 70508
337-901-8880

MARYLAND

Vital Care of Hagerstown
c/o Jim Kodman

1185 Imperial Dr Ste 101
Hagerstown, Maryland 21740
240-850-4101

Vital Care of Bethesda
c/o Anup Dhanorkar
12501 Prosperity Drive, Suite 150
Silver Spring, Maryland 20904
240-641-7183

MASSACHUSETTS

Vital Care of Hopkinton
c/o Hadee Alkhanadak
63 South Street, Suite 192
Hopkinton, Massachusetts 1748
774-278-5080

MICHIGAN

Vital Care of Auburn Hills
c/o Brian Schmitt
1532 N. Opdyke Road, Suite 700
Auburn Hills, Michigan 48326
947-886-4178

Vital Care of Lansing
c/o Wendy Taylor
2364 Woodlake Dr Suite 170
855-209-2690

MISSISSIPPI

Sartins Vital Care
c/o Craig Sartin
1311 Broad Avenue
Gulfport, Mississippi 39501
228-864-7056

Vital Care Infusion Services of
Hattiesburg
c/o Jonathan Sims
163 Turtle Creek Drive, Suite 130
Hattiesburg, Mississippi 39402
601-602-2238

Vital Care of Central Mississippi
c/o Wade Phillips
159 Fountains Blvd., Suite B
Madison, Mississippi 39110
601-859-8200

Burnhams Vital Care
c/o John McKinney
4931 Main Street #B
Moss Point, Mississippi 39563
228-474-4663

North Mississippi Vital Care
c/o Ryan McFerrin
146 S Thomas Street, Suite B
Tupelo, Mississippi 38801
662-260-3366

MISSOURI

Vital Care of St. Louis
c/o Kent Wheeler
11 Worthington Access Dr. Suite E
Maryland Heights, Missouri 63043
314-219-0270

Vital Care of the Four States
c/o Jeff Werneke
109 East Hickory Street
Neosho, Missouri 64850
417-451-7900

Show Me State Vital Care
c/o Kent Wheeler
420 NW Business Park Lane
Riverside, Missouri 64150
816-552-5200

NEBRASKA

Redline Pharmacy
c/o Tim Re1dline
2415 Osborne Drive East, Suite 100
Hastings, Nebraska 68901
402-462-2929

NEVADA

Vital Care of Henderson
c/o Alberto Fernandez
9029 South Pecos Road, Suite 2700
Henderson, Nevada 89074
725-205-4558

Vital Care of Summerlin
c/o Ritesh Patel
2625 S. Rainbow Blvd., Suite B-106
Las Vegas, Nevada 89146
725-525-9005

NEW JERSEY

Vencer Vital Care
c/o John Bahri
255 West Spring Valley Ave, Suite 201
Maywood, New Jersey 07607
888-554-9554

Vital Care of Moorestown
c/o Kevin Zepp
2000 Crawford Place Ste 550
Mount Laurel, New Jersey 8054
856-724-5060

Vital Care of Princeton
c/o Khaja Khateeb
1527 State Route 27, Suite 1300
Somerset, New Jersey 08873
732-487-2311

NEW MEXICO

Vital Care of Albuquerque
c/o Ryan McFerrin
7920 Wyoming Blvd. NE, Suite A-1
Albuquerque, New Mexico 87109
505-384-6848

Vital Care of Las Cruces
c/o Daniel Irwin
1680 Hickory Loop, Suite A
Las Cruces, New Mexico 88005
575-636-1570

NEW YORK

Vital Care of Buffalo
c/o John Bahri
3980 Sheridan Drive, Suite 101
Amherst, New York 14226
716-676-6655

Union Vital Care
c/o Pal Chhabra
265-01 Union Turnpike
New Hyde Park, New York 11040
718 749-5961

NORTH CAROLINA

Vital Care of Asheville
c/o Wade Phillips
70 Peachtree Road, Suite 110
Asheville, North Carolina 28803
828-579-3640

Vital Care of Fayetteville
c/o Chinh Hoang
3037 Boone Trail Extension Suite D
Fayetteville, North Carolina 28304
910-491-6903

Vital Care of Greensboro
c/o Dwan Kelsey
3200 Northline Avenue, Suite 110
Greensboro, North Carolina 27408
336-604-0256

Therapeutic Solutions Vital Care
c/o Marcie Parker
615-B South Memorial Drive
Greenville, North Carolina 27834
252-752-0338

Vital Care of Raleigh
c/o Marcie Parker
1401 Sunday Drive, Suite 115
Raleigh, North Carolina 27607
919-307-1474

OHIO

Vital Care of Dayton
c/o Brad Manning
1746 Thomas Paine Parkway
Centerville, Ohio 45459
937-350-1115

Vital Care of Northfield
c/o Matt Kiraly
34 E. Aurora Road, Ste C
Northfield, Ohio 44067
216-340-0600

Vital Care of West Chester
c/o Khaleel Ahmed
8731 Union Centre Blvd.
West Chester, Ohio 45069
513-780-5880

OKLAHOMA

Vital Care of Oklahoma City
c/o Raja Salfiti
6501 N Broadway Ext, Suite 100
Oklahoma City, Oklahoma 73116
405-832-3510

Vital Care of Tulsa
c/o Raja Salfiti
7153 S. Yale Avenue
Tulsa, Oklahoma 74136
539-271-2160

PENNSYLVANIA

Vital Care of Scranton
c/o Umar Farooq
1000 Meade Street, Suite 104
Dunmore, Pennsylvania 18512
272-800-2003

TENNESSEE

Vital Care Infusion Services
c/o Jim Kodman
1881 Swamp Pike
Gilbertsville, Pennsylvania 19525
877-413-0299

ADVance Care Pharmacy
c/o Jim Kodman
280 Indian Springs Rd Ste 125
Indiana, Pennsylvania 15701
724-463-9300

SOUTH CAROLINA

Vital Care of Florence
c/o Jarrod Tippins
161 Dozier Blvd Suite 100
Florence, South Carolina 29501
843-954-0010

Vital Care of Greenville
c/o Brian Mullins
274 Commonwealth Drive, Unit C
Greenville, South Carolina 29615
864-438-2800

Vital Care of Charleston
c/o Marcie Parker
570 Long Point Road, Suite 170
Mount Pleasant, South Carolina 29464
843-352-8102

Vital Care Infusion Services
c/o Ryan McFerrin
1201 West Avenue
North Augusta, South Carolina 29841
803-599-7386

TSI South Vital Care
c/o Marcie Parker
775 Addison Drive
Rock Hill, South Carolina 29730
803-881-1350

Vital Care of Chattanooga
c/o Corey Bush
1200 Mountain Creek Road, Suite 440
Chattanooga, Tennessee 37405
423-206-9840

Dixie Vital Care
c/o Navas Yoonus
311 Landrum Place, Suite 600
Clarksville, Tennessee 37043
931-241-5655

Cumberland Vital Care
c/o Landon Headrick
3106 Miller Avenue, Suite 101
Crossville, Tennessee 38555
931-456-0680

Vital Care of Knoxville
c/o Rob Bindner
6700 Baum Drive, Suite 22
Knoxville, Tennessee 37919
865-253-7740

Vital Care of Memphis
c/o Ryan McFerrin
1680 Century Center Parkway Suite 10
Memphis, Tennessee 38134
901-322-8380

Middle Tennessee Pharmacy Services
c/o David Brown
661 East Lane Street
Shelbyville, Tennessee 37160
931-684-9987

TEXAS

Advanced Vital Care
c/o Terry Spears
1901 Medi-Park Drive, Suite 1059
Amarillo, Texas 79106
806-242-2272

NuCara Pharmacy #17
c/o Brian Wegmann
6111 Burnet Road
Austin, Texas 78757
512-454-9923

Vital Care of South Dallas
c/o Dustin McNutt
950 East Belt Line Rd Suite 110
Cedar Hill, Texas 75104
945-212-3707

Metroplex Vital Care
c/o Hannah Le
12700 Hillcrest Road, Suite 218
Dallas, Texas 75230
214-227-7645

MED-Choice Pharmacy
c/o Susan Spears
2300 W. Morton Street, Suite 121
Denison, Texas 75020
903-463-6979

Vital Care of Sun City
c/o Daniel Irwin
12025 Rojas Drive, Suite I
El Paso, Texas 79936
915-910-7070

Vital Care of Frisco
c/o Amey Khole
5757 Warren Parkway, Suite 330
Frisco, Texas 75034
469-252-8262

Vital Care of Roanoke
c/o Raja Salfiti
601 S. Main Street, Suite 110
Keller, Texas 76248
682-357-4040

TEXAS cont.

