

## FRANCHISE DISCLOSURE DOCUMENT



One You Love Homecare Franchising, LLC

Office Address:

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Philadelphia, PA 19145

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Website: [www.oneyoulovehomecare.com](http://www.oneyoulovehomecare.com)

Franchisor franchises the right to own and operate businesses offering non-medical personal care and companion care services provided by certified nursing assistants, home health aides, personal care aides and companions to seniors and other adults with chronic or acute illnesses under the mark “One You Love Homecare.”

The total investment necessary to begin operation of a One You Love Homecare Business is \$95,400 to \$170,800. This includes \$49,800 to \$60,850 that must be paid to Franchisor or its affiliates.

The total investment necessary to operate multiple One You Love Homecare Businesses under our form of area development agreement depends on the number of Businesses we grant you the right to develop. The minimum number of businesses you are required to develop under the Development Agreement is three (3). The total investment necessary to enter into a development agreement for the right to develop three (3) One You Love Homecare Businesses is \$174,400 to \$239,800. This includes (a) a development fee of \$128,500 that is paid to us, and (b) the total investment to open and commence operations of the initial One You Love Homecare Business. You will be obligated to pay \$39,500 for each additional One You Love Homecare business after the first three.

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact our corporate office at Business Address: 1620 W. Oregon Avenue, Philadelphia, PA 19145, Mailing Address: P.O. Box 60504, Philadelphia, PA 19145, via telephone at 855-203-4398 or by emailing [franchise@oneyoulovehomecare.com](mailto:franchise@oneyoulovehomecare.com).

The terms of your Franchise Agreement will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contracts. Read all of your contracts carefully. Show your contracts 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](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

The Issuance Date is: March 22, 2024.

## How to Use This Franchise Disclosure Document

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

<b>QUESTION</b>	<b>WHERE TO FIND INFORMATION</b>
<b>How much can I earn?</b>	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 Exhibit J.
<b>How much will I need to invest?</b>	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.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit D includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only One You Love Homecare business in my area?</b>	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchise have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What's it like to be an One You Love Homecare franchisee?</b>	Item 20 or Exhibit J lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	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 that 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 on 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 that 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 Risk(s) to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolutions.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration or litigation only in Pennsylvania. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to mediate, arbitrate, or litigate with the franchisor in Pennsylvania than your own state.
2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
3. **Mandatory Minimum Payments.** You must make minimum royalty or advertising payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
4. **Financial Condition.** The Franchisor's financial condition as reflected in its financial statements (Item 21) calls into question the Franchisor's financial ability to provide services and support to you.

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

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**ITEM 1**  
**THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES**

Company

To simplify the language in this Disclosure Document, “One You Love Homecare,” “we” or “us” means One You Love Homecare Franchising, LLC, the franchisor of this business. “You” means the person who buys the franchise, and includes your owners if you are a corporation or other business entity.

We were formed in the Commonwealth of Pennsylvania on May 4, 2018, and began selling franchises in October 2019. Our principal business address is 1620 W. Oregon Avenue, Philadelphia, PA 19145 and our mailing address is P.O. Box 60504, Philadelphia, PA 19145. We may be reached via telephone at 855-203-4398. We do business only under our corporate name and the name “One You Love Homecare.” We do not operate any other business and have never operated a business similar to the business offered in this disclosure document. We do not offer franchises in any other line of business. A list of our agents for service of process in various states is contained in Exhibit A of this Disclosure Document.

Predecessors and Affiliates

We do not have any parents or predecessors to be disclosed in this Item.

Our affiliate, Parents First Homecare, Inc., was incorporated in the Commonwealth of Pennsylvania on February 11, 2015, and has a principal business address of 1620 W. Oregon Avenue, Philadelphia, PA 19145. From September 2016 until January 1, 2019, Parents First Homecare, Inc. operated a substantially similar business to the franchise being offered under the mark “Parents First Homecare.” Since that date, this affiliate has been operating the substantially similar business under our mark “One You Love Homecare”. Parents First Homecare, Inc. does not engage in any other line of business and has never offered franchises in any line of business.

The Franchised Business

We grant franchises for the establishment, development, and operation of a business (the “Franchised Business” or “Business”) under the mark “One You Love Homecare” to provide non-medical in-home assistance, such as companionship, homemaker services, and personal care services (the “Services”) to seniors and other homebound individuals, all done in accordance with our unique standards and specifications for providing such services (the “System”). Your clients will be private pay clients and the Services will be provided by qualified individuals employed directly by you.

The distinguishing characteristics of a One You Love Homecare Business include providing a full range of well rounded, personalized non-medical care services on either an hourly or a live in basis. One You Love Homecare is committed to employing the very best caregivers available. All aides are RN supervised, and are licensed, bonded and fully insured.

We identify the System by means of certain trade names, service marks, trademarks, logos, emblems, distinctive trade dress, and indicia of origin, including, but not limited to, the marks “One You Love Homecare,” and such other trade names, trademarks, and service marks as we now designate or may in the future designate in writing for use in connection with the System (the “Proprietary Marks”). We continue to develop, use, and control the use of such Proprietary Marks in order to identify for the public the source of services and products marketed under the Proprietary Marks and System, and to represent the System’s high standards of quality, appearance and service.

Through your One You Love Homecare business, you will develop relationships with seniors and/or other homebound individuals, as well as their families, who require in-home assistance. We may allow you to begin operating from a home office that meets our specifications, however, you must secure commercial shared office space at the earlier of (a) 30 days from when you receive your license (if required), or (b) 30 days from the execution of the Franchise Agreement (if a license is not required).

### Multi-Unit Offering

We also offer qualified individuals and entities the right to open and operate multiple One You Love Homecare businesses within a designated geographical area (the “Development Area”) under our current form of development agreement that is attached to this Disclosure Document as Exhibit F (the “Development Agreement”), which will outline a schedule or defined period of time in which you must open and commence operating each business (a “Development Scheduled”). Failure to comply with the Development Schedule is grounds for immediate termination of the Development Agreement.

At our option, you will be required to sign a Franchise Agreement for your initial One You Love Homecare business at the same time you sign your Development Agreement, and you will eventually need to sign our then-current form of franchise agreement for each of the businesses you open under the Development Schedule that may be different from the form of franchise agreement in this offering.

### Market and Competition

We target our services towards seniors or other adults who are chronically or acutely ill, disabled or who need help performing day-to-day tasks in the home. Our clients usually come to us when they do not have family nearby to assist or because they require additional help beyond what family members or the public system can provide.

Your Franchised Business will compete primarily with other local, regional, and national businesses and chains that provide homecare, personal care, companionship and home making services. Generally speaking, the market for companionship and home making services is developed but continues to evolve. Your competitive advantage will be based on your adherence to our standards and guidelines, particularly in the area of leveraging professional resources, as well as your entrepreneurial, marketing, managerial, professional networking and relationship building abilities, as well as your focus on customer service and satisfaction.

### Industry Specific Regulations

You must comply with all local, state, and federal laws that apply to your operations, including those pertaining to sanitation, insurance, EEOC, OSHA, non-discrimination, employment, and sexual harassment. Some states require you to obtain a license to provide employment services. You must obtain and maintain any employment-related permits, licenses, certifications or other approvals necessary for the operation of the Franchised Business, including employment agency licenses.

In addition, some states may require a local business license, a home care license and a certificate of need demonstrating that the establishment of an additional homecare agency is needed.

Where applicable, you may not offer Services unless you have secured all necessary state and local licenses and certifications applicable to your Franchised Business, including satisfying all requirements (if any) to have your certified nursing assistants, home health aides, personal care aides and companions supervised by healthcare personnel, including registered nurses and licensed practical nurses. A licensed medical doctor is not required to be on staff. If required by applicable law, these healthcare personnel will

only serve in a supervisory capacity, and the Services you provide will not include the provision of medical services. You are responsible for investigating regulations related to supervisory requirements and other licensure requirements to determine if you are required to hire any healthcare personnel or any if any of your aides, assistants or companions require licensing.

It is up to you to investigate and abide by all applicable licensing requirements and obtain all required licenses. Although you may open without all the required licenses for our Business, your business results may vary. We do not provide assistance in determining which specific state laws apply to the Franchise Business. We strongly suggest that you consult with an attorney, consultant and/or financial advisor regarding such regulations prior to purchasing a franchise from us. Applicable laws and regulations are subject to change.

You are also subject to employment laws such as the Fair Labor Standards Act and various state laws governing such matters as minimum wages, overtime, and working conditions. You will also be subject to other laws or regulations that are not specific to the industry, but applicable to businesses generally, including labor laws, insurance requirements, business licensing laws and tax regulations, and the Americans with Disabilities Act.

Additionally, you and each of your employees/personnel will be required to undergo criminal background checks prior to purchasing a franchise or participating in Franchised Business operations, as applicable.

**ITEM 2**  
**BUSINESS EXPERIENCE**

David Giacobbo: CEO

Mr. Giacobbo has served as our CEO since our inception. He has also served as the President and Founder of our affiliate, Parents First Homecare, Inc., located in Philadelphia, Pennsylvania, since September 2016.

**ITEM 3**  
**LITIGATION**

No litigation is required to be disclosed in this Item.

**ITEM 4**  
**BANKRUPTCY**

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

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**ITEM 5**  
**INITIAL FEES**

**Franchise Agreement**

Initial Franchise Fee

The initial franchise fee ranges from \$49,500 to \$59,500. A territory granted under each franchise agreement generally consists of an area with a population of up to 50,000 people over the age of 65. If your territory has a population greater than 50,000 people over the age of 65, your initial franchise fee will increase from the baseline amount of \$49,500 by \$1.00 for every additional person over 65, up to an additional 10,000 people. The full Initial Franchise Fee is payable upon your execution of a franchise agreement. The initial franchise fee is deemed fully earned and nonrefundable upon payment. If you purchase two One You Love Homecare businesses at the same time, you will receive a discount of \$10,000 on the second One You Love Homecare business.

Technology Fee

Upon execution of the Franchise Agreement, you will be required to begin paying the then-current Technology Fee to us, which we will collect on behalf of the Approved Supplier. The Technology Fee is currently \$150 per month, and we estimate that it will take you anywhere from two (2) to nine (9) months to open your Business. Accordingly, you will pay us between \$300 and \$1,350 in Technology Fees prior to opening the Business.

Discounts

We offer a discount of 10% to United States Military Veterans who have been honorably discharged (the "Veteran Discount"). The Veteran Discount applies only to the base Initial Franchise Fee, and does not apply to any additional territory, or to second and subsequent franchise agreements.

**Development Agreement**

Development Fee

If we grant you the right to develop multiple One You Love Homecare businesses under a Development Agreement, you shall pay us a development fee that is based on the number of One You Love Homecare businesses we grant you the right to develop within your Development Area (the "Development Fee").

The Development Fee is due upon execution of your Development Agreement and is calculated as follows: \$49,500 for the initial One You Love Homecare business that we grant you the right to develop under the Development Agreement, plus \$39,500 for each additional One You Love Homecare business that you are granted the right to development under the Development Agreement. Thus, the Development Fee to develop three (3) One You Love Homecare businesses is \$128,500. The Development Fee is paid as consideration for the territorial rights you are granted within your Development Area and is not tied to any pre-opening obligations that we must otherwise perform. The Development Fee is nonrefundable and deemed fully earned upon payment.

Except as otherwise provided in this Item, the initial fees are uniform to all franchisees in the System.

**ITEM 6  
OTHER FEES**

NAME OF FEE <sup>1</sup>	AMOUNT	DUE DATE	REMARKS
Royalty	The greater of (i) Five percent (5%) of Gross Sales, or (ii) the Minimum Royalty.	Biweekly (every other week) via ACH. All Gross Sales reported from the 1 <sup>st</sup> through 15 <sup>th</sup> of each month will be billed on the 1 <sup>st</sup> of the following month. All Gross Sales reported from the 16 <sup>th</sup> through the end of each month will be billed on the 15 <sup>th</sup> of the following month.	See Note 2.
Minimum Royalty levels	<p>Beginning upon the earlier of (i) when you receive your license, or (ii) 10 months after you execute your Franchise Agreement and continuing for the remainder of the term of the Franchise Agreement, you will pay us a minimum biweekly (every other week) Royalty equal to:</p> <p>Upon the earlier of (i) when you receive your license, and (ii) 10 months from the effective date of the Franchise Agreement - \$250.00 per bi-weekly period.</p> <p>Months 13 through 24 - \$500 per biweekly period</p> <p>Months 25 through 36 - \$750 biweekly period</p> <p>Months 37 through 48 - \$1,125 per biweekly period</p> <p>Months 49 through 60 - \$1,625 per biweekly period</p> <p>Months 61 through the end of Term - \$1,875 per biweekly</p>	Biweekly (every other week) via ACH. All Gross Sales reported from the 1 <sup>st</sup> through 15 <sup>th</sup> of each month will be billed on the 1 <sup>st</sup> of the following month. All Gross Sales reported from the 16 <sup>th</sup> through the end of each month will be billed on the 15 <sup>th</sup> of the following month.	See Note 2.
Brand Development Fund	The greater of (i) 1% of Gross Sales, or (ii) the Minimum Brand Fund Contribution.	Biweekly (every other week) via ACH. All Gross Sales reported from the 1 <sup>st</sup> through 15 <sup>th</sup> of each month	See Note 3.

<b>NAME OF FEE<sup>1</sup></b>	<b>AMOUNT</b>	<b>DUE DATE</b>	<b>REMARKS</b>
	We reserve the right to raise this fee up to 2% of Gross Sales.	will be billed on the 1 <sup>st</sup> of the following month. All Gross Sales reported from the 16 <sup>th</sup> through the end of each month will be billed on the 15 <sup>th</sup> of the following month.	
Minimum Brand Development Fund Contribution	Beginning upon the earlier of (i) when you receive your license, or (ii) 10 months after you execute your Franchise Agreement and continuing for the remainder of the term of the Franchise Agreement, you will pay us a minimum biweekly Brand Fund Contribution equal to \$125 (the “Minimum Brand Fund Contribution”).	Biweekly (every other week) via ACH. All Gross Sales reported from the 1 <sup>st</sup> through 15 <sup>th</sup> of each month will be billed on the 1 <sup>st</sup> of the following month. All Gross Sales reported from the 16 <sup>th</sup> through the end of each month will be billed on the 15 <sup>th</sup> of the following month.	See Note 3
Local Marketing Requirement	You must spend the then-current local marketing requirement each month on local marketing and advertisements (the “Local Advertising Requirement”). Currently, the Local Advertising Requirement is currently a minimum of \$1,000 per month.	Monthly requirement to be spent on marketing in your territory.	See Note 4.
Advertising Cooperative Contribution	We do not currently have any advertising cooperatives but reserve the right to designate such cooperatives in the future. If created, you may be required to contribute up to \$500 per month, which will be credited towards your Local Marketing Requirement.	Monthly requirement to be contributed to the Cooperative to be spent on marketing in the Cooperative’s geographic area. Any affiliate-owned or franchisor-owned outlets in a Cooperative will have the same voting power as the member franchisees. Franchisees will not have to contribute to any Cooperative in excess of its Local Marketing Requirement.	
Transfer Fee	\$10,000 plus any broker or other third-party fees	Upon transfer.	See Note 5.
Renewal Fee	\$12,500	Upon renewal.	See Note 6.
Technology Fee	Then-current fee charged by us or our approved suppliers for certain technology-related services. Currently \$150 per	Monthly via ACH.	See Note 7.

<b>NAME OF FEE<sup>1</sup></b>	<b>AMOUNT</b>	<b>DUE DATE</b>	<b>REMARKS</b>
	month. Includes three (3) email addresses. Each additional email address is currently \$10/month.		
Software Fee	Then-current fee charged by our approved supplier.	As incurred.	See Note 8.
iPad Security Fee	You must pay us or our Approved Supplier the then-current fee to provide security services for each iPad that you use in the operation of the Franchised Business. The current fee is \$4 per iPad per month (the “iPad Security Fee”).	Monthly	See Note 8.
iPad Programming Fee	You must pay our Approved Supplier the then-current fee to initially program each iPad you use in the operation of the Franchised Business. The current fee is \$100 per iPad (the “iPad Programming Fee”).	As incurred	See Note 8.
Insurance	Cost of insurance. If you fail to maintain your insurance as required, we have the right to procure insurance on your behalf and charge you the cost of the insurance.	As required by Insurer or Broker (usually monthly over 10 months). Includes Commercial Liability, Professional Liability and Theft protection.	See Note 9.
Audit/ Inspection Costs	Cost of audit and/or inspection.  Audit and inspection costs are charged if an audit finds a 2% or greater shortage in reported sales.	As required.	See Note 10.
Additional/ Refresher Training	The then-current additional training/refresher training fee. Currently, \$500 per person per week, plus expenses incurred.	As incurred, prior to beginning additional training.  You are also required to pay this amount if you fail to achieve your Minimum Performance Level in order to obtain Additional Training.	See Note 11.
Indemnification	The amount of any claim, liability or loss we incur from your Franchised Business.	As incurred.	See Note 12.
Supplier Approval	\$500, to be refunded if approved for use by the entire System.	As incurred.	See Note 13.

<b>NAME OF FEE<sup>1</sup></b>	<b>AMOUNT</b>	<b>DUE DATE</b>	<b>REMARKS</b>
Post-Termination and Post-Expiration Expenses	Costs and expenses associated with your ceasing of and de-identification with the business.	When incurred.	See Note 14.
Insufficient Funds	\$50 per violation.	As incurred.	See Note 15.
Interest	1.5% per month, or highest rate allowed by law	As incurred.	Applies to all amounts not paid when due, until paid in full. We may also require you to pay an administrative fee of \$50 for each late payment or late report.
Management Fee	20% of Gross Sales, plus our expenses	If incurred, Biweekly via ACH. All Gross Sales reported from the 1 <sup>st</sup> through 15 <sup>th</sup> of each month will be billed on the 1 <sup>st</sup> of the following month. All Gross Sales reported from the 16 <sup>th</sup> through the end of each month will be billed on the 15 <sup>th</sup> of the following month.	Payable in the event we must operate franchise due to death, disability, or otherwise.
Relocation	Costs and expenses.	As incurred.	If you intend to relocate your Franchised Business, we have the right, but not the obligation, to review your new proposed site. If we do provide such assistance, you will be required to pay this Relocation Fee, whether or not we approve the new proposed site.
Professional fees and expenses	Costs and expenses, including but not limited to attorneys' fees.	As incurred.	You will be required to reimburse any of our professional costs and expenses incurred in connection with

NAME OF FEE <sup>1</sup>	AMOUNT	DUE DATE	REMARKS
			your failure to pay amounts when due or failure to comply in any way with the Franchise Agreement.
Annual Regional Conference or	The then-current conference registration fee, which is currently \$1,000.	Annually	You must pay this fee to attend our Annual or any Regional Conference.

**Notes:**

Note 1. Unless otherwise indicated above or below, all of the fees listed below are uniformly imposed by, payable to and collected by us and are non-refundable.

Note 2. Royalty Fee. You must pay us a monthly royalty fee equal to the greater of (i) six percent (6%) of your Gross Sales, or (ii) the Minimum Royalty Requirement. You will be considered “operating” once you receive your license and obtain your first client.

“Gross Sales” includes all revenues you generate from all business conducted at, from, or through your Franchised Business during the preceding reporting period. (See Section 3.2 of the Franchise Agreement). Gross Sales does not include the amount of any applicable sales tax imposed by any federal, state, municipal, or other governmental authority. Also excluded from Gross Sales are system-wide discounts, including disbursements paid on behalf of clients and corrections or errors in billings.

Presently, all payments for services rendered are payable by the clients directly to the Franchisee. Currently, you will remit to us via ACH on the 1<sup>st</sup> and 15<sup>th</sup> day of each month for services rendered by the Franchised Business during the prior period for (a) the Royalty, (b) the Brand Development Fee, and (c) any charges for business materials or costs incurred, associated with your Franchised Business. You will have sole responsibility for collecting amounts due from clients and any expenses associated with collection activities.

We reserve the right to require you to pay any fees due under the Franchise Agreement by electronic funds transfer or any other means we may designate. You agree to execute any documentation necessary to effectuate our designated method of payment.

Note 3. Brand Development Fund. We have established a Brand Development Fund (the “Fund”) for the common benefit of the System. You must contribute to the Fund on a biweekly basis in an amount equal to the greater of (i) 1% of your Gross Sales, or (ii) the Minimum Brand Fund Contribution. We reserve the right to raise the Brand Development Fee to up to 2% of your Gross Sales. You must pay the Brand Development Fee in the same manner as the Royalty.

Note 4. Local Marketing Requirement. You must spend a minimum of the then-current amount that we designate each month on local marketing and advertisements (the “Local Marketing Requirement”). The Local Marketing Requirement must be spent in the manner we prescribe in the Operations Manual or otherwise in writing, which may include, without limitation, requirements that you place a certain number and/or type(s) of media advertisements, or the medium in which you place the advertisements. You must

use any required advertising materials we generate in connection with local advertising; or, should you decide to use materials created by persons other than us, those materials must be approved by us prior to their placement. All marketing must be in accordance with our standards and specifications.

We have the right, in our discretion, to designate any geographical area for purposes of establishing a regional marketing and promotional cooperative (“Cooperative”), and to determine whether you must participate in a Cooperative. You will receive credit for Cooperative contributions against any amount we may then require you to spend on local marketing, and your required Cooperative contributions will not exceed your Local Marketing Requirement (currently, \$1,000 per month). Any affiliate-owned or franchisor-owned outlets in a Cooperative will have the same voting power as the member franchisees.

**Note 5. Transfer Fee.** We have the right to condition the proposed sale or transfer of your Franchised Business or of your interest in the Franchised Business and to approve the purchaser upon your payment of a transfer fee equal to the greater of: (i) 50% of the then-current franchise fee for the applicable territory size; or (ii) \$25,000.

**Note 6. Renewal Fee.** You must pay a renewal fee equal to the greater of: (i) 25% of the then-current franchise fee for the applicable territory size; or (ii) \$12,500 upon exercising your option to renew.

**Note 7. Monthly Technology Fees.** You will be required to pay us or third-party vendors in connection with certain technology services necessary to operate your Franchised Business, including without limitation, our designated franchise management software. Currently, this fee is equal to \$150 per month. In the event you require use of more than three One You Love email addresses, you will be required to pay us an additional monthly fee, currently \$10 per additional email address. These fees are due via ACH on the 15<sup>th</sup> day of each month (the “Technology Fee”). We reserve the right to increase or decrease the Technology Fees based on changes in our vendor’s pricing and our technology needs, impose additional fees, as changes are made to the System’s technology platforms, including computer hardware, software and other computer requirements or as required by us or third-party service provider(s) or by any regulatory agency, or otherwise require you to pay the Technology Fee to a third-party vendor.

**Note 8. Software Fee / iPad Security Fee.** We reserve the right to collect a Software Fee in connection with the ongoing cost of providing, maintaining and implementing hardware and software. This amount is subject to increase based upon vendor/licensor pricing. Currently, all Software Fees are paid directly to third party vendors and we do not collect any Software Fee.

You must also pay our Approved Supplier a monthly iPad Security Fee of \$4 per iPad. This fee will provide security software on each of the iPads that you use in the operation of the Franchised Business.