Vital Care of Lubbock
c/o Terry Spears
4020 21st Street, Suite 1
Lubbock, Texas 79410
806-696-8010

Vital Care of Houston
c/o Wade Phillips
7103 S. Peek Road, Suite 300A
Richmond, Texas 77407
346-560-7080

Vital Care of San Angelo
c/o Raja Salfiti
11 W. Beauregard Avenue
San Angelo, Texas 76903
325-777-1423

Vital Care of San Antonio
c/o Rachel Krajewski
140 Heimer Road, Suite 740
San Antonio, Texas 78232
210-774-5220

Vital Care of Vernon
c/o Terry Spears
1720 Hillcrest Drive
Vernon, Texas 76384
940-552-2999

UTAH

Oakstead Infusion Vital Care
c/o Robby Galeria
1492 W. Antelope Drive, Suite 208
Layton, Utah 84041
801-825-3879

VIRGINIA

Vital Care of Northern Virginia
c/o Abhi Singh
5598 General Washington Dr, Suite B005
Alexandria, Virginia 22312
571-488-6012

Vital Care of Richmond
c/o Preston Estep
9323 Midlothian Turnpike, Suite S
Richmond, Virginia 23235
804-554-1500

Vital Care of Suffolk
c/o Marcie Parker
1520 Breezeport Way, Suite 500
Suffolk, Virginia 23435
757-861-0050

Valley Vital Care
c/o Preston Estep
1115 West Main Street
Waynesboro, Virginia 22980
(540) 569-3463

WASHINGTON

Vital Care of Tacoma
c/o Chirag Vakharia
19226 66th Avenue South, Suite L107
Kent, Washington 98032
253-452-4045

WEST VIRGINIA

Vital Care of Charleston, WV
c/o Preston Estep
1260A Greenbrier St.
Charleston, West Virginia 25311
304-241-2340

Franchisees with Signed Franchise Agreements, but VC Business Not Opened
(as of 12/31/24)

ARIZONA

Vital Care of Glendale, AZ
c/o Ben Krawetz
5422 West Thunderbird Rd, Ste 18
Glendale, Arizona 85306
602-848-2202

Vital Care of North Tucson
c/o Robby Galeria
6060 N. Fountain Plaza Dr, Ste 120
Tucson, Arizona 85704
520-230-8886

CALIFORNIA

Vital Care of Glendale, CA
Location: to be determined
248-514-4599

Vital Care of Irvine
c/o Lincoln Veitenheimer
16485 Laguna Canyon Road, Ste 140
Irvine, California 92618
949-800-6360

Vital Care of Palmdale
c/o John Hollis
38660 Medical Center Drive
Palmdale, California 93551
424-234-9329

CONNECTICUT

Vital Care of Hartford
c/o Matt Healey
255 Pitkin Street, Suite 2
East Hartford, Connecticut 06108
860-327-5200

FLORIDA

Vital Care of South Miami
c/o Adesh Prashad
6280 Sunset Drive Suite 407
South Miami, Florida 33143
645-220-0180

Vital Care of West Palm Beach
c/o Howard Singer
1818 S. Australian Avenue, Suite 102
West Palm Beach, Florida 33409
561-934-5811

GEORGIA

Vital Care of Lawrenceville
c/o Ami Patel
1960 Riverside Parkway, Suite 101
Lawrenceville, Georgia 30043
470-706-4262

Vital Care of Peachtree City
c/o Ryan McFerrin
1000 Commerce Dr., Ste 300
Peachtree City, Georgia 30269
470-975-2930

ILLINOIS

Vital Care of Peoria
c/o Kent Wheeler
1127 W. Glen Ave
Peoria, Illinois 61614
309-916-9100

Vital Care of Schaumburg
c/o Steve Masters
165 Commerce Dr., Suite 101
Schaumburg, Illinois 60173
630-567-9898

NEW YORK

INDIANA

Vital Care of Carmel
c/o Luke Lyles
12358 Hancock Street
Carmel, Indiana 46032
317-930-1375

Vital Care of Crown Point
c/o Neil Morandi
1290 Arrowhead Court, Suite A
Crown Point, Indiana 46307
219-295-4080

KENTUCKY

Vital Care of Lexington
c/o Travis Hudnall
620 Perimeter Drive, Ste 105
Lexington, Kentucky 40517
859-268-0080

LOUISIANA

Vital Care of Saint Rose
c/o Ryan McFerrin
205-792-5836

MASSACHUSETTS

Vital Care of Cambridge
c/o Dave Adams
76 Prospect Street
Cambridge, Massachusetts 2139
617-665-6800

MICHIGAN

Vital Care of Livonia
c/o Brian Sullivan
36119 Schoolcraft Road
Livonia, Michigan 48150
734-237-8700

Vital Care of (White Plains, NY)*
c/o Laura & Eric Heller
*Territory re-acquired by company 01/25

Vital Care of Syosset
c/o Amit Kajla
6900 Jericho Turnpike, Suite 100W
Syosset, New York 11791
516-636-5775

OREGON

Vital Care of Portland
c/o Katie Vahle
9200 SE 91st Ave, Ste 220
Happy Valley, Oregon 97086
971-484-4940

VIRGINIA

Vital Care of Lynchburg
c/o Preston Estep
1415 Crossings Center Drive Ste C
Forest, Virginia 24551
434-363-9949

Vital Care of Roanoke, VA
c/o Joesph Jadallah
5251 Concourse Dr, Suite 2B
Roanoke, Virginia 24019
540-212-2818

WISCONSIN

Vital Care of Green Bay
c/o Matthew Pierre
960 Hansen Road
Green Bay , Wisconsin 54304
920-610-9030

FDD EXHIBIT F

LIST OF FRANCHISEES THAT LEFT THE SYSTEM

(IN THE FISCAL YEAR ENDING DECEMBER 31, 2024)

TERMINATIONS, REACQUISITIONS, AND CEASED OPERATIONS

Former Franchisee	City	State	Phone	Category
Vital Care of North Houston	Houston	TX	(832) 487-9746	Ceased Operations / Non-Renewal

TRANSFERS

Transferee	City	State	Phone
Capstone Health, LLC	Auburn	AL	334-780-1475
Inlet Road Partners I, LP	Northport	AL	205-409-9601
Inlet Road Partners I, LP	Bentonville	AR	479-250-9555
McNicholas, LLC James - Hilary	Tucson	AZ	520-230-8886
Inlet Road Partners I, LP	Colorado Springs	CO	719-842-7682
McNicholas, LLC James - Hilary	Grand Junction	CO	970-783-7355
Inlet Road Partners I, LP	Longmont	CO	720-204-6913
McNicholas, LLC James - Hilary	Bradenton	FL	941-201-4379
RG Management, LLC Robert Galeria	Boise	ID	208-579-7400
McNicholas, LLC James - Hilary	Idaho Falls	ID	208-623-8614
Shawn Trudeau/Jace Gutierrez	Carmel	IN	317-930-1375
Inlet Road Partners I, LP	Tupelo	MS	662-260-3366
Inlet Road Partners I, LP	Albuquerque	NM	505-384-6848
Inlet Road Partners I, LP	North Augusta	SC	803-599-7386
Inlet Road Partners I, LP	Memphis	TN	901-322-8380
Valley Vital, LLC	Richmond	VA	804-554-1500
Valley Vital, LLC	Waynesboro	VA	540-569-3463
Valley Vital, LLC/Preston Estep	Charleston	WV	304-241-2340

FDD EXHIBIT G

NONDISCLOSURE AND NONCOMPETE AGREEMENT

NONDISCLOSURE AND NONCOMPETE AGREEMENT

This Agreement is dated [DATE]. The parties are [NAME OF FRANCHISEE] (referred to as “we”, “us”, and “our”), located at [ADDRESS], and [NAME OF INDIVIDUAL SIGNING THIS AGREEMENT] (referred to as “you” and “your”). You are signing this Agreement in consideration of, and as a condition to, your association with us and the compensation, dividends, or other payments and benefits you will receive from us.

BACKGROUND

We are a franchisee of Vital Care Franchisor LLC (“VC”) under a Franchise Agreement dated [DATE] (the “**Franchise Agreement**”). We have a license to use the certain trademarks designated by VC (the “**Marks**”), certain policies and procedures used in Vital Care® businesses (the “**System**”), and the Proprietary Information developed and owned by VC and its affiliates in our Vital Care® business (the “**Business**”). VC recognizes that, in order for us to effectively operate our business, certain individuals who must have access to certain proprietary information and trade secrets owned by VC. Pursuant to Section 12.5 of our Franchise Agreement, VC may, in its discretion, require us to obtain an executed version of this Agreement from our officers, directors, Key Managers, Compliance Officers, Owner’s spouses (if he or she is also an Owner), salespeople and other individuals as VC may designate. Disclosure of this proprietary information and trade secrets to unauthorized persons, or its use for any purpose other than the operation of our business, would harm VC, other franchise owners, and us. Accordingly, VC requires us to have you to sign this Agreement.

AGREEMENT

1. Proprietary Information. Prior to or during the Term of the Franchise Agreement, we may disclose in confidence to you, either orally or in writing, certain trade secrets, know-how, and other confidential information relating to the System, our business, our vendor relationships, or the construction, management, operation, or promotion of the VC Business (collectively, “**Proprietary Information**”), including (i) site selection criteria and methodologies; (ii) methods, formats, systems, System Standards, sales and marketing techniques, knowledge and experience used in developing and operating VC Businesses, including information in the Manuals; (iii) marketing research and promotional, marketing, advertising, public relations, customer relationship management and other brand-related materials and programs for VC Businesses; (iv) knowledge of specifications for and suppliers of, and methods of ordering, certain items that VC Businesses use and/or sell; (v) knowledge of the operating results and financial performance of other VC Businesses; (vi) customer communication and retention programs, along with data used or generated in connection with those programs; (vii) billing and claims processing methods and procedures; (viii) information regarding supplier contracts; (ix) any Personal Information (as defined in Section 10.3 (Personal Information) that we own, including any Patient lists, and (x) any other information we reasonably designate from time to time as confidential or proprietary. “Proprietary Information” does not include (a) information that is part of the public domain or becomes part of the public domain through no fault of you, (b) information disclosed to you by a third-party having legitimate and unrestricted possession of such information, or (c) information that you can demonstrate by clear and convincing evidence was within your legitimate and unrestricted possession when the parties began discussing the sale of the franchise.

2. Nondisclosure. You will not, nor will you permit any person to, use or disclose any Proprietary Information (including all or any portion of the Manuals) to any other person,

except to the extent necessary for your professional advisors and your employees to perform their functions in the operation of the VC Business. You acknowledge that your use of the Proprietary Information in any other business would constitute an unfair method of competition with us and our franchisees. You will be liable to us for any unauthorized use or disclosure of Proprietary Information by any employee or other person to whom you disclose Proprietary Information. You will take reasonable precautions to protect the Proprietary Information from unauthorized use or disclosure and will implement any systems, procedures, or training programs that we require. At our request, you will require anyone who may have access to the Proprietary Information to execute non-disclosure agreements in a form satisfactory to us that identifies us as a third-party beneficiary of such covenants with the independent right to enforce the agreement. These obligations apply both during and after your association with us.

3. Return of Proprietary Information. If your association with us ends for any reason, you must return to us all records described in Section 1 of this Agreement, all other Proprietary Information (and all copies thereof). You may not use any Proprietary Information or sell, trade or otherwise profit in any way from any Proprietary Information at any time following the expiration or termination of this Agreement.