**Note 9. Insurance.** During the term of the Franchise Agreement, for the protection of your franchise, you must obtain and maintain at your expense the then-current types and amount of insurance specified by us in the Operations Manual or otherwise in writing. You must name us and any party we may designate as additional insureds to all of the insurance policies you maintain. If you fail to comply with our minimum insurance requirements, we have the right to obtain and maintain the requisite insurance coverage at your sole expense for which you must pay us the premium cost of such insurance plus an administrative fee equal to 10% of such cost for obtaining insurance on your behalf. We have the right to increase or otherwise modify the minimum insurance requirements upon 30 days’ prior written notice to you, and you must comply with any such modification within the time specified in the notice.

**Note 10. Audit/Inspection Costs.** You must maintain accurate business records, reports, accounts, books and data relating to the operation of your Franchised Business. We, or our designee, have the right, at any time during normal business hours, to inspect and/or audit your business records, to determine whether you

are current with suppliers and/or otherwise are operating in compliance with the terms of the Franchise Agreement or the Operations Manual. If any audit reveals that you have understated your Royalty or Fund payments, online lead generation payments or any other payments due to us by more than 2%, or if you have failed to submit timely reports and/or remittances for any three reporting periods within any 12-month period, you must pay the reasonable cost of such audit and/or inspection, including the cost of outside auditors and attorneys (to the extent we incur such costs), together with the amount(s) due for royalty and other fees as a result of such underreporting and/or failure to submit reports, along with all late fees and interest which may be otherwise due under the Franchise Agreement.

You must maintain for at least seven fiscal years from their preparation complete financial records for the operation of your One You Love Homecare Business in accordance with generally accepted accounting principles and must provide us with monthly reports in the form and manner we specify, an accounting of royalties, online lead generation payments, yearly unaudited financial statements, and any other reports and statements we may require. To assist you in recording and keeping accurate and detailed financial records for reports and tax returns, we, at our discretion, may specify the form in which the business records are to be maintained, and provide a uniform set of business records for you to use. We will have full access to all of your data, system, and related information by means of direct access, whether in person, or by telephone/modem installed and maintained at your sole expense.

**Note 11. Initial Training; Additional/Refresher Training.** We do not charge a fee for initial training for the first two attendees. Subject to the availability of our training personnel, we will train additional and/or replacement managers at our then-current tuition rate, which is currently \$500 per person. You will be responsible for the cost of salaries, meals, lodging, and transportation associated with attending such training for the first two attendees and any subsequent attendees. To assist you in the operation of your Franchised Business, we may offer additional training programs and/or refresher courses to you, your manager and/or your employees/personnel. We may require your attendance at these programs and/or courses. You are responsible for the expenses of you, your manager and your employees/personnel, including transportation to and from the training site and lodging, meals, and salaries during such training. The additional training programs and refresher courses will be held at our then-current tuition for such training, which is presently \$500 per person.

**Note 12. Indemnification.** You and your principals agree to indemnify, defend and hold us, our affiliates, and our respective shareholders, directors, officers, employees/personnel, agents, successors and assignees (“Indemnitees”) harmless against and to reimburse the Indemnitees for all claims, obligations, liabilities and damages (“Claims”), including any and all taxes, directly or indirectly arising out of, in whole or in part: (a) the operation of your Franchised Business, including the use, condition, or construction, equipping, decorating, maintenance, or operation of your Franchised Business(s), the provision of any services for Franchised Business Clients; (b) the use of the Proprietary Marks and our other proprietary and confidential information; (c) the transfer of any interest in the Franchise Agreement or your Franchised Business in any manner not in accordance with the Franchise Agreement or any other agreement you sign with us; (d) the infringement, alleged infringement, or any other violation or alleged violation by you or any of your principals of any patent, mark, copyright, or other proprietary right owned or controlled by third parties; or (e) libel, slander or any other form of defamation against us, the System, or any franchisee or option holder operating under the System, by you or by any of your principals. For purposes of this indemnification, the term “Claims” includes all obligations, actual, consequential, punitive, and other damages, and costs reasonably incurred in the defense of any action, including attorneys’, attorney assistants’ and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether or not such claims exceed the amount of insurance coverage available through you to us. We will have the right to defend any such claim against us in such manner as we deem appropriate or desirable in our sole discretion. Such action by us will, in no manner or form, diminish your and each of your principals’ obligation to indemnify the Indemnitees and to hold them harmless. This indemnity

will survive the expiration or termination of the Franchise Agreement.

**Note 13. Supplier Approval/Testing Costs.** We currently charge a \$500 fee for testing a particular product or evaluating a supplier at your request. In the event the supplier or product is approved for System-wide use, we will refund you the fee. See Item 8 of this Disclosure Document for more information about designated and approved suppliers.

**Note 14. Post-Termination and Post-Expiration Expenses.** Upon termination, expiration, non-renewal, and/or transfer of the Franchise Agreement by either you or us, you are responsible for all costs and expenses associated with your ceasing of and de-identification with the Franchised Business and the One You Love Homecare System.

**Note 15. Insufficient Funds.** If any check or withdrawal is not honored by your bank, you will be responsible for that payment and any service charges we incur, as well as a \$50 fee. Payment is due within five days of the date of any invoice via ACH, or any other method we may specify.

**ITEM 7**  
**ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**

**A. FRANCHISE AGREEMENT**

Type of Expenditure <sup>1</sup>	Amount (Low-High)	Method of Payment	When Due	To Whom Payment is to be made
Initial Franchise Fee <sup>2</sup>	\$49,500 - \$59,500	Lump sum	Upon signing the Franchise Agreement.	Franchisor.
Construction and Leasehold Improvements <sup>3</sup>	\$300 to \$5,000	As incurred	Prior to opening	Contractor/third-party providers
Equipment <sup>4</sup>	\$100 to \$1,500	Lump sum	Prior to opening	Third-party providers
Signage (interior and exterior) <sup>5</sup>	\$500 to \$3,000	As incurred	Prior to opening	Third-party providers
Computer, Software and Point of Sales System <sup>6</sup>	\$2,000 to \$6,000	Lump sum	Prior to opening	Third-party providers
Rent Deposits <sup>7</sup>	\$1,500 to \$4,000	As incurred	Prior to opening	Landlord
Utility Deposits <sup>7</sup>	\$0 to \$1,000	As incurred	Prior to opening	Utility providers

Type of Expenditure <sup>1</sup>	Amount (Low-High)	Method of Payment	When Due	To Whom Payment is to be made
Insurance Deposits and Premiums <sup>8</sup>	\$5,000 to \$6,500	As arranged	Prior to opening	Insurance providers
Pre-opening Travel Expense <sup>9</sup>	\$3,000 to \$6,000	As arranged	Prior to opening	Airlines, hotels, restaurants
Market Introduction Advertising and Local Marketing Requirement <sup>10</sup>	\$4,000	As incurred	Prior to opening, immediately after opening	Third-party providers
Professional Fees <sup>11</sup>	\$2,500 to \$7,000	As arranged	Prior to opening	Attorneys, accountants
Business Permits and Licenses <sup>12</sup>	\$600 to \$2,000	As incurred	Prior to opening	Licensing authorities
Printing, Stationery and Office Supplies <sup>13</sup>	\$2,400 to \$4,800	As incurred	Prior to opening	Third-party providers
Accreditation Fees <sup>14</sup>	\$0 to \$7,500	As Incurred	Prior to opening	Licensing Authorities
Recruiting Expenses 3 months <sup>15</sup>	\$1,500 to \$3,000	As Incurred	Prior to opening	Third-party vendors
Additional Funds – 3 Months <sup>16</sup>	\$22,500 to \$50,000	As incurred	As incurred	Various
<b>Total</b>	<b>\$95,400 to \$170,800</b>			

**Notes**

**Note 1.** All fees and payments are non-refundable, unless otherwise stated or permitted by the payee. The table above provides an estimate of your initial investment and the costs necessary to begin operating a Franchised Business for the first three months. Actual costs will vary for each franchise location depending on a number of factors including market condition, and the geographic location of your Franchised Business. We or an affiliate do not finance any portion of the initial investment.

**Note 2. Initial Franchise Fee.** The initial franchise fee ranges from \$49,500 to \$59,500. A territory

granted under each franchise agreement generally consists of an area with a population of approximately 50,000 people over the age of 65. If your territory has a population greater than 50,000 people over the age of 65, your initial franchise fee will increase from the baseline amount of \$49,500 by \$1.00 for every additional person over 65, up to an additional 10,000 people. The full Initial Franchise Fee is payable upon your execution of a franchise agreement. The initial franchise fee is deemed fully earned and nonrefundable upon payment.

**Note 3. Construction and Leasehold Improvements.** This is a range of expenses that may be incurred conducting cosmetic improvements to a leased shared office space. The low estimate assumes a shared office space where no cosmetics are needed or allowed, and most furniture is provided. The high end assumes a leased shared office space where basic cosmetics not provided by the landlord.

**Note 4. Office Equipment and Furniture.** If your shared office space does not already include it, you must purchase or lease a minimum of one workstation (including desks and chairs), as well as file cabinets and miscellaneous office furniture. In connection with your lease of shared commercial space for your Franchised Business, you may need to spend additional funds on building out your office premises. You are required to set-up a telephone system. This system allows our franchise network to operate as an integrated system, which provides extended features across our network of locations. These features include location back-up, uniform messaging, automated attendant and more. You are required to obtain shared leased office space at the earlier of (a) 30 days from when you receive your license (if required), or (b) 30 days from the execution of the Franchise Agreement (if a license is not required). The low range assumes that you will begin operating the Franchised Business from your home. The high range assumes that you will begin operations from a shared commercial office space.

**Note 5. Signage.** This is a range of expenses that will be incurred when purchasing the required initial signage and graphics for your Franchised Business. The cost of your signage may be more or less than this estimate, and depends on the size, type and method of installation you choose. Each landlord has different restrictions it places on interior and exterior signage that may affect your costs.

**Note 6. Computer, Software and Point of Sales System.** You must purchase, lease and/or license the computer hardware and software we may designate for use in operating the Franchised Business. Each new client must also be provided with a new or refurbished current generation iPad. The current leased cost per tablet is approximately \$40 per month, which includes the lease of the iPad, AppleCare and cellular service, which may vary depending on your mobile provider. The high end of this estimate assumes that you will lease 10 iPads. See Items 8 and 11 for more details regarding our computer software and hardware requirements.

**Note 7. Rent and Utility Deposits.** You will be required to lease commercial office space ranging between 500 and 800 square feet. Our standard offering assumes that the commercial office space will be located in a shared services facility. Your lease costs will vary greatly depending upon location, variance in square footage, and required maintenance costs. The estimate above includes a security deposit as well as first and last months' rent. You are required to secure commercial office space at the earlier of (a) 30 days from when you receive your license (if required), or (b) 30 days from the execution of the Franchise Agreement (if a license is not required).

**Note 8. Insurance Deposits and Premiums.** Business insurance coverage will vary from state to state and will depend on your prior loss experience, if any, the prior loss experience of your insurance carrier in the state or locale in which you operate your Franchised Business, and national or local market conditions. This estimate includes the cost of our required insurance including commercial insurance, as well as professional liability insurance, professional liability, and theft insurance for the first three months of operations. See Item 8 for insurance requirements.

**Note 9. Pre-Opening Travel.** This range of expenses represents the cost of travel and lodging to attend training. It does not include any salary expense for employees/personnel. The low estimate assumes that the franchisee lives within driving, but not commuting, distance of Philadelphia, thus will not incur air fare but will have lodging and meal expense. The high estimate assumes the need for airline travel and local transportation costs.

**Note 10. Market Introduction Advertising and Local Advertising Requirement.** You are required to spend \$1,000 on market introduction advertising. In addition to this \$1,000 expenditure, you are also required to spend a minimum of \$1,000 per month to satisfy your Local Advertising Requirement. You may spend additional sums on marketing your market introduction, in your sole discretion.

**Note 11. Professional Fees.** This range reflects the estimated costs of professional services, such as legal, accounting and consulting services, for starting up your Franchised Business.