4. Noncompete During Association. You may not, during your association with us, without our prior written consent, directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any other person or entity:

- a. own, manage, engage in, be employed by, advise, make loans to, or have any other interest in (i) any business that provides the Therapies (as that term is defined in our Franchise Agreement) or health care products or services similar to, or the same as, the products and/or services that we are or were authorized to offer under the Franchise Agreement (the “**VC Offerings**”), or (ii) any entity that grants franchises or licenses for any of these types of businesses (collectively, each, a “**Competitive Business**”) at any location in the United States;
- b. divert or attempt to divert any actual or potential business, patient or customer, or Referral Source of the VC Business to any Competitive Business, by direct or indirect inducement or otherwise; or
- c. perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System; or
- d. use any vendor relationship established through your association with us for any purpose other than to purchase products or equipment for use or retail sale in the VC Business.

For the avoidance of doubt, a “Competitive Business” does not include (i) a pharmacy or healthcare-related business that does not offer the Therapies or (ii) an inpatient (*i.e.*, overnight) care facility.

5. Noncompete After Association Ends. For two years after your association with us ends for any reason, you may not, without our prior written consent, directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any other person or entity:

- a. engage in any of the activities described in Paragraph 4(a) or (b) within the territory granted to us under the Franchise Agreement (the “**Territory**”) or within 10 miles of the border of the Territory; or
- b. provide any of the VC Offerings to or at the address of any locations where we provided the VC Offerings to our customers and patients in the 12 months prior to the termination of your association with us; or
- c. engage in any of the activities described in Paragraph 4(c) or (d) at any location in the United States.

6. Remedies. If you breach or threaten to breach this Agreement, you agree that we will be entitled to injunctive relief (without posting bond) as well as a suit for damages.

7. Severability. If any part of this Agreement is declared invalid for any reason, the invalidity will not affect the remaining provisions of this Agreement. If a court finds any provision of this Agreement to be unreasonable or unenforceable as written, you agree that the court can modify the provision to make it enforceable and that you will abide by the provision as modified.

8. Independent Agreement. The Agreement is independent of any other obligations between you and us. This means that it is enforceable even if you claim that we breached any other agreement, understanding, commitment or promise.

9. Third-Party Right of Enforcement. You are signing this Agreement not only for our benefit, but also for the benefit of VC and VC’s affiliates. Each of the Interested Parties have the right to enforce this Agreement directly against you.

10. Not An Employment Agreement. This is not an employment agreement. Nothing in this Agreement creates or should be taken as evidence of an agreement or understanding by us, express or implied, to continue your association with us for any specified period.

11. Modification and Waiver. Your obligations under this Agreement cannot be waived or modified except in writing.

12. Governing Law. This Agreement is governed by the laws of the state in which our principal office is located.

13. Attorney’s Fees. If we have to take legal action to enforce this Agreement, we will be entitled to recover from you all of our costs, including reasonable attorney’s fees, to the extent that we prevail on the merits.

14. Representation. You certify that you have read and fully understood this Agreement, and that you entered into it willingly.

[Signature appears on the following page.]

_____, individually
[Name of Individual]

Address: _____

Phone: _____

E-mail Address: _____

FDD EXHIBIT H

PHARMACY SOFTWARE LICENSE

CARETEND INFORMATION SYSTEMS AGREEMENT

This the Software Information Systems Agreement ("**Agreement**") is entered into on _____, 20____ ("**Effective Date**"), between Vital Care Franchisor LLC, a Delaware Limited Liability Company ("**VC**") and _____, a ("**Franchisee**") (each, a "**Party**" and collectively, the "**Parties**").

RECITALS

- A. VC and Franchisee have entered into a Franchise Agreement regarding Franchisee's operation of one or more Vital Care® franchise(s) (each, a "**VC Business**").
- B. The Franchise Agreement provides that Franchisee will utilize pharmacy software specified by VC. The Franchise Agreement further provides that Franchisee will execute any information systems agreement prepared by VC and will pay the fees connected with any such information systems agreement.
- C. Pursuant to a Master License and Services Agreement (the "**Master Agreement**") with Mediware Information Systems, Inc., now Wellsky Corporation ("**Vendor**"), VC has the right to use certain software known as CareTend (the "**Software**") to power certain systems necessary to operate pharmacies and to sublicense the right to use the Software to its franchisees, provided such franchisees comply with the certain terms of the Master Agreement.
- D. The Parties desire to enter into this Agreement on the terms below to allow Franchisee to use the Software in the operation of its VC Businesses.

NOW THEREFORE, in consideration of the mutual promises in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Rights Granted.**

1.1. Scope. VC grants to Franchisee a limited term, non-exclusive, non-transferable right to use (a) the Software, (b) certain cloud services provided by Vendor necessary to use the Software (the "**Cloud Services**"), (c) certain support services provided by Vendor or VC necessary to keep the Software in working order and to sustain the useful life of the Licensed Software, including periodic software updates (the "**Support Services**"), and (d) certain implementation, installation, data conversion, validation, or training services provided by Vendor or VC from time to time (the "**Professional Services**") solely for Franchisee's internal business operations and solely to the extent reasonably necessary for Franchisee to manage its VC Business; provided, however, that these rights are subject to the terms of this Agreement and the Franchise Agreement. The Cloud Services, Support Services, and Professional Services are collectively referred to as the "**Services**."

1.2. Restrictions. No right to use, copy, modify, create derivative works of, adapt, distribute, disclose, decompile or reverse engineer the Software is granted, except as expressly set forth in this Agreement or as approved in writing by VC or Vendor. Vendor reserves title to the Software and all rights not expressly granted under this Agreement. Franchisee may make copies of the Software as necessary for back-up, testing, and archival purposes only. Franchisee may not use

any component of the Software to provide services to third parties as a service bureau or data processor.

1.3. Company and Concurrent Users. Franchisee agrees to obtain from VC the right to use the Software for each franchise location (including primary centers, remote centers, and remote clinics) operated by Franchisee (each, a “**Center**”) and each Franchisee workstation that is able to simultaneously access the Software at any given moment (each, a “**Concurrent User**”). For purposes of this Agreement, each Center operated must obtain a block permitting five Concurrent Users to use the Software (each, a “**Concurrent User Block**”), in addition to obtaining the right for the Software to be used in such Center (“**Center Access Rights**”).

1.4. Scope of Use. VC grants to Franchisee the number of Center Access Rights and Concurrent User Blocks set forth in the Order Form attached as Exhibit A. Franchisee will obtain from VC any additional Center Access Rights or Concurrent User Blocks that VC determines are necessary to comply with the Master Agreement or the Franchise Agreement. Franchisee may only expand its use of the Software upon payment of additional license, support, and service fees at VC’s then-current rates.

2. **Hosting Fees and Expenses.**

2.1. Fees. Single-unit franchisees will pay to VC an access fee of \$1,500 per month for the first Center Access Right. Multi-unit franchisees with common ownership in multiple Centers will pay to VC an access fee of \$1,250 per month for each Center. For each additional Center Access Right obtained by Franchisee, Franchisee will pay to VC an access fee of \$750 per month. The first Center Access Right obtained by Franchisee includes one Concurrent User Block. Franchisee may obtain additional Concurrent User Blocks from VC by paying VC an access fee of \$500 per month for each additional Concurrent User Block. VC will start billing fees on the first of the month following the first prescription dispensed in the Software.

2.2. Increase in Fees. VC will have the right to pass through to Franchisee any increase in access fees and monthly fees imposed on VC by Vendor pursuant to the Master Agreement, which may increase the fees specified in Section 2.1 (Fees).

2.3. Reimbursement for Services. Franchisee will reimburse VC for all fees and expenses incurred by VC for Services performed by Vendor (or its successors or assigns) related to Franchisee’s use of the Software under this Agreement; provided, however, that these fees and expenses must be approved in advance by Franchisee.

2.4. Reimbursement for VC Expenses. Franchisee will reimburse VC for all expenses incurred by VC in providing Professional Services to Franchisee under this Agreement; provided, however, that the expenses must be approved in advance by Franchisee.

3. **Services.**

3.1. Implementation. Franchisee will designate a representative as the point of contact (“**POC**”) for coordination of Professional Services provided by VC under this Agreement. VC will work with the POC to develop a mutually agreeable installation, implementation, and training schedule for use of the Software under this Agreement. While recognizing that the implementation process is unpredictable, the Parties anticipate that the implementation process will last between 30 to 60 days and will include the following: installation; initial training; database

entry; the “go-live” process; two on-site days of implementation; a meeting or call between the Parties 30 days after “go-live”; and a meeting or call between the Parties 60 to 90 days after “go-live.” If implementation services beyond the services listed in this section are required, then VC may charge Franchisee an additional fee.

3.2. Training. VC will coordinate with the POC to provide appropriate training to Franchisee regarding use of the Software under this Agreement. The training provided by VC may include on-site training at VC’s office; written instructions; training videos; remote support; and access to the Software test site, along with exercises to evaluate user competencies. Franchisee must complete the training and pass the competency exercises to VC’s satisfaction before the Franchisee will be allowed to “go-live” with use of the Software. If training services beyond the services listed in this section are required, then VC may charge Franchisee an additional fee.

3.3. Technical Support. VC has configured the Software to meet the unique needs of VC Businesses and will therefore provide all initial assessments of technical issues with the Software experienced by Franchisee. Franchisee will not contact Vendor directly regarding technical issues with the Software without VC’s express written consent. VC will assign one of three levels of priority to requests for technical consultation and will respond based on priority on the following schedule:

4.3.1. Level 1. This is the highest priority level and represents a situation where all features and functions of the Software are unavailable and no practical alternate mode of operation is available to Franchisee. Franchisee should request consultation on Level 1 issues through VC’s IT Technical Support number. VC will use commercially reasonable efforts to respond to a Level 1 request within 30 minutes.

4.3.2. Level 2. This represents a situation where the Franchisee experiences a problem with certain features or functionality of the Software, such as an application issue. Franchisee should request consultation on Level 2 issues through VC’s Technical Support email. VC will use commercially reasonable efforts to respond to a Level 2 request within one hour during regular business hours.

4.3.3. Level 3. This is the lowest priority level and will receive next-in-line priority. Franchisee should request consultation on Level 3 issues through VC’s Technical Support email. VC will use commercially reasonable efforts to respond to Level 3 requests within two hours during regular business hours.

3.4. Maintenance. VC will conduct routine maintenance and processes at the end of each month and/or as otherwise announced by VC. All of Franchisee’s Concurrent Users must be logged out of the Software, and will be locked out of the Software, until the maintenance and processes are completed.

3.5. Suspension of Services. If (i) there is a threat to the security of Vendor’s systems or the Services, or (ii) undisputed invoices are 60 days or more overdue, in addition to any other rights and remedies (including termination), VC or Vendor may suspend the Services for up to five days without liability until all issues are resolved.

4. **Franchisee Responsibilities.**

4.1. Technical Requirements. Franchisee agrees to maintain the hardware, software, and network requirements specified by VC from time to time. Franchisee acknowledges that some Services require up-to-date Software and hardware, and it shall update its Software and hardware periodically in accordance with VC's requirements.

4.2. Authorized Users. Franchisee shall designate users that are authorized to access the Software and Cloud Services ("**Authorized Users**"). Franchisee warrants that (a) each Authorized User will be bound to the confidentiality and use restrictions set forth herein; and (b) it shall use its best efforts to protect the security of the Software and the Cloud Services. Franchisee shall promptly restrict access for any Authorized Users who are no longer associated with Franchisee and no longer have a need to access the Software and Cloud Services.

4.3. Restrictions on Cloud Services. Franchisee shall not, and shall use industry standard practices and procedures (but in no event less than the same degree of care that Franchisee uses to protect Franchisee's own confidential and proprietary information of similar importance) to ensure that any of its employees or authorized users do not: (i) allow unauthorized access and use of the Cloud Services; (ii) sell, resell, lease, lend or otherwise make available the Cloud Services to a third party; (iii) modify, adapt, translate, or make derivative works of the Cloud Services; or (iv) sublicense or operate the Cloud Services for timesharing, outsourcing, or service bureau operations.

4.4. Business Associate Agreement. Franchisee expressly agrees to comply with the terms of the Business Associate Agreement it executed with VC, which shall apply to any information disclosed through, or accessed from, the Software or Services.

4.5. Cooperation Required. VC and Vendor's obligations are conditioning on Franchisee fulfilling its obligations under this Agreement, including, without limitation:

4.5.1. Providing VC and/or Vendor with all information and assistance necessary to detect, simulate or reproduce and correct any program of software errors;

4.5.2. Providing VC and/or Vendor with access to the hardware used to operate the Software and its related operating environment for the purpose of providing the Services;

4.5.3. Causing all equipment and facilities which are used in connection with the operation or security of the Software and hardware to be maintained properly and in good operating condition as specified by the applicable manufacturer. All charges for such media and services shall be the sole responsibility of Franchisee; and

4.5.4. Maintaining regular back-ups of data files, application source code (if applicable) and operating system software.

4.6. Data Use. Notwithstanding any other terms to the contrary in a prior or contemporaneous agreement, Franchisee grants VC and/or Vendor permission to use

information about Franchisee's business and experience to help VC and Vendor to provide and improve the Software and/or Services. Franchisee grants VC and Vendor permission to combine Franchisee's business data with that of others in a way that does not identify Franchisee personally, for the purpose of product development research and the development of predictive algorithms. For the avoidance of doubt, VC and Vendor shall not sell, lease, trade, or otherwise disclose to third parties any de-identified data obtained from Franchisee, except as otherwise provided in the Franchise Agreement.

5. Intellectual Property.

5.1. Work Product. **"Work Product"** means any technology, documentation, software, procedures, designs, inventions, methodologies, techniques, discoveries, know-how, show-how, and works of authorship developed, conceived, or introduced by VC or Vendor in the course of VC or Vendor performing Services (whether acting alone or in conjunction with Franchisee or its employees, Concurrent Users, affiliates or others) and (i) all United States and foreign patents issued or issuable thereon, (ii) all copyrights and other rights in works of authorship, collections, and arrangements of data, (iii) mask work rights, (iv) trade secrets on a world-wide basis, and (v) trademarks, trade names, and other forms of corporate or product identification, and any division, continuation, modification, enhancement, derivative work or license of any of the foregoing.

5.2. Ownership of Intellectual Property. VC and/or Vendor retain all right, title, and interest, in the Software, test scripts, related documentation, Services, and Work Product. VC shall grant to Franchisee a nonexclusive, non-transferable license to use Work Product only for Franchisee's own internal purposes in connection with the Software and Services. Franchisee retains all right, title, and interest in all data related to Franchisee that is exchanged or made available under this Agreement, including personally identifiable information or protected health information, except as otherwise provided under the Franchise Agreement.

6. **No Warranties.** EXCEPT AS EXPRESSLY PROVIDED HEREIN OR IN AN ORDER FORM, VC AND VENDOR DISCLAIM, ALL WARRANTIES, BOTH EXPRESS AND IMPLIED, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY, AND ANY WARRANTY OF NON-INFRINGEMENT, OR ANY WARRANTIES ARISING FROM TRADE PRACTICE OR COURSE OF DEALING. VC AND VENDOR DO NOT WARRANT THAT THE SERVICES SHALL BE ERROR-FREE OR UNINTERRUPTED, OR THAT ALL DEFECTS SHALL BE CORRECTED, OR THAT THE SOFTWARE OR SERVICES SHALL MEET FRANCHISEE'S REQUIREMENTS.

7. **Indemnity.** Franchisee will defend, indemnify, and hold harmless VC, Vendor, and its and their officers, directors, employees, and shareholders (the **"Indemnified Parties"**) from and against any third party claims, suits, liabilities, obligations, judgments, and causes of action (**"Third Party Claims"**) and associated costs and expenses (including reasonable attorneys' fees) to the extent arising out of any claim related to Franchisee's use of the Software or the Services. You shall defend the Indemnified Parties in the same manner as set forth in Section 11 of the Franchise Agreement.

8. Confidential Information.

8.1. Definition of Confidential Information. “**Confidential Information**” means (i) the source and object code of all components of the Software, (ii) the documentation related to the Software, (iii) any test scripts, (iv) the design and architecture of the database, (v) the terms and conditions of this Agreement, and (vi) all other information of a confidential or proprietary nature disclosed by one Party to the other Party in connection with this Agreement which is either (x) disclosed in writing and clearly marked as confidential at the time of disclosure or (y) disclosed orally and clearly designated as confidential in a written communication to the receiving Party within 7 days following the disclosure. “Confidential Information” shall not include information (a) publicly available through no breach of this Agreement, (b) independently developed or previously known to it, without restriction, prior to disclosure by the disclosing Party, or (c) rightfully acquired from a third party not under an obligation of confidentiality.

8.2. Protection of Confidential Information. Each Party shall (i) secure and protect the Confidential Information using the same degree or greater level of care that it uses to protect such Party's own confidential information, but no less than a reasonable degree of care; (ii) use the Confidential Information of the other Party solely to perform its obligations or exercise its rights under this Agreement; (iii) require their respective employees, agents, attorneys, and independent contractors who have a need to access such Confidential Information to be bound by confidentiality obligations sufficient to protect the Confidential Information; and (iv) not transfer, display, convey or otherwise disclose or make available all or any part of such Confidential Information to any third party. Either party may disclose the other party's Confidential Information to the extent required by applicable law or regulation, including without limitation any applicable Freedom of Information or sunshine law, or by order of a court or other governmental entity, in which case the disclosing party shall notify the other party as soon as practical prior to such disclosure and an opportunity to respond or object to the disclosure. Franchisee acknowledges that VC or Vendor may be required to make available to the Secretary of Health & Human Services or Comptroller General of the United States its books, documents, and records necessary to verify the nature and extent of the costs of those Services, provided that such access shall be limited to a period of four years after the provision of the Services.

9. **Term and Termination.** The initial term of this Agreement will be three years beginning on the Effective Date. This Agreement will automatically renew for successive one-year terms unless terminated pursuant to this Agreement. Either Party may terminate this Agreement without cause on 90 days' written notice to the other Party. This Agreement may be terminated immediately by (a) mutual written consent; or (b) if the other Party materially breaches the Agreement and fails to cure the breach within 30 days of receiving written notice of the breach. This Agreement will terminate automatically upon the termination of the Franchise Agreement or Master Agreement. Upon termination of this Agreement, Franchisee will immediately cease using the Software and all access and rights granted to Franchisee under this Agreement will immediately terminate and revert to VC. Franchisee shall, within five days following such termination, destroy or return to VC all magnetic media or tangible items and material containing the Software and any related documentation, all Confidential Information of VC or Vendor, and certify such return or destruction in writing to VC.

10. **Compliance with Laws and Export Restrictions.** Franchisee shall comply with all applicable federal, state, and local laws, regulations, and ordinances related to this Agreement and the use of the Software and Services. Franchisee agrees to comply with all export and re-

export restrictions and regulations of the Department of Commerce or other United States agency or authority, and not to transfer, or authorize the transfer of, the Software to a prohibited country or otherwise in violation of any such restrictions or regulations.

11. **No Federal Health Care Program Exclusion.** Each Party represents to the other Party that: (i) neither the representing Party nor any of its officers, directors, or employees or contractors providing services under this Agreement are currently excluded, debarred, or otherwise ineligible to participate in federal health care programs; (ii) neither the representing Party nor any of its officers, directors, employees or contractors providing services under this Agreement have ever been convicted of a criminal offense related to health care; and (iii) the representing Party is not aware of any circumstances which may result in the representing Party or any of its officers, directors, employees or contractors providing services under this Agreement being excluded from participation in federal health care programs. This shall be an ongoing representation and warranty during the term of this Agreement and each Party shall immediately notify the other Party of any change in status of the representation and warranty set forth in this Section.