**Note 12. Business Licenses & Permits.** The cost of business licenses and permits will depend upon the county, state or other geographic locations within which you operate the Franchised Business. State rules vary on companion care, personal care, home healthcare, and skilled staffing licenses and you must consult with an attorney, consultant or business advisor regarding applicable personal care, home healthcare, and skilled staffing laws or regulations prior to purchasing a franchise from us.

**Note 13. Printing, Stationery and Office Supplies.** You will need to obtain an inventory of basic office supplies and stationery in order to operate your Franchised Business.

**Note 14. Accreditation Fees.** Certain states may require you to apply for and obtain accreditation or certification before opening your Franchised Business. It is your obligation to research and comply with all applicable state and local laws. The low-end estimate reflects the estimated cost in a state without specific accreditation requirements. As set forth in Note 17, this estimate is based on our affiliate's experience, and your costs in a state where we do not have operational experience may differ.

**Note 15. Recruiting Expenses.** In addition to your Market Introduction expenditure, we recommend, but do not require, that you spend certain amounts to recruit qualified caregivers, either independently or with the assistance of a third-party recruitment service provider. This expenditure typically includes digital recruiting, print advertisements, job fair expenses and the fees payable to a third-party recruitment service provider.

**Note 16. Additional Funds.** The range in the chart reflects the amount of additional working capital you will need during the first three months of operation to pay other expenses including, among other things, royalty fees, technology/software fees, payroll, rent, workers' comp insurance, payroll taxes, policies and procedures, employee handbooks, client handbooks and the iPad Security Fee and iPad Programming Fees. The additional funds that we estimate that you will need may vary considerably based upon on a variety of factors, including the number of employees/personnel hired and the salary and benefits paid to employees/personnel. These estimates are based on our affiliate's and franchisee's experience in operating a substantially similar business. There may be other costs and expenses that are required to fund accounts receivable as you grow. In addition, additional funds may be used for additional staff, or to use other marketing techniques that are more comprehensive or aggressive than we require.

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**B. ESTIMATED INITIAL INVESTMENT<sup>1</sup> – DEVELOPMENT AGREEMENT (3-Pack)**

<b>Type of Expenditure</b>	<b>Offering</b>	<b>Amount</b>	<b>Method of Payment</b>	<b>When Due</b>	<b>To Whom Payment is to Be Made</b>
<b>Initial Development Fee<sup>2</sup></b>	<b>3-Pack</b>	<b>\$128,500</b>	Lump Sum	Upon Execution of Development Agreement	Franchisor
<b>Initial Investment to Open Initial One You Love Homecare Business<sup>3</sup></b>		<b>\$45,900 to \$111,300</b>	See Chart A of this Item 7.		
<b>Total</b>	<b>3-Pack</b>	<b>\$174,400 to \$239,800</b>	This is the total estimated initial investment to enter into a Development Agreement for the right to develop a total of three (3) One You Love Homecare businesses, as well as the costs to open and commence operating your initial One You Love Homecare business for the first three (3) months (as described more fully in Chart A of this Item 7).		

**Explanatory Notes**

1. General Note. All fees and payments are non-refundable, unless otherwise stated or permitted by the payee. This Chart details the estimated initial investment associated with executing a Development Agreement for the right to own and operate three (3) One You Love Homecare businesses, as well as the initial investment to open your first One You Love Homecare business under your Development Schedule.
2. Development Fee. The Development Fee is described in greater detail in Item 5 of this Disclosure Document, and the Development Fee is for the right to open and operate a total of three (3) One You Love Homecare businesses (provided you comply with your development obligations under the Development Agreement). If you choose to open more than three (3) One You Love Homecare businesses, your Development Fee will be calculated as follows: \$49,500 for the first One You Love Homecare business and \$39,500 for each additional One You Love Homecare business.
3. Initial Investment to Open Initial One You Love Homecare Business. This figure represents the total estimated initial investment required to open the initial One You Love Homecare business you agreed to develop under the Development Agreement. You will be required to enter into our then-current form of franchise agreement for the initial One You Love Homecare you develop under the Development Agreement, once you have found a premises that we have the right to approve. The range includes all the items outlined in Chart 7(A) of this Item, except for the Initial Franchise Fee (because you are not required to pay any Initial Franchise Fee for those businesses you develop under the Development Agreement). It does not include any of the costs you will incur in opening any additional businesses that you are granted the right to develop under your Development Agreement.

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

Your grant of a Franchised Business does not include: (i) any right to offer any services via e-commerce; (ii) any right to establish an independent website or to establish a URL incorporating the Proprietary Marks or any variation thereof; or (iii) any right to distribute, market, or implement our services in any channel of distribution not specifically identified in the Franchise Agreement, unless otherwise approved in writing by us.

**Approved Products, Services, and Suppliers**

You must operate your Franchised Business in strict conformance with our methods, standards, and specifications which we prescribe in our confidential Operating Manual and various other confidential manuals and writings, prepared for use by you in operating a Franchised Business (collectively the “Operations Manual”), and which we may change at our sole discretion. The Operations Manual covers many aspects of your Franchised Business’ operations, such as processes and procedures for the provision of the Approved Services and techniques for developing a client base. You must offer services and products in the manner we prescribe and authorize, provide quality customer service, and otherwise operate the Franchised Business in such a manner that will serve to emulate and enhance the image intended by us for the System.

You may only offer approved services and products (“Approved Services and Products”) through your Franchised Business and no other products and services. All Approved Services and Products must meet our standards and specifications. In order to: (i) better assure the quality of the Approved Services and Products; (ii) assure the supply or quality of the Approved Services and Products; and/or (iii) enable us, in our sole discretion to take advantage of marketplace efficiencies, we have the right to require you to purchase certain Approved Services and Products only from us or other suppliers or distributors approved or designated by us. We may also develop certain Proprietary Products which you must purchase from us and offer for sale through your One You Love Homecare Business. If you decide to offer products or services other than those that we have authorized in connection with operating your One You Love Homecare Business, you must obtain our prior written consent. Presently, neither we nor our officers have an ownership interest in any approved or designated supplier. Additionally, neither we nor our Affiliate is currently the only supplier of any Approved Products, nor are we or our Affiliate the approved supplier of any products, goods, or services.

We currently have Approved Suppliers and specifications for: (i) our POS System and software; (ii) uniforms; (iii) items bearing our Marks; (iv) marketing; (v) payroll; (vi) insurance; (vii) answering service; (viii) advertising/promotional items; (ix) technology/software; (x) policies and procedures, employee handbooks and client handbooks; (xi) iPad security software; and (xii) iPad programming.

We reserve the right to formulate and modify our standards and specifications for operating a One You Love Homecare Business based upon the collective experience of our affiliates and principals. Our standards and specifications are described in the Franchise Agreement, the Operations Manual, and other written documents. We may provide our standards and specifications to you or directly to our approved suppliers. We have the right, under the Franchise Agreement, to change the standards and specifications applicable to the operation of the franchise, including standards and specifications for products, signs, furnishings, supplies, fixtures, inventory and equipment by written notice to you or through changes in the Operations Manual. You may incur an increased cost to comply with these changes at your own expense; however, no change will materially alter your fundamental rights under the Franchise Agreement you may sign. We will notify you of any change to our standards and specifications by way of amendments to the on-line Operations Manual. These updates will be delivered electronically.

We reserve the right to derive revenue from your required purchases from approved suppliers. We estimate that your required purchases will account for approximately 8% to 12% of all purchases and leases necessary to open your One You Love Homecare Business and approximately 5% to 10% of your annual costs to operate your One You Love Homecare Business thereafter. As of our fiscal year ended December 31, 2023, we derived \$363 from required franchisee purchases or leases, or .09% of our total revenue of \$422,861. We currently receive a rebate of 5% for the first year from our billing provider.

In the event you wish to purchase any approved item from an unapproved supplier, you must provide us with the name, address and telephone number of the proposed supplier, a description of the item you wish to purchase, and purchase price of the item, if known. At our request, you must provide us, for testing purposes, with a sample of the item you wish to purchase. If we incur any costs in connection with testing a particular product or evaluating an unapproved supplier at your request, you or the supplier must reimburse our reasonable testing costs, regardless of whether we subsequently approve the item or supplier, in addition to a \$500 fee, which will be refunded to you in the event we approve the item for use by the entire System. We will notify you of approval or disapproval within 30 days of receiving all requested information. Nothing in the foregoing will be construed to require us to approve any particular supplier. We may base our approval of any such proposed item or supplier on considerations relating not only directly to the item or the supplier but also indirectly to the uniformity, efficiency, and quality of operation we deem necessary or desirable in our System as a whole. Our criteria for approving suppliers are not available to franchisees.

We have the right to receive payments from suppliers on account of their dealings with you and other franchisees and to use all amounts we receive without restriction (unless instructed otherwise by the supplier) for any purposes we deem appropriate. We will not approve an unreasonable number of suppliers for a given item, which approval might, in our reasonable judgment, result in higher costs or prevent the effective or economical supervision of approved suppliers. We may revoke our approval of particular products or suppliers when we determine, in our sole discretion, that such products or suppliers no longer meet our standards. Upon receipt of written notice of such revocation, you must cease purchasing products from such suppliers. You must use products purchased from approved suppliers solely in connection with the operation of your One You Love Homecare Business and not for any competitive business purpose. We have negotiated purchase arrangements with suppliers of required goods and services for your benefit. You do not receive any other material benefits in the form of renewal rights or rights to additional territories from your use of our designated and approved suppliers. There are currently no purchasing or distribution cooperatives in existence for the System.

### Marketing

You must use marketing material prepared and made available by us or we reserve the right to approve or reject the use of any material that you create. All marketing material created by Franchisee must be submitted to Franchisor for review within 15 days before its first use.

### Insurance

You are required to obtain and maintain insurance in the amounts we prescribe in the Operations Manual, or otherwise in writing. Our present minimum insurance requirements are:

- Commercial Property
  - \$5,000 minimum for Business Personal Property (BPP)
- Crime Fidelity-Employee Dishonesty (Must include 1<sup>st</sup> and 3<sup>rd</sup> party crime)
  - \$25,000 for first party, \$25,000 for 3<sup>rd</sup> party
- General Liability (\$1,000,000 per occurrence and \$3,000,000 aggregate)

- Products/Completed Operations (\$3,000,000 aggregate)
- Personal & Advertising Injury (\$1,000,000 per occurrence and \$3,000,000 aggregate)
- Fire Damage (Legal Liability) (\$100,000 per occurrence)
- Professional Liability (PL)
  - \$1,000,000 per occurrence and \$3,000,000 aggregate
- Sexual Abuse & Misconduct
  - \$250,000 per occurrence
- Commercial Auto Liability (Must Include Hired/Non Owned Auto)
  - \$1,000,000 per accident
- Workers' Compensation / Employers Liability
  - Must meet state requirements
- Umbrella Coverage (GL, PL, AL, and EL)
  - \$1,000,000 minimum
- Employment Practices Liability
  - \$1,000,000 minimum (submit minimum of \$100,000 for Wage & Hour Claims)
- Cyber Liability (must include Security and Privacy Liability, Regulatory Defense, Breach Response Costs and Cyber Extortion/Cyber Terrorism)
  - \$1,000,000 minimum

You are free to add optional coverage, or exceed any limits as described above. If your lease or other contract requires higher limits, the lease or contract will control, but limits can never be lower than those listed above.

If automobiles are used for business purposes or to assist clients, you will ensure all of your employees/personnel maintain valid driver's licenses and any vehicle used will have auto insurance in force with liability coverage as we prescribe in writing or otherwise in our Operations Manuals. You will agree to carry such insurance as may be required by any lender or equipment lessor that you select, and such worker's compensation insurance as may be required by applicable law. You must add us to all insurance contracts as an additional insured under the insurance policies, the cost of which is to be paid by you. All insurance policies must contain a waiver of subrogation in our favor. We have the right to change the amounts and types of insurance required at our sole discretion. You must provide us with a copy of the insurance policy each year.