12. **No Relationship with Vendor.** You are not a third-party beneficiary under the Master Agreement and have no direct relationship with Vendor. Vendor shall not be deemed to be engaged, directly or indirectly, in the practice of medicine or the dispensing of medical services, nor shall it be responsible or liable for the use, application or interpretation of any information, results or product generated by or resulting from the Software or Services or arising from Franchisee's use of the Software or Services. You shall have no right to assert any claim for damages against Vendor.

13. **Limitation of Liability.** VC's maximum liability to Franchisee for any claim whatsoever arising out of or in any way related to this Agreement will be the amount of monthly fees that Franchisee has paid VC under this Agreement.

14. **Dispute Resolution.** The Parties will resolve any dispute arising out of or in any way related to this Agreement in the same manner set forth in the Franchise Agreement.

15. **Assignment.** Franchisee will not assign its rights or duties under this Agreement without the prior written consent of VC.

16. **Notice.** All notices related to this Agreement must be in writing and must be given by one of the following methods of delivery: (i) personally; (ii) by certified or registered mail, postage prepaid; (iii) by overnight delivery service; or (iv) by e-mail to the following addresses (which either party may change by giving written notice to the other party)

If to Vital Care Franchisor LLC:

If to Franchisee:

12 Cadillac Drive, Unit 230
Brentwood, Tennessee 37027
Attn: Legal Department
legalnotices@vitalcare.com

17. **Force Majeure.** Neither Party shall be liable for any loss, damages or penalty (other than the obligation to pay money) resulting from any failure to perform due to causes beyond the reasonable control of such Party, including, but not limited to: supplier delay, acts of God, labor disputes, terrorism, war, unavailability of components, acts of governmental authorities or judicial

action, or material interruption in telecommunications or utility service. The delayed party shall perform its obligations within a reasonable time after the cause for the failure has been remedied, and the other party shall accept the delayed performance.

18. **Survival.** The following sections shall survive termination or expiration of this Agreement: Sections 6 (No Warranties), 7 (Indemnity), 8 (Confidential Information), 9 (Term and Termination), 12 (No Relationship with Vendor), 13 (Limitation of Liability), and 14 (Dispute Resolution), as well as any obligation to pay fees arising prior to termination or expiration.

19. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties and supersedes any prior or contemporaneous agreement or understandings with respect to the subject matter of this Agreement. This Agreement may be modified only by a written agreement signed by all of the Parties hereto.

20. **Waiver.** No waiver of the enforcement of any provision of this Agreement may be deemed a continuing waiver

The Parties have executed this Agreement as of the Effective Date.

VITAL CARE FRANCHISOR LLC

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT A
CARETEND INFORMATION SYSTEMS AGREEMENT
ORDER FORM

1. Franchise shall use the Software and Services at the following Centers:

2. Franchisee shall acquire ____ Concurrent User Blocks.

FDD EXHIBIT I

STATE-REQUIRED DISCLOSURES AND RIDERS

**ADDITIONAL DISCLOSURES FOR THE
FRANCHISE DISCLOSURE DOCUMENT OF
VITAL CARE FRANCHISOR LLC**

The following are additional disclosures for the Franchise Disclosure Document of Vital Care Franchisor LLC required by various state franchise laws. Each provision of these additional disclosures will only apply to you if the applicable state franchise registration and disclosure law applies to you.

NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES

The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

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

HAWAII

THESE FRANCHISES 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 REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING. 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 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, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE. THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. 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.

1. The following paragraph is added to the end of Item 17 of the Franchise Disclosure Document:

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

2. Exhibit L (Franchisee Compliance Questionnaire and Certification) to the Franchise Disclosure Document is hereby deleted in its entirety.

MICHIGAN

See page after state effective dates near front of the FDD.

MARYLAND

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

However, any release required as a condition of renewal, sale and/or assignment/transfer will not apply to claims or liability arising under the Maryland Franchise Registration and Disclosure Law.

2. The following is added to the end of the “Summary” section of Item 17(h), entitled “Cause” defined – non-curable defaults:

The Franchise Agreement provide for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but we will enforce it to the extent enforceable.

3. The following sentence is added to the end of the “Summary” section of Item 17(v), entitled “Choice of forum”:

The Franchise Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

4. The “Summary” section of Item 17(w) in the Franchise Agreement chart in the Franchise Disclosure Document, captioned “Choice of law,” is amended to read as follows:

Except for federal law and claims arising under the Maryland Franchise Registration and Disclosure Law, Tennessee law applies.

5. The following paragraphs are added to the end of Item 17:

You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after the grant of the franchise.

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

Do not sign the Franchisee Compliance Questionnaire and Certification that is attached as Exhibit L to the Franchise Disclosure Document.

MINNESOTA

1. The following is added to the “Special Risks to Consider About *This Franchise*” sheet:

Unopened Franchises. The franchisor has signed some franchise agreements with franchisees who have not yet opened their outlets, largely due to governmental delays in granting applicable licenses. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your outlet.

2. **Liquidated Damages.** The “Liquidated Damages” section in Item 6 (including Note 6) in the Franchise Disclosure Document is amended by adding the following:

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring you to consent to liquidated damages.

3. **Trademarks.** The following sentence is added to the end of Item 13:

Provided you have complied with all provisions of the Franchise Agreement applicable to the Marks, we will protect your rights to use the Marks, and we also will indemnify you from any loss, costs or expenses from any claims,

suits or demands regarding your use of the Marks in accordance with Minn. Stat. Sec. 80C.12 Subd. 1(g).

4. **Renewal, Termination, Transfer, Dispute Resolution, Releases and Acknowledgements**. The following paragraphs are added at the end of the chart in Item 17 of this Disclosure Document:

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) of the Franchise Agreement and 180 days' notice for non-renewal of the Franchise Agreement. In addition, consent to a transfer of your franchise will not be unreasonably withheld.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or Franchise Agreement can abrogate or reduce (1) any of Franchisee's rights as provided for in Minnesota Statutes 1984, Chapter 80C, or (2) your rights to any procedure, forum or remedies provided for by the laws of Minnesota. In addition, a court will determine whether a bond is required.

Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than 3 years after the cause of action accrues.

Any release required as a condition of renewal, sale and/or transfer/assignment will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.

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

VIRGINIA

1. The following is added to the "Special Risks to Consider About *This Franchise*" sheet:

Sales Performance Required. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

2. The following language is added to the end of the “Summary” section of Item 17(h), entitled “Cause” defined – non-curable defaults”:

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

**THE FOLLOWING PAGES IN THIS EXHIBIT ARE
STATE-SPECIFIC RIDERS TO THE
FRANCHISE AGREEMENT**

**RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN HAWAII**

This Rider (the “**Rider**”) is made this _____, 20__, by and between **VITAL CARE FRANCHISOR LLC**, a Delaware limited liability company with its principal place of business at 12 Cadillac Drive, Unit 230, Brentwood, Tennessee 37027 (“**Franchisor**”), and the person or entity identified on Appendix A as the franchisee (“**Franchisee**”) with its principal place of business as set forth on Appendix A. In this Rider, “**we**,” “**us**,” and “**our**” refer to Franchisor. “**You**” and “**your**” refer to Franchisee.

1. **BACKGROUND.** Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20__ that has been signed at the same time as this Rider (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the VC Business that Franchisee will operate under the Franchise Agreement will be located in Hawaii, (b) any of the franchise offer or sales activity occurred in Hawaii, and/or (c) Franchisee is a resident of Hawaii.

2. **ACKNOWLEDGEMENTS IN CERTAIN STATES.** Section 18.6 of the Franchise Agreement is hereby deleted.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider, to be effective as of the date set forth next to our signature below.

FRANCHISOR

FRANCHISEE

VITAL CARE FRANCHISOR LLC

[Entity Name]

By:_____

By:_____

Name:_____

Name:_____

Title:_____

Title:_____

Date:_____

Date:_____

**RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN MARYLAND**

THIS RIDER (this “**Rider**”) is made and entered into by and between **VITAL CARE FRANCHISOR LLC**, a Delaware limited liability company with its principal place of business at 12 Cadillac Drive, Unit 230, Brentwood, Tennessee 37027 (“**Franchisor**”), and the person or entity identified on Appendix A as the franchisee (“**Franchisee**”) with its principal place of business as set forth on Appendix A. In this Rider, “**we**,” “**us**,” and “**our**” refer to Franchisor. “**You**” and “**your**” refer to Franchisee.

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____ (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are domiciled in Maryland, and/or (b) the VC Business that you will operate under the Franchise Agreement will be located in Maryland.

2. **RELEASES.** The following is added to the end of Sections 2.2(f) (Successor Term), 4.4(b) (Site Acquisition), 4.6 (Opening Deadline), 13.1 (Transfer By Us), 13.4(c) (Conditions on Transfer), and 15.5(d) (Our Rights to Purchase Business Assets) of the Franchise Agreement:

However, any release required as a condition of renewal, sale and/or assignment/transfer will not apply to any claims or liability arising under the Maryland Franchise Registration and Disclosure Law.

3. **INSOLVENCY.** The following sentence is added to the end of Section 14 (Termination and Default) of the Franchise Agreement:

Section 14.1(u) may not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.).

4. **FORUM FOR LITIGATION.** The following language is added to the end of Section 16 (Dispute Resolution and Governing Law) of the Franchise Agreement:

This Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

5. **GOVERNING LAW.** The following sentence is added to the end of Section 16.4 (Governing Law) of the Franchise Agreement:

Notwithstanding the foregoing, the Maryland Franchise Registration and Disclosure Law shall govern any claim arising under that law.

6. **LIMITATIONS OF CLAIMS.** The following sentence is added to the end of Section 16.8 (One-Year Limitation on Claims) of the Franchise Agreement:

You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after we grant you the franchise.

7. **ACKNOWLEDGMENTS.** The following is added as a new Section 19 to the end of the Franchise Agreement:

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

IN WITNESS WHEREOF, the parties have executed and delivered this Rider, to be effective as of the date set forth next to our signature below.

FRANCHISOR

VITAL CARE FRANCHISOR LLC

By:_____

Name:_____

Title:_____

Date:_____

FRANCHISEE

[Entity Name]

By:_____

Name:_____

Title:_____

Date:_____

**RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA**

THIS RIDER (this “**Rider**”) is made and entered into by and between **VITAL CARE FRANCHISOR LLC**, a Delaware limited liability company with its principal place of business at 12 Cadillac Drive, Unit 230, Brentwood, Tennessee 37027 (“**Franchisor**”), and the person or entity identified on Appendix A as the franchisee (“**Franchisee**”) with its principal place of business as set forth on Appendix A. In this Rider, “**we**,” “**us**,” and “**our**” refer to Franchisor. “**You**” and “**your**” refer to Franchisee.

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____ (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the VC Business that you will operate under the Franchise Agreement will be located in Minnesota; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Minnesota.

2. **RELEASES.** The following is added to the end of Sections 2.2(f), 4.4(b), 4.6, 13.1, 13.4(c), and 15.5(d) of the Franchise Agreement:

Any release required as a condition of renewal, sale and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

3. **SUCCESSOR TERM AND TERMINATION AND DEFAULT.** The following is added to the end of Sections 2.2 and 14 of the Franchise Agreement:

However, 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 this Agreement.

4. **FEES.** The following section is added to the end of Section 3.12 of the Franchise Agreement:

Minn. Stat. 604.113 puts a cap of \$30 on late fees for NSF (non-sufficient funds) checks.

5. **NOTIFICATION OF INFRINGEMENT AND CLAIMS.** The following sentence is added to the end of Section 9.1 of the Franchise Agreement:

Provided you have complied with all provisions of this Agreement applicable to the Marks, we will protect your right to use the Marks and will indemnify you from any loss, costs or expenses arising out of any claims, suits or demands regarding your use of the Marks in accordance with Minn. Stat.

Sec. 80C 12, Subd. 1(g).

6. **LIQUIDATED DAMAGES.** The following language is added to the end of both Section 12.3(c) and Section 15.9 of the Franchise Agreement:

Notwithstanding the foregoing, Minn. Stat. Section 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring you to consent to liquidated damages, termination penalties or judgment notes.

7. **NO TRANSFER WITHOUT OUR CONSENT.** The following language is added to Section 13.3 of the Franchise Agreement:

Notwithstanding the foregoing, our consent to a Transfer will not be unreasonably withheld.

8. **FORUM FOR LITIGATION.** The following language is added to the end of Section 16.3 of the Franchise Agreement:

Notwithstanding the foregoing, Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us, except in certain specified cases, from requiring litigation to be conducted outside of Minnesota. Nothing in this Agreement will abrogate or reduce (1) any of your rights under Minnesota Statutes Chapter 80C or (2) your rights to any procedure, forum, or remedies that the laws of the jurisdiction provide.

9. **GOVERNING LAW.** The following statement is added at the end of Section 16.4 of the Franchise Agreement:

NOTHING IN THIS AGREEMENT WILL ABROGATE OR REDUCE ANY OF YOUR RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80C OR YOUR RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE.

10. **MUTUAL WAIVER OF JURY TRIAL AND PUNITIVE DAMAGES.** If and then only to the extent required by the Minnesota Franchises Law, Sections 16.5 and 16.6 of the Franchise Agreement are deleted.

11. **LIMITATIONS OF CLAIMS.** The following is added to the end of Section 16.8 of the Franchise Agreement:

; provided, however, that Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than 3 years after the cause of action accrues.

12. **INJUNCTIVE RELIEF.** The following is added to the end of Section 16.10 of the Franchise Agreement:

Minnesota Rule 2860.4400(J) prohibits us from requiring you to waive your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction; in addition, a court will determine if a bond is required.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider, to be effective as of the date set forth next to our signature below.

FRANCHISOR

VITAL CARE FRANCHISOR LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

[Entity Name]

By: _____

Name: _____

Title: _____

Date: _____

FDD EXHIBIT J

FORM OF RENEWAL ADDENDUM

**RENEWAL ADDENDUM
TO
VITAL CARE® FRANCHISE AGREEMENT**

THIS RENEWAL ADDENDUM (the “**Addendum**”) is made and entered into on _____ (the “**Effective Date**”) by and among Vital Care Franchisor LLC (“**we**,” “**us**,” or “**our**”) and _____ (“**Franchisee**,” “**you**” or “**your**”). We and you shall collectively be referred to as the “**Parties**.”

RECITALS

- A. We (or our predecessor) and you signed a certain Vital Care® Franchise Agreement dated _____ (collectively, with all addenda, riders, and Addendums, the “**Former Agreement**”), pursuant to which we granted you the right to operate a Vital Care Business in [insert city or general description of the Territory] (the “**VC Business**”). The term of the Former Agreement has expired or is about to expire.
- B. The Parties have signed a certain Vital Care® Franchise Agreement dated as of the Effective Date (the “**Franchise Agreement**”), pursuant to which we renewed your franchise to operate the VC Business.
- C. The Parties desire to amend the Franchise Agreement because certain provisions do not apply or require modification, as the VC Business is already operating.

NOW THEREFORE, for and in consideration of the foregoing promises and the covenants and agreements contained herein, the Parties agree to amend the Franchise Agreement as follows:

- 1. Capitalized Terms. Capitalized terms used and not otherwise defined in this Addendum shall have the meanings set forth in the Franchise Agreement.
- 2. Termination of Former Agreement. The term of the Former Agreement shall be deemed to have expired as of the Effective Date, and Franchisee will have no further rights under the Former Agreement subsequent to the Effective Date.
- 3. Conditions for Entering Franchise Agreement. You agree to the following as conditions for entering into the Franchise Agreement:
 - A. Renewal Fee. Upon signing this Addendum, you shall pay us \$4,000 as the renewal fee for the right to enter into the Franchise Agreement.
 - B. General Release. Upon signing this Addendum, you and each of your Owners must sign a general release in the form that we prescribe (the current form of which is attached to the Franchise Agreement as Appendix G).
 - C. Refurbishing and Renovations. By the first anniversary of the Effective Date (the “**Anniversary Date**”), you must refurbish and remodel the VC Business at your expense to conform the decor, Trade Dress, color schemes, signage, and presentation of the Marks to our

then-current image in accordance with Section 6.3(h) (Refurbishing and Renovations) of the Franchise Agreement. Within 60 days of the Effective Date, you must submit plans to us for our approval that have been prepared according to the System Standards we prescribe. You acknowledge that if you do not currently operate an Infusion Suite at your Primary Center, by the Anniversary Date, you must either remodel your Primary Center to include an Infusion Suite in accordance with the remodeling plan that we approve or you must develop and open a Remote Center in accordance with Section 4.2 (Remote Centers).

D. Pharmacy Software. Within 30 days of the Effective Date, you must acquire at your expense a software license for, and begin using, the Pharmacy Software that we specify. You will be responsible for paying us the ongoing Pharmacy Software Fee in accordance with the Franchise Agreement.

4. Initial Term. Section 2.1 (Initial Term) of the Franchise Agreement is deleted and replaced with the following:

2.1 Current Term. The current term (the “**Current Term**”) of the License begins on the Effective Date and ends ten years from the Effective Date, unless this Agreement is terminated sooner as provided in other sections of this Agreement. All references in this Agreement to the “Initial Term” shall mean and refer to the “Current Term.”

5. Renewal Term.

[IF NO RENEWAL TERMS LEFT:] Section 2.2 (Successor Term) of the Franchise Agreement is hereby deleted in its entirety. The Parties acknowledge that you shall not be entitled to a successor term.

[IF ONE RENEWAL TERM LEFT:] The introductory clause of Section 2.2 (Successor Term) of the Franchise Agreement is deleted and replaced with the following:

2.2 Successor Term. Upon the expiration of the Current Term, you may, at your option, obtain one additional consecutive ten-year successor term (a “**Successor Term**” and, collectively with the Current Term, the “**Term**”) if you meet the following conditions:

6. Deleted Provisions. Because the VC Business is already operating, the following provisions do not apply and are deleted in their entirety:

- A. Section 3.1 (Initial Franchise Fee)
- B. Section 4.6 (Opening Deadline)
- C. Section 7.3(e) (Grand Opening Advertising)
- D. Section 14.1(b) (default for failing to complete Initial Training)
- E. Section 14.1(c) (default for failing to acquire a site)
- F. Section 14.1(d) (default for failing to open by Opening Deadline)

7. Development Provisions. The Parties acknowledge that because you already are operating a Primary Center, Sections 4.3 (Site Selection), 4.4 (Site Acquisition), and 4.5 (Center Construction) shall only apply to the relocation or remodeling of any existing Centers or the development of any Remote Centers.

8. No Initial Training. The Parties acknowledge that because your Required Trainees have already successfully completed Initial Training, we will not be obligated to provide, and your Required Trainees will not be obligated to attend, Initial Training in conjunction with the execution of the Franchise Agreement, except for any Initial Training required for subsequent Operating Principals and Key Managers.

9. Fenced-Off Pharmacy. If you or a Related Operator operates a Fenced-Off Pharmacy, you will not be required to fully comply with Section 6.3(c) (Operation of Fenced-Off Pharmacies) of the Franchise Agreement until the Anniversary Date, provided that you must comply with the following conditions:

A. If your Fenced-Off Pharmacy and VC Business are currently owned by you and operated under the same tax identification number and pharmaceutical license, by the Anniversary Date, you must transfer the Fenced-Off Pharmacy to an affiliate and such affiliate must secure a separate tax identification number and pharmaceutical license for the Fenced-Off Pharmacy by such deadline. For the avoidance of doubt, you may not change the tax identification number or pharmaceutical license used for the VC Business.

B. If your Fenced-Off Pharmacy is operated at the same site as your Primary Center, you may continue to operate the two businesses from the same site, provided that, as part of the refurbishing and remodeling requirements specified in Paragraph 3.C (Refurbishing and Renovations) that must be completed by the Anniversary Date, you must either (i) designate a separate suite number for each business and create a distinct Vital Care-branded area within the site or (ii) construct a separate suite for the VC Business at the site.

C. Within a reasonable time after the Effective Date, you must ensure that there is a dedicated licensed pharmacist, who also may be your Key Manager, and a dedicated sales agent that both work exclusively for the VC Business. You must obtain our written consent for any employees that you intend to permit to work in both your VC Business and Fenced-Off Pharmacy.