### Computer Hardware and Software

You must use all computer hardware and software we designate for use by System Franchisees. All One You Love Homecare franchisees must use the required billing/scheduling software as well as our software One You Love Mobile and purchase, lease or license the required supporting hardware and software to operate their Businesses from us or our approved vendors, including leasing an iPad (or another approved or designated tablet device) for each client. Our then-current web based scheduling software will provide case management functions to track case activities and allow employees/personnel to report their time and receive remuneration, as well as the ability to bill clients and share client data with family members. It is your responsibility to ensure that any information and data that you share complies with federal, state and local laws.

### Leases and Leasehold Improvements

We presently allow System franchisees to begin operating their Franchised Businesses from a home office, provided that the laws and regulations applicable to your Business allow you to do so. At the earlier of (a) 30 days from when you receive your license (if required), or (b) 30 days from the execution of the

Franchise Agreement (if a license is not required), you will be required to secure commercial office space for the operation of the Franchised Business. We have the right to review, evaluate and approve your site and proposed lease for the commercial office space (“Lease”) prior to execution, which will not be unreasonably withheld. Neither our review of the Lease, nor our acceptance of the site you selected, constitutes a representation or guarantee that you will succeed at the selected site or an expression of our opinion regarding the terms of the Lease. We encourage you to seek independent counsel from a lawyer or business adviser to assist you in selecting commercial office space and negotiating a lease. See Items 7 and 11 for more information regarding our site requirements and assistance.

**Maintenance and Remodeling**

You must maintain, repair, refinish, repaint, and replace furniture, fixtures, equipment, displays, signs, decor, and any other tangible part or property of the Franchised Business to ensure that the Franchised Business operates in an efficient manner pursuant to our current standards and specifications and brand image. In addition, we may require you to remodel your Franchised Business at our discretion, which shall not be more than once every five (5) years.

**ITEM 9  
FRANCHISEE'S OBLIGATIONS**

**The table on the following pages lists your principal obligations under the Franchise Agreement. It will help you to find more detailed information about your obligations in these agreements and other items of this Disclosure Document.**

<b>Obligation</b>	<b>Section in Franchise Agreement</b>	<b>Section in Development Agreement</b>	<b>Disclosure Document Item</b>
a. Site selection and acquisition/lease	1.2 and 7.1	Section 1 and Exhibit A	Items 7, 11 and 12
b. Pre-opening purchases/ leases	7.4, 7.8 and 12.4	Nothing Additional (see Franchise Agreements signed)	Items 7 and 8
c. Site development and other pre-opening requirements	7.1 and 7.1.1	Sections 1, 5 and Exhibit A of the Development Agreement	Items 6, 7, 8 and 11
d. Initial and ongoing training	7.2 and 8	Nothing Additional (see Franchise Agreements signed)	Item 11
e. Opening	7.3	Nothing Additional (see Franchise Agreements signed)	Item 11

<b>Obligation</b>	<b>Section in Franchise Agreement</b>	<b>Section in Development Agreement</b>	<b>Disclosure Document Item</b>
f. Fees	3, 12.5 and 12.7	Section 2	Items 5, 6 and 7
g. Compliance with standards and policies/ operations manual	6.1, 7.5 and 7.6.4	Nothing Additional (see Franchise Agreements signed)	Item 8 and 11
h. Trademarks and proprietary information	4 and 5	Nothing Additional (see Franchise Agreements signed)	Items 13 and 14
i. Restrictions on products/ services offered	7.4 and 7.5	Nothing Additional (see Franchise Agreements signed)	Item 8, 12 and 16
j. Warranty and customer service requirements	7.6.3	Nothing Additional (see Franchise Agreements signed)	Item 15
k. Territorial development and sales quotas	1.6, 7.11	Section 1 and Exhibit A of the Development Agreement	Items 12 and 17
l. Ongoing product/ service purchases	7.4 and 7.5	Nothing Additional (see Franchise Agreements signed)	Item 8 and 11
m. Maintenance, appearance and remodeling requirements	2.2.3, 6.2, 7.1 and 7.18	Nothing Additional (see Franchise Agreements signed)	Item 6, 8 and 11
n. Insurance	9	Nothing Additional (see Franchise Agreements signed)	Items 6 and 8
o. Advertising	12	Nothing Additional (see Franchise Agreements signed)	Items 6 and 11
p. Indemnification	13.2	Nothing Additional (see Franchise Agreements signed)	Item 6
q. Owners participation/ management/staffing	7.6.3, 7.6.4, 7.6.5 and 7.11	Nothing Additional (see Franchise Agreements signed)	Items 11 and 15

Obligation	Section in Franchise Agreement	Section in Development Agreement	Disclosure Document Item
r. Records and reports	10 and 11	Nothing Additional (see Franchise Agreements signed)	Item 6
s. Inspections and audits	7.7, 11 and 16.1.9	Nothing Additional (see Franchise Agreements signed)	Items 6 and 11
t. Transfer	14	Section 8	Item 17
u. Renewal	2.2	Nothing Additional (see Franchise Agreements signed)	Item 17
v. Post term obligations	16, 17.2	Nothing Additional (see Franchise Agreements signed)	Item 17
w. Noncompetition covenant	17	Nothing Additional (see Franchise Agreements signed)	Item 17
x. Dispute resolution	18	Sections 11 through 15	Item 17
y. Guarantee of franchisee obligations	1.7	Nothing Additional (see Franchise Agreements signed)	Item 1

**ITEM 10**  
**FINANCING**

We do not offer direct or indirect financing. We will 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.**

Pre-Opening Obligations.

Before you open the One You Love Homecare Business, we will perform the following:

1. Upon request, we will allow you to have access to our proprietary and confidential Operations Manual, which we may amend periodically. (Section 6.1 of the Franchise Agreement). The Table of Contents of the Operations Manual is included as Exhibit C to this Disclosure Document. The Operations Manual is presently 67 pages long and is subject to ongoing modifications and changes as we make changes to our procedures. You must operate the Franchised Business in accordance with all applicable federal, state, and local laws, regulations, and ordinances, and must obtain our written consent before deviating from any of our standards and specifications to comply with any law or regulation, which approval we will not unreasonably withhold. We reserve the right to disclose updates to the Operations Manual in writing in any manner, including electronic means such as e-mail, our website, and any intranet

or extranet that we establish in connection with the System.

2. We will provide specifications and requirements for computer hardware, software and other equipment necessary to operate your One You Love Homecare Business. (Section 6.2 of the Franchise Agreement).

3. Once you have selected a site, we may review and approve it as the premises for your Franchised Business. We will provide specifications for the layout of your Franchised Business and may require you to use architects we specify in connection with the buildout of your Business. We do not typically own the site/premises that you will be required to lease.

4. We will provide specifications for and designate sources of supply from which you agree to purchase inventory, goods and supplies necessary for the startup and ongoing operations of the Franchised Business, including stationary, client questionnaires, uniforms, and other forms. (Section 6.3 of the Franchise Agreement).

5. We will provide you (or your General Manager, if applicable) and two additional attendees with our initial training program. (Sections 8.1 and 8.2 of the Franchise Agreement). Prior to opening, you must complete initial training to our satisfaction. If you are a partnership, corporation or limited liability company, at least one of the trainees for the Initial Training Program must be your general partner, principal shareholder, or manager as appropriate (or your designated General Manager, if applicable). (Section 8.2 of the Franchise Agreement). You will be responsible for the cost of both your and your personnel/employees' salaries, lodging, meal, and travel costs. The Initial Training Program will last up to 5 days (approximately 43.5 hours), and involves classroom and practical experience, as detailed in the training charts below. We reserve the right to (i) offer any portion of the Initial Training Program via remote learning or on-the-job training, (ii) increase or decrease the number of days or hours for training depending upon the experience and abilities of any attendee in training, and (iii) change the dates of training from those that have been previously approved.

#### INITIAL TRAINING PROGRAM

Subject	Hours Classroom Training	Hours On-The-Job Training	Location
Welcome Introductions, Brand and Client Overview, Our Service Model and History	1.5	0	Our Headquarters or other location designated by us and/or internet-based program
Components of Your Organization, Owners Role and Roadmap to Success	1	0	Our Headquarters or other location designated by us and/or internet-based program
Brand Establishment and Client Relations	2	0	Our Headquarters or other location designated by us and/or internet-based program
Finance and Operations	6	0	Our Headquarters or other location designated by us and/or internet-based program
Human Resources: Recruitment and Training	2	0	Our Headquarters or other location designated by us and/or internet-based program

<b>Subject</b>	<b>Hours Classroom Training</b>	<b>Hours On-The-Job Training</b>	<b>Location</b>
Technology Components	1	0	Our Headquarters or other location designated by us and/or internet-based program
Introduction Demonstration of CRM	1	0	Our Headquarters or other location designated by us and/or internet-based program
Payroll/Human Resources/Workers Compensation: Vendor Presentation	1	0	Our Headquarters or other location designated by us and/or internet-based program
Risk Mitigation; General and Professional Liability and Workers Compensation Insurance: Vendor Presentation	1.5	0	Our Headquarters or other location designated by us and/or internet-based program
CRM Tool Training	2-hour introduction call; 18.5* hours (internet based)  *Self-paced approximate training hours through our third-party vendor	0	Our Headquarters or other location designated by us and/or internet-based program
Sales Training: Marketing, Advertising, and Networking for our Services (2-hours pre-requisite)	6	0	Our Headquarters or other location designated by us and/or internet-based program
<b>HOURS</b>	<b>43.5</b>	<b>0</b>	
<b>TOTAL HOURS</b>	<b>43.5</b>		

All training is supervised by David Giacobbo, our CEO, who has over 30 years of experience in the subjects being taught and has been our CEO since our inception. David may utilize the services of our employees/personnel or professional trainers to conduct various aspects of training. The Operations Manual is the principal instructional material. The Initial Training Program is currently conducted on an as-needed basis. The following individuals may assist David Giacobbo in conducting the Initial Training Program: (i) Tammy Taylor, who has been with us since 2020 and has 10 years of experience in the subjects being taught, (ii) Kendra Rold, who has been with us since 2020 and has 11 years of experience in the subjects being taught, and (iii) Kerry Smith, who has been with us since 2021 and has 11 years of experience in the subjects being taught.

Failure to complete the Initial Training Program to our satisfaction within the applicable time period may result in termination of the Franchise Agreement. (Section 8.2 of the Franchise Agreement). Our initial training program is offered tuition free to you or your General Manager and two additional employees/personnel. Any additional personnel may be trained by us at our then-current fee for providing such initial training, which is presently \$500 per person. (Section 8.3 of the Franchise Agreement). You

are responsible for you and your personnel/employees' costs to attend our Initial Training Program, including travel costs, room and board expenses, and personnel/employees' salaries. (Section 8.2 of the Franchise Agreement). All training will occur at Company's headquarters in Philadelphia, PA, at your Approved Location, or any other location we may designate (including remote training). You must complete the initial training program to our satisfaction prior to opening. (Section 8.2 of the Franchise Agreement). We reserve the right to require additional training prior to allowing you to open your Franchised Business in our sole discretion.

You are responsible for ensuring that your other personnel are properly trained, and we will not assist you in hiring any employee/personnel. Only our approved training materials may be used by you in training your personnel. Updated training materials will be provided to you by us as they are developed. (Section 8.3 of the Franchise Agreement). All training materials provided to you by us, will at all times remain our property, and you agree not to challenge our or our affiliates' title or rights in or to the training materials. You may not make any disclosure, duplication, or other unauthorized use of any portion of the training materials.