10. Other Businesses. If you operate any other businesses other than your VC Business, you must divest your interests in such other businesses to an affiliate or third party by the Anniversary Date so that you will operate only the VC Business going forward. If you operate a Pharmacy-Related Business that we have not approved as a Fenced-Off Business, you and your Owners must cease operating such business or divest your and their interests in such other businesses by the Anniversary Date.

11. Term and Assignability. This Addendum shall remain in effect for the duration of the Current Term, unless the Franchise Agreement is earlier terminated. This Addendum may be assigned in conjunction with the Franchise Agreement during the Current Term in accordance with Section 13 (Transfer and Assignment). This Addendum shall expire at the end of the Current Term and shall not apply in any subsequent Successor Terms.

12. Miscellaneous.

A. Entire Agreement. This Addendum is an amendment of, and forms a part of, the Franchise Agreement. This Addendum supersedes all prior discussions, understanding and agreements between the Parties with respect to the matters contained in this Addendum, and this Addendum contains the sole and entire agreement between the Parties with respect to the matters contemplated by this Addendum. Except as amended by this Addendum, the Franchise Agreement will continue in full force and effect. If there is a conflict between any provision of the Franchise Agreement and a provision of this Addendum, the provision of this Addendum controls.

B. Execution in Counterparts. This Addendum may be executed in two or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument.

C. Successors and Assigns. Except as otherwise herein provided, this Addendum is binding upon and shall inure to the benefit of the Parties and their respective heirs, executors, legal representatives, successors and permitted assigns.

D. Severability. If any provision of this Addendum or instrument or other document delivered pursuant hereto or in connection with this Addendum is for any reason held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other provision of this Addendum or any other instrument or document, and this Addendum and such other instruments and documents shall be interpreted and construed as if such invalid, illegal or unenforceable provision had not been contained in this Addendum.

E. Dispute Resolution and Governing Law. Any claim or controversy arising out of, or related to, this Addendum or the making, performance, or interpretation thereof, shall be subject to the provisions of Section 16 (Dispute Resolution and Governing Law) of the Franchise Agreement, which are hereby incorporated herein by this reference.

IN WITNESS WHEREOF, upon signing below, each of the undersigned has executed this Addendum under seal as of the Effective Date.

FRANCHISOR

VITAL CARE FRANCHISOR LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

[Entity Name]

By: _____

Name: _____

Title: _____

Date: _____

FDD EXHIBIT K

FORM OF TRANSFER ADDENDUM

**TRANSFER ADDENDUM
TO
VITAL CARE® FRANCHISE AGREEMENT**

THIS TRANSFER ADDENDUM (the “**Addendum**”) is made and entered into on _____ (the “**Effective Date**”) by and among Vital Care Franchisor LLC (“**we**,” “**us**,” or “**our**”) and _____ (“**Franchisee**,” “**you**” or “**your**”). We and you shall collectively be referred to as the “**Parties**.”

RECITALS

- A. As a condition of our agreeing to consent to the transfer of rights related to an existing Vital Care® franchise to you, the Parties have signed a certain Vital Care® Franchise Agreement dated as of the Effective Date (the “**Franchise Agreement**”), pursuant to which we granted you the right to operate a Vital Care Business in [insert city or general description of the Territory] (the “**VC Business**”).
- B. The Parties desire to amend the Franchise Agreement because certain provisions do not apply or require modification, as the VC Business is already operating.

NOW THEREFORE, for and in consideration of the foregoing promises and the covenants and agreements contained herein, the Parties agree to amend the Franchise Agreement as follows:

1. Capitalized Terms. Capitalized terms used and not otherwise defined in this Addendum shall have the meanings set forth in the Franchise Agreement.
2. Refurbishing and Renovations. By the first anniversary of the Effective Date (the “**Anniversary Date**”), you must refurbish and remodel the VC Business at your expense to conform the decor, Trade Dress, color schemes, signage, and presentation of the Marks to our then-current image in accordance with Section 6.3(h) (Refurbishing and Renovations) of the Franchise Agreement. Within 60 days of the Effective Date, you must submit plans to us for our approval that have been prepared according to the System Standards we prescribe. You acknowledge that if you do not currently operate an Infusion Suite at your Primary Center, by the Anniversary Date, you must either remodel your Primary Center to include an Infusion Suite in accordance with the remodeling plan that we approve or you must develop and open a Remote Center in accordance with Section 4.2 (Remote Centers).
3. Pharmacy Software. Within 30 days of the Effective Date, you must acquire at your expense a software license for, and begin using, the Pharmacy Software that we specify. You will be responsible for paying us the ongoing Pharmacy Software Fee in accordance with the Franchise Agreement.
4. Initial Term. Section 2.1 (Initial Term) of the Franchise Agreement is deleted and replaced with the following:

2.1 Current Term. The current term (the “**Current Term**”) of the License begins on the Effective Date and ends [ten years from the Effective Date] [on _____], unless this Agreement is terminated

sooner as provided in other sections of this Agreement. All references in this Agreement to the "Initial Term" shall mean and refer to the "Current Term."

5. Renewal Term.

[IF NO RENEWAL TERMS LEFT:] Section 2.2 (Successor Term) of the Franchise Agreement is hereby deleted in its entirety. The Parties acknowledge that you shall not be entitled to a successor term.

[IF ONE RENEWAL TERM LEFT:] The introductory clause of Section 2.2 (Successor Term) of the Franchise Agreement is deleted and replaced with the following:

2.2 Successor Term. Upon the expiration of the Current Term, you may, at your option, obtain one additional consecutive ten-year successor term (a "**Successor Term**" and, collectively with the Current Term, the "**Term**") if you meet the following conditions:

[IF TWO RENEWAL TERMS LEFT, THIS SECTION CAN BE DELETED.]

6. Deleted Provisions. Because the VC Business is already operating, the following provisions do not apply and are deleted in their entirety:

- A. Section 3.1 (Initial Franchise Fee)
- B. Section 4.6 (Opening Deadline)
- C. Section 7.3(e) (Grand Opening Advertising)
- D. Section 14.1(b) (default for failing to complete Initial Training)
- E. Section 14.1(c) (default for failing to acquire a site)
- F. Section 14.1(d) (default for failing to open by Opening Deadline)

7. Development Provisions. The Parties acknowledge that because you already are operating a Primary Center, Sections 4.3 (Site Selection), 4.4 (Site Acquisition), and 4.5 (Center Construction) shall only apply to the relocation or remodeling of any existing Centers or the development of any Remote Centers.

8. Initial Training. By _____, your Required Trainees must personally attend and satisfactorily complete Initial Training, as specified in Section 5.1 (Initial Training). Upon execution of this Addendum, you must pay us a training fee of \$1,000 per trainee.

9. Fenced-Off Pharmacy. If you or a Related Operator operates a Fenced-Off Pharmacy, you will not be required to fully comply with Section 6.3(c) (Operation of Fenced-Off Pharmacies) of the Franchise Agreement until the Anniversary Date, provided that you must comply with the following conditions:

- A. If your Fenced-Off Pharmacy and VC Business are currently owned by you and operated under the same tax identification number and pharmaceutical license, by the Anniversary Date, you must transfer the Fenced-Off Pharmacy to an affiliate and such affiliate

must secure a separate tax identification number and pharmaceutical license for the Fenced-Off Pharmacy by such deadline. For the avoidance of doubt, you may not change the tax identification number or pharmaceutical license used for the VC Business.

B. If your Fenced-Off Pharmacy is operated at the same site as your Primary Center, you may continue to operate the two businesses from the same site, provided that, as part of the refurbishing and remodeling requirements specified in Paragraph 3.C (Refurbishing and Renovations) that must be completed by the Anniversary Date, you must either (i) designate a separate suite number for each business and create a distinct Vital Care-branded area within the site or (ii) construct a separate suite for the VC Business at the site.

C. Within a reasonable time after the Effective Date, you must ensure that there is a dedicated licensed pharmacist, who also may be your Key Manager, and a dedicated sales agent that both work exclusively for the VC Business. You must obtain our written consent for any employees that you intend to permit to work in both your VC Business and Fenced-Off Pharmacy.

10. Other Businesses. If you operate any other businesses other than your VC Business, you must divest your interests in such other businesses to an affiliate or third party by the Anniversary Date so that you will operate only the VC Business going forward. If you operate a Pharmacy-Related Business that we have not approved as a Fenced-Off Business, you and your Owners must cease operating such business or divest your and their interests in such other businesses by the Anniversary Date.

11. Term and Assignability. This Addendum shall remain in effect for the duration of the Current Term, unless the Franchise Agreement is earlier terminated. This Addendum may be assigned in conjunction with the Franchise Agreement during the Current Term in accordance with Section 13 (Transfer and Assignment). This Addendum shall expire at the end of the Current Term and shall not apply in any subsequent Successor Terms.

12. Miscellaneous.

A. Entire Agreement. This Addendum is an amendment of, and forms a part of, the Franchise Agreement. This Addendum supersedes all prior discussions, understanding and agreements between the Parties with respect to the matters contained in this Addendum, and this Addendum contains the sole and entire agreement between the Parties with respect to the matters contemplated by this Addendum. Except as amended by this Addendum, the Franchise Agreement will continue in full force and effect. If there is a conflict between any provision of the Franchise Agreement and a provision of this Addendum, the provision of this Addendum controls.

B. Execution in Counterparts. This Addendum may be executed in two or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument.

C. Successors and Assigns. Except as otherwise herein provided, this Addendum is binding upon and shall inure to the benefit of the Parties and their respective heirs, executors, legal representatives, successors and permitted assigns.

D. Severability. If any provision of this Addendum or instrument or other document delivered pursuant hereto or in connection with this Addendum is for any reason held to be

invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other provision of this Addendum or any other instrument or document, and this Addendum and such other instruments and documents shall be interpreted and construed as if such invalid, illegal or unenforceable provision had not been contained in this Addendum.