To assist you in the operation of your Franchised Business, we may offer additional training programs and/or refresher courses to you, your manager and/or your employees/personnel. We may provide such assistance, at our discretion, by telephone, intranet communication, web portals, e-Learning systems or on-site visits. We may also require your attendance at these programs and/or courses, as well as to our annual meetings. You are responsible for the expenses of you, your manager and your employees/personnel, including transportation to and from the training site and lodging, meals, and salaries during such training. The additional training programs and refresher courses will be held at our then-current tuition for such training, which is presently \$500 per person. (Section 8.3 of the Franchise Agreement).

Your Franchise Agreement requires you to achieve certain minimum levels of Gross Sales in your Territory once you have operated in your Territory for one year. You must achieve at least \$10,000 per Territory per month once your Franchised Business has been open for one year (the "Minimum Performance Level"). If you fail to achieve at least \$10,000 in Gross Sales per month in any two-month period, then we can require you to attend additional training at our then-current tuition for such training, which is presently \$500 per person. (Section 8.3.1 of the Franchise Agreement).

### Site Selection

We will identify a Designated Territory wherein you must locate your new Franchised Business at the time you enter into a Franchise Agreement with us. The office for the Franchised Business must be located within the Designated Territory. Under each franchise agreement that you enter into pursuant to the development agreement, we will approve the location of each Franchised Business and the then-current standards for locations and territories will apply. Our standards currently include but are not limited to the following: (a) demographic characteristic; (b) traffic patterns; (c) allowed design and building, parking, visibility, allowed signage, and the character of the neighborhood surrounding the proposed site; (d) competition from other businesses selling similar services, (e) zoning restrictions; and (f) the size, appearance, and other physical characteristics of the proposed site.

You are required to operate your One You Love Homecare Business from commercial office space. You must obtain commercial office space that is acceptable to us and our approval of which will not be unreasonably withheld. Our standard offering assumes that you will leased shared commercial office space. We may condition our approval of the commercial office space of you and your landlord's execution of the Consent and Agreement of Landlord and Collateral Assignment attached to the Franchise Agreement as Exhibit E (Sections 1.2 and 7.1 of the Franchise Agreement). There is no contractual limit on the time it takes us to approve or disapprove your proposed site or lease, but it will typically take us around 30 days

from the time that we have all of the necessary documentation for review. If you fail to identify an acceptable site within the required time to open the Franchised Business, or if we are unable to agree on a site, we may terminate your Franchise Agreement.

### Time to Open

We estimate that it will take approximately two (2) to nine (9) months from signing the Franchise Agreement for you to open your One You Love Homecare Business. The actual length of this period will depend upon factors such as: (i) the amount of time it takes for you to secure a Premises for the Business; (ii) whether you can acquire acceptable financing arrangements; (iii) whether you secure all necessary licenses and permits with applicable regulatory agencies; and (iv) our training schedules. You are required to submit all applications to obtain necessary licensing to conduct a One You Love Homecare Business in your locale (city, county, or township) within 10 days following your execution of the Franchise Agreement. You are required to submit all applications to obtain state licensing within 30 days after you execute the Franchise Agreement. You will need to use your best efforts to pursue the licenses necessary to operate the Franchised Business and advance such application. You are required to provide us with an update every 30 days regarding the status of your application and licensure. You will need to secure a Premises for your Franchised Business and open at the later of (a) 30 days from when you receive your license (if required), or (b) 30 days from the execution of the Franchise Agreement (if a license is not required). (Section 7.3 of the Franchise Agreement). If the Franchised Business has not been opened within 9 months of signing the Franchise Agreement, we may, at our sole discretion, elect to terminate your Franchise Agreement and retain the full franchise fee. (Sections 7.3 and 15.3.4 of the Franchise Agreement, and the Site Selection Addendum to the Franchise Agreement).

### Post-Opening Assistance.

1. We will provide you with continuing consultation and advice as we deem necessary and appropriate regarding the management and operation of the Franchised Business. We will provide such assistance, in our discretion, by telephone, intranet communication e-Learning systems and on-site visits. (Section 6.5 of the Franchise Agreement).

2. We will administer the Brand Development Fund. (Section 12.5 of the Franchise Agreement).

3. We may provide National Account Sales Services for the benefit of System franchisees. (Section 1.5 of the Franchise Agreement).

4. We may, in our discretion, hold an annual conference, regional conferences or additional training at locations to be selected by us. (Section 6.7 of the Franchise Agreement). We will determine the topics and agenda for such conferences and training to serve the purpose, among other things, of updating Franchisees on new developments affecting Franchisees, exchanging information between Franchisees and our personnel regarding One You Love Homecare Business operations and programs, and recognizing Franchisees for their achievements. We require you to attend the annual conference, regional conferences or training and to pay our then-current registration fee (which is currently \$1,000), even if you fail to attend the conference. You will be required to pay for the conference each year at least 60 days prior to the conference date. If you fail to attend the annual conference, the cost of the ticket will not be refunded to you. All expenses, including you and your personnel/employees' transportation, lodging, meals, and salaries are your sole responsibility. We may use contributions from the Brand Development Fund for purposes related to the annual conference, regional conferences, or other training, including costs related to productions, programs, and materials. (Section 6.7 of the Franchise Agreement).

5. We may provide you with assistance in establishing prices for the products and services offered through your Franchised Business.

6. We have established and maintain a toll-free telephone number for the purpose of accepting and confirming client inquiries nationwide, customer service, and client follow-up and satisfaction surveys. You must comply with our procedures for implementing the nationwide service as we specify in the Operations Manual or otherwise in writing, and you may have to pay a fee related to the establishment, operation and maintenance of the toll-free telephone number. Currently, the cost of this service is included in your Technology Fee, but we reserve the right to charge a fee in connection with the toll-free telephone number separately. (Section 6.6 of the Franchise Agreement).

7. We have created and continue to develop and create additional products and services to be offered by franchisees in operating their Franchised Businesses, including proprietary products and services sold under the trademarks we designate (“Proprietary Products and Services”). You must sell all Proprietary Products and Services we designate for use in connection with the System at your Franchised Business.

8. We may, in our sole discretion, hold refresher and ongoing training courses, or training courses upon a significant change to the Franchise System. We may require you and your employees/personnel to attend such training at its then-current fee for providing such training. All expenses, including your and your personnel/employees’ transportation, meal, and lodging expenses to attend such training shall be your sole responsibility. This will not exceed \$2,000.00 per year. (Section 6.8 of the Franchise Agreement).

## Marketing

### *Brand Development Fund*

We have established a brand development fund (the “Fund”) for the common benefit of the System. You must participate in and contribute the greater of (i) 1% of your Gross Sales, or (ii) the minimum Brand Fund Contribution of \$125 on a biweekly basis (\$250 total per month) to the Fund in the manner we prescribe. We reserve the right to increase this amount to 2% of your Gross Sales upon notice to you (Section 12.5 of the Franchise Agreement). Some franchisees are required to contribute to the Fund at a different rate.

We have the right to use the Fund contributions, in our sole discretion, to develop, produce, and distribute national, regional and/or local marketing and to create marketing materials and programs as well as public relations which promote, in our sole judgment, the services offered by System franchisees. (Section 12.5.1 of the Franchise Agreement). We may use the Fund to pay for One You Love Homecare Kickstart and One You Love 365 Marketing. We may use the Fund to satisfy any and all costs of maintaining, administering, directing, preparing, and producing marketing programs, including: (a) the cost of preparing and producing television, radio, magazine, and newspaper marketing campaigns; (b) the cost of direct mail; (c) the cost of public relations activities and advertising agencies; (d) the cost of developing and maintaining an Internet website; and (e) personnel and other departmental costs for any marketing activities that we internally administer or prepare. Nevertheless, not all System franchisees will benefit directly or on a pro rata basis from such expenditures. (Section 12.5.1 of the Franchise Agreement). While we do not anticipate that any part of Fund contributions will be used for marketing which is principally a solicitation for franchisees, we reserve the right to use the Fund for public relations or recognition of our brand, for the creation and maintenance of a website, a portion of which can be used to explain the franchise offering and solicit potential franchisees, and to include a notation in any advertisement indicating “Franchises Available.” (Section 12.5.1 of the Franchise Agreement).

We may use the Fund contributions to develop and prepare marketing materials which we will distribute to System Franchisees for their use in their local marketing efforts. (Section 12.5.1 of the Franchise Agreement). The marketing materials will be prepared by us and by outside sources. If we do not spend all fund contributions by the end of each fiscal year, the funds will be carried forward into the next fiscal year. You must contribute to the Fund regardless of whether other System franchisees are required to contribute to the Fund at different rates. Company and/or affiliate-owned outlets are not required to but may contribute to the Fund.

We have the sole right to determine how to spend contributions to the Fund, or any funds from any other marketing program, and the sole authority to determine the selection of the marketing materials and programs; provided, however, that we will make a good faith effort to expend such funds in the general best interests of the System on a national or regional basis. We are not required, under the Franchise Agreement, to spend any amount of the Fund contributions in your Territory and not all System Franchisees will benefit directly or on a pro rata basis from our expenditures. We have the right to reimbursement from the Fund contributions for reasonable costs and overhead, if any, as we may incur in activities which are reasonably related to directing and implementing the Fund and marketing programs for franchisees and the System, including costs of personnel for creating and implementing advertising, promotional and marketing programs. (Section 12.5.1 of the Franchise Agreement). There is no requirement that the Fund be audited. Upon your written request, we will provide you with an unaudited accounting of Fund expenditures. Depending on the year a franchisee executed their franchise agreement with us, they may be required to contribute a different amount to the Brand Fund.

The Brand Fund ran at a deficit during the 2023 calendar year. We spent the Brand Fund Contributions as follows: (i) Hot Dish Advertising 69.7 (ii) Mankind Productions (15.5%) (iii) RDK Interactive (9.2%) (iv) Consumer fusion (3.4%); (v) Advertising Campaign (2.2%). The Brand Fund was not used to principally solicit the sale of franchises in 2023.

We have the right to require that a marketing cooperative and/or franchisee advisory council be formed, changed, dissolved, or merged. (Section 12.5 of the Franchise Agreement). Other than operating the Fund, we are not required to spend any amount on marketing in your area or territory.

#### *Local Marketing Requirement*

You must spend the then-current amount that we designate each month on local marketing and advertisements (the "Local Marketing Requirement"). The Local Marketing Requirement is currently \$1,000 per month. The Local Marketing Requirement must be spent in the manner we prescribe in the Operations Manual or otherwise in writing, which may include, without limitation, requirements that you place a certain number and/or type(s) of media advertisements, or the medium in which you place the advertisements. You must use any required advertising materials we generate in connection with local advertising; or, should you decide to use materials created by persons other than us, those materials must be approved by us prior to their placement. All marketing must be in accordance with our standards and specifications.

You acknowledge and agree that your local marketing obligation must be expended regardless of the amount(s) spent by other System franchisees on local marketing. We may require you to submit to us an annual plan for your local marketing expenditures. We may require you to send us proof of these expenditures within fifteen (15) days of the end of each month. You must use any required local advertising materials designated by us. All advertising must prominently display the Proprietary Marks and comply with any standards for use of the Proprietary Marks that we may establish from time to time. We may require you to discontinue use of any advertising or marketing materials at any time at your expense.

### *Grand Opening Advertising*

In addition to your Local Marketing Requirement above, during the period beginning 60 days prior to opening and ending 90 days following opening, you must spend a minimum of \$1,000 on your Grand Opening Advertising. You may choose to spend more. We may provide you with guidance with respect to conducting your grand opening advertising, as we deem appropriate in our discretion, and we will review and approve the materials you use in your grand opening advertising.