E. Dispute Resolution and Governing Law. Any claim or controversy arising out of, or related to, this Addendum or the making, performance, or interpretation thereof, shall be subject to the provisions of Section 16 (Dispute Resolution and Governing Law) of the Franchise Agreement, which are hereby incorporated herein by this reference.

IN WITNESS WHEREOF, upon signing below, each of the undersigned has executed this Addendum under seal as of the Effective Date.

FRANCHISOR

VITAL CARE FRANCHISOR LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

[Entity Name]

By: _____

Name: _____

Title: _____

Date: _____

FDD EXHIBIT L

FRANCHISEE COMPLIANCE QUESTIONNAIRE AND CERTIFICATION

FRANCHISEE COMPLIANCE QUESTIONNAIRE AND CERTIFICATION

THIS FRANCHISEE COMPLIANCE QUESTIONNAIRE AND CERTIFICATION SHALL NOT BE COMPLETED OR SIGNED BY YOU, AND WILL NOT APPLY, IF THE OFFER OR SALE OF THE VC BUSINESS IS SUBJECT TO THE STATE FRANCHISE DISCLOSURE LAWS IN THE STATES OF CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.

IF THE FRANCHISE IS TO BE OPERATED IN, OR YOU ARE A RESIDENT OF, CALIFORNIA OR MARYLAND, DO NOT SIGN THE QUESTIONNAIRE AND CERTIFICATION.

Instructions

Please complete the attached questionnaire as you work through the process of becoming a Vital Care franchisee. We ask that you complete this questionnaire and sign the certification that appears on the last page.

The overall purpose of the information collected by this questionnaire is to determine whether any statements or promises were made to you by employees, representatives or agents of Vital Care Franchisor LLC (“Vital Care”) that we have not authorized, and that may be untrue, inaccurate, or misleading. With that purpose in mind, you will find questions with regard to statements that may have been made to you during the application process.

In addition to questions relating to statements made to you during the application process, you will also find questions relating to the dates that certain documents (such as the Franchise Disclosure Document or Franchise Agreement) were received, or dates on which payment of fees were made. *When purchasing a franchise, the timing of the receipt of documents, payment of franchisee fees, and other events are very important.* Also, questions relating to your understanding of the Franchise Agreement are contained in the questionnaire.

For ease of reference, we refer to the agreement that you are entering with Vital Care as the “Franchise Agreement,” and the business that you are entering into as the “VC Business.”

Please provide us with the completed Franchise Compliance Questionnaire and Certification at the time you sign your Franchise Agreement and any addenda. Please send the Questionnaire and Certification, when you send the signed Franchise Agreement to us.

QUESTIONNAIRE

Please review each of the following questions and statements carefully and provide honest and complete responses to each.

Initial Contact with Vital Care

- 1) The following date and information are true and correct:

_____, 20__

Initials _____

The date of my first face-to-face meeting with any person to discuss the possible purchase of a VC Business franchise.

The Franchise Disclosure Document

- 2) The following date and information are true and correct.

_____, 20__

Initials _____

The date on which I received Vital Care's Franchise Disclosure Document ("**FDD**").

- 3) Have you received and personally reviewed the Vital Care FDD that was provided to you?

Yes _____ No _____

- 4) Did you sign a receipt for the FDD indicating the date you received it?

Yes _____ No _____

- 5) Do you understand all of the information contained in the FDD and any state-specific Addendum to the FDD?

Yes _____ No _____

If "No," what parts of the FDD and/or Addendum do you not understand? (Attach additional pages, if necessary.)

Communications with Vital Care

6) Has any employee or other person speaking on behalf of Vital Care made any statement or promise concerning the revenues or profits of a VC Business operated by Vital Care or its franchisees that is contrary to, or different from, the information contained in the FDD?

Yes _____ No _____

7) Has any employee or other person speaking on behalf of Vital Care made any statement or promise regarding the amount of money you may earn in operating the franchised business that is contrary to, or different from, the information contained in the FDD?

Yes _____ No _____

8) Has any employee or other person speaking on behalf of Vital Care made any statement or promise concerning the total amount of revenue the VC Business will generate, that is contrary to, or different from, the information contained in the FDD?

Yes _____ No _____

9) Has any employee or other person speaking on behalf of Vital Care made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a VC Business?

Yes _____ No _____

10) Has any employee or other person speaking on behalf of Vital Care made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that Vital Care will furnish to you that is contrary to, or different from, the information contained in the FDD?

Yes _____ No _____

11) If you have answered “Yes” to any one of questions 6-10, please provide a full explanation of each “Yes” answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered “No” to each of questions 6-10, please leave the following lines blank:

Communications with Current and Former Vital Care Franchisees

12) I have spoken with current and/or former Vital Care franchisees, and I chose which franchisees, and how many franchisees, to speak with.

Yes _____ No _____

If you answered "Yes" to this question 12, please complete chart below (attach additional pages, as needed, and refer to them below.) If you have not spoken with any Vital Care franchisees, then please leave the chart blank.

Name of Vital Care Franchisee I Spoke With	Approximate Date

The Franchise Agreement

13) The following dates and information are true and correct:

a. _____, 20__

Initials _____

The date on which I received a fully completed copy (other than signatures) of the Franchise Agreement and all other documents I later signed.

b. _____, 20__

Initials _____

The date on which I signed the Franchise Agreement.

c. _____, 20__

Initials _____

The date on which I made a payment of consideration relating to the Vital Care franchise.

14) Have you received and personally reviewed the Franchise Agreement?

Yes _____ No _____

15) Do you understand all of the information contained in the Franchised Agreement?

Yes _____ No _____

If “No,” what parts of the Franchise Agreement do you not understand?

16) Do you understand that no agreement or addendum is effective until it is also signed and dated by Vital Care?

Yes _____ No _____

17) Do you understand that there are no promises, agreements, “side deals,” arrangements, written or oral, that are not in the Franchise Agreement?

Yes _____ No _____

18) If you have answered “No” to any one of the questions 16-17, please provide a full explanation of each “No” answer in the following blank lines. If you have answered “Yes” to each of the questions 16-17, please leave the following lines blank:

19) Have you entered into any binding agreement with Vital Care concerning the purchase of this franchise *prior* to the date you signed the Franchise Agreement (*i.e.*, the date indicated in 13(b), above)?

Yes _____ No _____

20) Have you paid any money to Vital Care concerning the purchase of this franchise *prior* to the date you signed the Franchise Agreement (*i.e.*, the date indicated in 13(b), above)?

Yes _____ No _____

General Considerations

21) Have you discussed the benefits and risks of establishing and operating a VC Business with an attorney, accountant, or other professional advisor?

Yes _____ No _____

If “No,” do you wish to have more time to do so?

Yes _____ No _____

22) Do you understand that the success or failure of your VC Business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?

Yes _____ No _____

23) If you have answered “No” to either of the questions 21-22, please provide a full explanation of each “No” answer in the following blank lines. If you have answered “Yes” to each of the questions 21-22, please leave the following lines blank:

CERTIFICATION

Your responses to these questions are important to us and we will rely on them.

By signing this certification, you are representing that you have responded truthfully, accurately, and completely to each of the above questions.

Please provide us with the completed Franchise Compliance Questionnaire and Certification at the time you sign your Franchise Agreement and any addenda. [Please send the completed Questionnaire and Certification, along with the Franchise Agreement and any addenda, to us at: _____].

FRANCHISE APPLICANT

Signed

Print Name

Date

FDD EXHIBIT M

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- Employee Booklet & Video: Workplace Violence

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FDD EXHIBIT N

STATE EFFECTIVE DATES

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

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

State	Effective Date
California	[Pending] (Exempt)
Hawaii	[Pending]
Illinois	December 19, 2025 (Exempt)
Indiana	December 19, 2025 (Exempt)
Maryland	[Pending] (Exempt)
Michigan	[Pending]
Minnesota	[Pending]
New York	December 19, 2025 (Exempt)
North Dakota	[Pending] (Exempt)
Rhode Island	[Pending] (Exempt)
South Dakota	[Pending]
Virginia	[Pending] (Exempt)
Washington	[Pending] (Exempt)
Wisconsin	[Pending]

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.

ITEM 23 RECEIPT

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

If Vital Care Franchisor LLC ("**Vital Care**") offers you a franchise, it must provide this disclosure document to you 14 days before you sign a binding agreement with, or make a payment to, Vital Care or one of its affiliates in connection with the proposed franchise sale. Michigan requires that Vital Care provide you with this Disclosure Document ten business days before you sign a binding agreement with, or make payment to, Vital Care or one of its affiliates in connection with the proposed sale.

If Vital Care does not deliver this disclosure statement 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 state agency listed on Exhibit A.

This franchise is being offered by the following sellers at the principal business address and phone number listed below (check all that have been involved in the sales process):

Sellers at Vital Care Franchisor LLC, 12 Cadillac Drive, Unit 230, Brentwood, Tennessee 37027, (800) 447-4095:	
☐ Marcus Williams	☐ Christopher Gates
☐ Christian VonDrehle	☐ _____
	☐ _____

Vital Care's registered agents authorized to receive service of process are set forth on Exhibit A.

Issuance Date: December 19, 2025

This Disclosure Document included the following exhibits: A. State Administrators and Agents for Service of Process; B. Financial Statements; C. Franchise Agreement; D. Business Associate Agreement; E. List of Franchisees; F. List of Franchisees That Left the System; G. Nondisclosure and Noncompete Agreement; H. Pharmacy Software License; I. State-Required Disclosures and Riders; J. Form of Renewal Addendum; K. Form of Transfer Addendum; L. Franchisee Compliance Questionnaire and Certification; M. Manuals Tables of Contents; and N. State Effective Dates.

Signature (individually and as an officer)

Date Disclosure Document Received

Print Name

TO BE KEPT FOR YOUR FILES

Print Franchisee's Name (if an Entity)

ITEM 23 RECEIPT

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

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Signature (individually and as an officer)

Date Disclosure Document Received

Print Name

Print Franchisee's Name (if an Entity)

TO BE RETURNED TO:
Vital Care Franchisor LLC
12 Cadillac Drive, Unit 230
Brentwood, Tennessee 37027