### *Regional Marketing Cooperative*

There are currently no regional cooperatives in existence in our System. However, we will have the right, in our discretion, to designate any geographical area for purposes of establishing a regional marketing and promotional cooperative (“Cooperative”), and to determine whether a Cooperative is applicable to your Franchised Business. (Section 12.6 of the Franchise Agreement). If a Cooperative has been established applicable to the Franchised Business at the time you begin operating under the Franchise Agreement, you must immediately become a member of such Cooperative. Any contribution made towards a Cooperative will be credited against your Local Marketing Requirement. If a Cooperative applicable to the Franchised Business is established at any later time during the term of the Franchise Agreement, you must become a member of such Cooperative no later than 30 days after the date on which the Cooperative begins operation. If the Franchised Business is within the territory of more than one Cooperative, you are required to be a member of only one such Cooperative. (Section 12.6 of the Franchise Agreement). Each Cooperative will be organized and governed in a form and manner, and will commence operation on a date, approved in advance by us. (Section 12.6.1 of the Franchise Agreement).

Each Cooperative will be organized for the exclusive purpose of administering regional marketing programs and developing, subject to our approval, standardized marketing materials for use by the members of the Cooperative. (Section 12.6.2 of the Franchise Agreement). No promotional or marketing plans or materials may be used by a Cooperative or furnished to its members without our prior approval. All such plans and materials will be submitted to us in accordance with the procedure set forth in Section 12.1 of the Franchise Agreement. (Section 12.6.3 of the Franchise Agreement). Each Cooperative will have the right to require its members to make contributions to the Cooperative in such amounts as are determined by the Cooperative; provided, however, that you will not be required to contribute to any Cooperative in excess of your Local Marketing Requirement (\$500 per month). (Section 12.6.4 of the Franchise Agreement). Any affiliate-owned or franchisor-owned outlets in a Cooperative will have the same voting power as the member franchisees. Each member franchisee must submit to the Cooperative, no later than the 15<sup>th</sup> of each month, for the preceding month, its respective contribution as provided in the Franchise Agreement together with such other statements or reports as we may require or as may be required by the Cooperative with our approval. (Section 12.6.5 of the Franchise Agreement). We may grant to any franchisee, in our sole discretion, an exemption for any length of time from the requirement of membership in a Cooperative, upon written request of such franchisee stating reasons supporting such exemption. Our decision concerning such request for exemption will be final. (Section 12.6.6 of the Franchise Agreement).

### Computer System

You will purchase and/or lease and use any and all computer software programs (“Software”) which we have developed or may develop and/or designate for use for the System, and will purchase or lease such computer hardware as may be necessary for the efficient operation of the Software.

Presently, our hardware and software requirements include a desktop or laptop computer access to high speed Internet, our required billing/scheduling Software as well as One You Love Mobile, and

Quickbooks. Each client must be provided with a tablet device we designate or approve. You also need a multi-function color printer that prints, copies, scans and faxes.

We have the right to require you to update or upgrade computer hardware components and/or Software as we deem necessary, but not more than two times per calendar year, at your cost. In addition, we have the right to require you to enter into a separate maintenance agreement for such computer hardware and/or software. We also require you to install or subscribe to a “systems backup solution” which backs up critical data stored in your computer system using an off-premises storage location. Notwithstanding the fact that you must buy or lease, use and maintain the computer hardware and software under our standards and specifications as set forth in the Operations Manual or otherwise in writing, you will have the sole and complete responsibility for: (i) the acquisition, operation, maintenance and upgrading of the computer hardware and software; and (ii) any and all consequences that may arise if the computer hardware or Software is not properly operated, maintained and upgraded. (Section 7.8 of the Franchise Agreement). We reserve the right to have independent access to any data you collect electronically, including but not limited to, customer information, sales data and financial data. You must install, at your expense, the necessary computer hardware and software to provide us with full and direct electronic access to all of your data, software systems, and related information.

The initial cost of our required computer hardware and software ranges between \$2,000 to \$5,000 and is disclosed in further detail in Item 7 of this Disclosure Document. You are currently required to pay an ongoing monthly fee to our current billing/scheduling software provider for certain home care software, and this fee covers the cost of all required maintenance, support, upgrades and updates to that system. This fee is currently \$240 per month for your first 10 clients then \$12 per active client thereafter. Each new client must also be provided with a new or refurbished current generation iPad. The current leased cost per tablet is approximately \$40 per month, which includes the lease of the iPad, AppleCare and cellular service, which may vary depending on your mobile provider. The entirety of the Software Fee is presently payable directly to our authorized vendors. You must also pay our Approved Supplier an iPad Security Fee of \$4 per month per iPad in order to provide security software for each of the iPads used in the operation of the Franchised Business. Finally, you must use our Approved Supplier to program each iPad you use in the operation of the Franchised Business. Our Approved Supplier’s current fee is \$100 per iPad.

#### Area Computer Network Business, Intranet or Extranet Participation

You are required to participate in any System-wide area computer network, intranet system or extranet system that we implement and may be required by us to use such area computer network, intranet system or extranet system to, among other things: (i) submit your reports due under the Franchise Agreement to us on-line; (ii) view portions of the Operations Manual; (iii) download approved local marketing materials; (iv) communicate with us and other System franchisees; (v) complete any initial and ongoing training; and (vi) view and retrieve standard business forms. You agree to use the facilities of any such area computer network, intranet system, or extranet system in strict compliance with the standards, protocols, and restrictions that we include in the Operations Manual, including those related to the encryption of confidential information and prohibitions against the transmission of libelous, derogatory, or defamatory statements.

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**ITEM 12**  
**TERRITORY**

Franchise Agreement

Upon the execution of the Franchise Agreement, we will assign you a protected, nonexclusive Designated Territory. The Designated Territory will be identified in the Franchise Agreement's Data Sheet. You may not solicit clients, accept business and/or advertise outside your Designated Territory or deliver any products or services to any destination outside your Designated Territory without our prior written consent. You may not use any other channels of distribution, including the internet, catalog sales, telemarketing or other direct marketing, to make sales outside of your Designated Territory. Generally, your Designated Territory will have a population of up to 50,000 adults over the age of 65, using weighted block centroid from block groups and monthly postage data updates provided from the United States Census Bureau. During the initial term of the Franchise Agreement, the boundaries of your Designated Territory will not change, even if the population within your Territory increases or decreases. In some cases, your Designated Territory may have a population of greater than 50,000 adults over the age of 65. This will be mutually agreed upon. Your initial franchise fee will increase by \$1.00 for every additional person over the age of 65 your Designated Territory has, up to an additional 10,000 people over 65.

Provided that you are actively engaged in the Business and are otherwise not in default of the Franchise Agreement, we will not establish and operate, nor license any party other than you to establish and operate, any One You Love Homecare Business under the System and the Proprietary Marks within your Designated Territory. However, you understand that the Designated Territory is non-exclusive and may, therefore, be shared with other One You Love Homecare Businesses. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we control.

You will operate the Franchised Business from a location ("Approved Location") which will be identified on the Data Sheet of the Franchise Agreement. You must secure commercial office space for the operation of the Franchised Business within the latter of (i) 30 days of when you receive your license, or (ii) signing the franchise agreement. We have the right to review, evaluate and approve the proposed Lease for the commercial office space prior to execution, approval of which will not be unreasonably withheld. You may relocate the Franchised Business only with our prior written approval. If, for any reason, the Lease term is shorter than the term of this Agreement and the Lease cannot be renewed or extended, or you cannot continue for any other reason to occupy the Location, you must relocate the Franchised Business to a mutually acceptable site within your Designated Territory to complete the unexpired portion of the term of this Agreement. You must notify us of your intention to relocate, procure a site acceptable to us within ninety (90) days prior to closing operations at the current Approved Location, and open for business at the new Approved Location.

You expressly understand and agree that we and our affiliates shall have the right, in our sole discretion, to: (i) own and operate One You Love Homecare Businesses at any location(s) outside your Designated Territory under the same or different marks, or to license others the right to own and operate One You Love Homecare Businesses at any location(s) outside your Designated Territory under the same or different marks; (ii) to own, operate and license others to own and operate different businesses under different marks inside or outside your Designated Territory; (iii) use the Proprietary Marks and System in connection with ancillary services and products, promotional and marketing efforts without regard to location, and the operation of any businesses using the One You Love Homecare name and mark; (iv) own and operate and license others the right to own and operate businesses offering Approved Services using different proprietary marks within or outside of the Designated Territory (however, we do not currently have plans to operate or franchise a business under a different trademark that sells goods or services similar to those offered in this Disclosure Document); and (v) use the Proprietary Marks and System, and license

others to use the Proprietary Marks and System to engage in any other activities not expressly prohibited in the Agreement.

The Franchise Agreement does not grant you any option, right of first refusal, or similar rights to acquire additional franchises within the Designated Territory or otherwise.

### Development Agreement

If you are granted the right to develop multiple Businesses under our form of Development Agreement, then we will provide you with a development area (the “Development Area”) upon execution of the Development Agreement, which consists of the Designated Territories for each Business you are granted the right to develop. The size of your Development Area will vary from other System developers based on the number of Businesses we grant you the right to develop and the location and demographics of each Designated Territory within the Development Area. The boundaries of your Development Area may be described in terms of zip codes, streets, landmarks (both natural and man-made) or county lines, or otherwise delineated on a map attached to the Data Sheet in the Development Agreement.

Each Business you timely develop and commence operating under our then-current form of franchise agreement will be operated from a Premises located within the Designated Territory for that Business. Under each franchise agreement that you enter into pursuant to the Development Agreement, we will approve of the Premises of each Business and the then-current standards for locations and territories will apply.

Upon the occurrence of any one of the events described in the preceding paragraph, your territorial rights within the Development Area will terminate, except that each Business you have developed and are continuously operating as of the date of such occurrence will continue to enjoy the territorial rights within their respective Designated Territories that were granted under the Franchise Agreement that you entered into for those Businesses.

You must comply with your development obligations under the Development Agreement, including your Development Schedule, in order to maintain your exclusive rights within the Development Area and each Designated Territory. If you do not comply with your Development Schedule, we may terminate your Development Agreement and any further development rights you have under that agreement. Otherwise, we will not modify the size of your Development Area except by mutual written agreement signed by both parties.

### Alternative Services


Although we agree not to distribute your existing services within your Designated Territory, certain other products or services from our affiliates, whether currently existing, in research and development, or developed in the future, may be distributed in your Designated Territory by us or our affiliates, or our franchisees, licensees or designees, in such manner and through such channels of distribution as we, in our sole discretion, will determine. We reserve the right, among others, to any service arrangements relating to our sale of products and services through alternative channels of distribution, including the distribution of products via the internet. The Franchise Agreement grants you no rights: (i) to distribute the services as described in this paragraph; or (ii) to share in any of the proceeds from our activities through alternate channels of distribution, regardless of whether these sales are ordered from or delivered to customers inside your Designated Territory.

National Accounts

We have the exclusive right to negotiate and enter into agreements or approve forms of agreements to provide supplemental homecare staffing services to institutional clients, including hospitals, nursing homes, governments and hospices, etc., that have office locations or clients in more than one particular franchisee’s territory, regardless of the contract amount of the services you want to perform (a “National Account”). After we sign a contract with a National Account, we may, at our option, provide you with the option to perform services for the National Account upon the contract terms we negotiate. If you refuse to offer services on such terms, we or any party we may designate will have the right to perform said services for the National Account within your Designated Territory.

**ITEM 13**  
**TRADEMARKS**

You will have the limited right to use the Proprietary Marks we designate for use in connection with the System. One You Love Homecare Franchising, LLC is the owner of the following mark, registered on the Principal Register of the United States Patent and Trademark Office (“USPTO”):

<b>MARK</b>	<b>REGISTRATION NUMBER</b>	<b>REGISTRATION DATE</b>	<b>REGISTER</b>
ONE YOU LOVE HOMECARE	5744808	May 7, 2019	Principal
	6304399	March 30, 2021	Principal
OYLH	7121383	July 25, 2023	Principal

All applicable Section 8 & 15 Affidavits and Section 9 Renewals have been filed with the United States Patent and Trademark Office for the Proprietary Marks (none, as of the Issue Date) and we will continue to do so at the proper time as required by the USPTO. There are currently no effective determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court; no pending interference, opposition or cancellation proceedings; nor any pending material litigation involving the Proprietary Marks. There are no agreements currently in effect that significantly limit our rights to use or license the use of the Proprietary Marks in any manner material to the franchise.

You must promptly notify us of any suspected unauthorized use of the Proprietary Marks, any challenge to the validity of the Proprietary Marks, or any challenge to our ownership of, our right to use and to license others to use, or your right to use, the Proprietary Marks. We have the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including the right to settle the proceedings or litigation. We have the exclusive right, but not the obligation, to affirmatively prosecute actions against third parties for infringement or threatened infringement of the Proprietary Marks.

We will defend you against any third-party claim, suit, or demand arising out of your use of the Proprietary Marks. If we, in our sole discretion, determine that you have used the Proprietary Marks in accordance with the Franchise Agreement, we will pay the cost of defending the action, including the cost of any judgment or settlement. If we, in our sole discretion, determine that you have not used the Proprietary Marks in accordance with the Franchise Agreement, you will be required to pay for the defense or to reimburse us for costs we incurred in providing the defense, including the cost of any judgment or settlement. In the event of any litigation relating to your use of the Proprietary Marks, you are required to sign all documents and assist us, as we deem necessary, to carry out the defense or prosecution including, without limitation, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of your use of the Proprietary Marks in a manner inconsistent with the terms of the Franchise Agreement, we will reimburse you for your out-of-pocket costs in performing such acts.

We are not aware of any superior prior rights or infringing uses that could materially affect your use of the Proprietary Marks in any state; however, a federal trademark registration does not necessarily protect the use of the concerned mark against a prior user in a given relevant market area. Therefore, before entering into the Franchise Agreement, you should make every effort to ascertain that there are no existing uses of the Proprietary Marks or confusingly similar marks being used in the market area where you wish to do business. You should immediately notify us of any confusingly similar marks you discover.

We are the lawful and sole owner of the domain name [www.oneyoulovehomecare.com](http://www.oneyoulovehomecare.com). You cannot register any of the Proprietary Marks now or hereafter owned by us or any abbreviation, acronym or variation of the Proprietary Marks, or any other name that could be deemed confusingly similar, as Internet domain names. We retain the sole right to advertise the System on the Internet and to create, operate, maintain and modify, or discontinue use of a website using the Licensed Marks. You may access our website. Except as we may authorize in writing in advance, however, you cannot: (i) link or frame our website; (ii) conduct any business or offer to sell or advertise any products or services on the worldwide web; or (iii) create or register any Internet domain name in connection with your franchise.

You may use only the Proprietary Marks which we designate and may use them only in the manner we authorize and permit. Any goodwill associated with Proprietary Marks, including any goodwill which might be deemed to have arisen through your activities, inures directly and exclusively to our benefit. You may use the Proprietary Marks only for the operation of the Franchised Business and only at the Approved Location or in marketing for the Franchised Business. You will use all Proprietary Marks without prefix or suffix and in conjunction with the symbols “SM,” “TM,” “S,” or “R” as applicable. You may not use the Proprietary Marks in connection with the offer or sale of any services or products which we have not authorized for use in connection with the System. You may not use the Proprietary Marks as part of your corporate or other legal name. We must approve your corporate name and all fictitious names under which you propose to do business in writing before use. You must use your corporate or limited liability company name followed by the phrase “an independently owned and operated One You Love Homecare business.” You must promptly register at the office of the county in which your Franchised Business is located, or such other public office as provided for by the laws of the state in which your Franchised Business is located, as doing business under such assumed business name.

All of your marketing materials must prominently display the Proprietary Marks and must comply with our standards for using the Proprietary Marks. All such marketing materials are subject to our prior written approval, which we will not unreasonably withhold. We reserve the right to approve all signs, stationery, business cards, forms, and other materials and supplies bearing the Proprietary Marks. You may use the Proprietary Marks including, without limitation, trade dress, color combinations, designs, symbols, and slogans, only in the manner and to the extent specifically permitted by the Franchise Agreement or by our prior written consent. You must submit to us and we must approve all advertising, publicity, signs, decorations, furnishings, equipment or other materials employing the Proprietary Marks, or related marks,

before first use. We will not unreasonably withhold our approval. You must identify yourself as the owner of the Franchised Business (in the manner we prescribe) in conjunction with any use of the Proprietary Marks including, without limitation, on invoices, order forms, receipts, and business stationery, as well as at such conspicuous locations as we may designate in writing at the Franchised Business premises.

We reserve the right to substitute different proprietary marks for use in identifying the System and the businesses operating thereunder. You must discontinue using all Proprietary Marks which we have notified you, in writing, have been modified or discontinued within 10 days of receiving written notice and must promptly begin using such additional, modified or substituted Proprietary Marks at your expense.

#### **ITEM 14** **PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

We do not own any registered patents material to the franchise. However, we own all rights and title to and claim common law copyright and trade secret protection for several aspects of the Franchise System, including the Operations Manual, advertising, and business materials, forms, processes, and methodologies, as well as material aspects of the Proprietary Software and computer hardware.

There are no current determinations, proceedings or litigation involving any of our copyrighted materials. Should you become aware that any unauthorized third party is using any of our copyrighted materials, we request that you notify us of such unauthorized use. We may revise our System and any of our copyrighted materials in our discretion and may require that you cease using any outdated copyrighted material. You will be responsible for printing any revised or new advertising, marketing, or other business materials. It is the responsibility of the Franchisee to ensure that the Operations Manual is kept up to date.

During the term of the Franchise Agreement, you will receive information which we consider trade secret and confidential information. You may not, during the term of the Franchise Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, partnership, association, corporation, or limited liability company any trade secrets, copyrighted materials, methods and other techniques and know-how concerning the operation of the Franchised Business (“Confidential Information”). Certain information regarding clients, including: (i) current client and prospective client names and addresses; (ii) information about credit extensions to clients; (iii) client service purchasing histories; (iv) rates charged to clients (subsections (i)-(iv) collectively “Client Lists”); (v) sources of suppliers; and (vi) National Account information also constitute our trade secrets and confidential information. You may divulge such Confidential Information only to your employees/personnel who must have access to it in order to perform their employment obligations. You may not divulge personal information regarding clients, except as absolutely necessary to operate your Franchised Business. You must require your manager and any personnel having access to any of our Confidential Information to sign an agreement stating that they will maintain the confidentiality of information they receive in connection with their employment, and restricting their right to work for a competitor while they are employed by you. Such agreement, which will be in a form that we prescribe and is available in the Operations Manual, will identify us as a third-party beneficiary to the agreement and will give us independent enforcement rights. You acknowledge and agree that any client lists you or we may develop for use by you in conjunction with operating your Franchised Business are our proprietary information.

The Franchise Agreement provides that if you, your employees/personnel, or principals develop any new concept, process or improvement in the operation or promotion of the Franchised Business, you will promptly notify us and provide us with all necessary related information, without compensation. Any new concept, process or improvement will become our sole property and we will be the sole owner of all patents, patent applications, trademarks, copyrights, and other intellectual property rights related to such new concepts. You and your principals will assign to us any rights you may have or acquire in new concepts

you or your employees/personnel develop, including the right to modify such concept, process, or improvement, and otherwise will waive and/or release all rights of restraint and moral rights to any new concepts you or your employees/personnel develop. You and your principals agree to assist us in obtaining and enforcing the intellectual property rights to any such concept, process, or improvement in any and all countries and further agree to execute and provide us with all necessary documentation for obtaining and enforcing such rights. You and your principals will irrevocably designate and appoint us as your agent and attorney-in-fact to execute and file any such documentation and to do all other lawful acts to further the prosecution and issuance of patents or other intellectual property rights related to any such concept, process, or improvement. In the event that such provisions of the Franchise Agreement are found to be invalid or otherwise unenforceable, you and your principals will grant to us a worldwide, perpetual, non-exclusive, fully-paid license to use and sublicense the use of the concept, process or improvement to the extent such use or sublicense would, absent the Franchise Agreement, directly or indirectly infringe on your rights to the new concepts.

**ITEM 15**  
**OBLIGATION TO PARTICIPATE IN THE**  
**ACTUAL OPERATION OF THE FRANCHISE BUSINESS**

You (or at least one of your principals if you are a corporation or partnership) must personally supervise the day-to-day operations of the Franchised Business. You must devote your personal full-time attention and best efforts to the management and operation of the Franchised Business. The expectation is that you will operate the Franchised Business and work the Franchised Business during normal business hours (9:00 AM – 5:00 PM) and be available throughout the day to answer phone calls and emails. You may delegate certain day-to-day matters for your Franchised Business to a full-time manager (“General Manager”), however, you must still supervise the day-to-day operations of the Franchised Business. We must approve your General Manager and you and your General Manager must successfully complete our initial training program before assuming any managerial responsibility. Your Franchised Business must, at all times, be staffed with at least one individual who has successfully completed our initial training program. In the event that you operate more than one One You Love Homecare Business, you will have a properly trained General Manager who has been approved by us at each location. You will keep us informed at all times of the identity of any employees/personnel acting as General Manager, as well as others employed by your Franchised Business, and any change in their employment status. All persons providing the Services must be employed by you and may not work as independent contractors. The General Manager is not required have an ownership interest in the franchisee entity.

In the event that a General Manager resigns or is otherwise terminated, you must hire a replacement approved by us in writing who meets our then-current standards for General Managers, who is approved by us in writing before hiring, and who is hired within 30 days after the resignation or termination of the former General Manager. The new General Manager must complete initial training to our satisfaction within 60 days after being hired. Your General Manager(s) will devote full time and best efforts to the day-to-day operation and management of the Franchised Business and will not engage in any other business activity. Your General Manager and his/her spouse will be bound by the confidentiality and non-compete covenants of the Franchise Agreement and will execute the Confidentiality and Restrictive Covenant Agreement attached as Exhibit C to the Franchise Agreement.

If you are an individual, then your spouse will also be required to sign the Franchise Agreement or, in the alternative, form of Personal Guaranty attached to the Franchise Agreement as Exhibit A to the Franchise Agreement (the “Guaranty”). If you are a business entity (limited liability company, corporation, partnership, etc.), then (a) each of your shareholders/members/partners (the “Owners”), as applicable, must sign the Guaranty, and (b) at our option, the spouses of each such Owner must sign the Guaranty.

**ITEM 16**  
**RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must offer and sell all of the services which we require and only the services which we authorize for the System. You will not offer to sell or provide at or through the Franchised Business any merchandise, products or services that have not been approved in writing or the use of the premises for any other business purpose other than the operation of the Franchised Business. You may not offer or sell any products or services which do not meet our standards and specifications.

You will provide the Services in accordance with our standards and specifications. We have the right to require you to offer and sell additional goods or services as we may designate. There are no limits on our right to do so. You must stop using or offering disapproved services or products immediately upon notice that such services or products have been discontinued. If the law prohibits the use or sale of any product or service, use must cease immediately.

**ITEM 17**  
**RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION**

**A. THE FRANCHISE RELATIONSHIP UNDER A FRANCHISE AGREEMENT**

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

	Provision	Section in Franchise Agreement	Summary
a.	Length of franchise term	2.1	10 years.
b.	Renewal or extension of the term	2.2	You have the right to renew the Franchise Agreement for one successive, additional 10-year period, provided certain conditions are met.
c.	Requirements for you to renew or extend	2.2	In a timely fashion, you must notify us in writing of your intention to renew; you have the right to operate the Franchised Business at the location or the duration of the renewal term or have secured an approved substitute location; you have satisfactorily completed no later than 90 days before the expiration of the then-current term, all necessary training, as well as any required maintenance, refurbishing, renovating, updating and remodeling of the Franchised Business premises to bring the Franchised Business into compliance with our then-current System standards and specifications; you are not in breach of any provision of the Franchise Agreement, or any other agreement between you and us, our affiliates, and/or our major suppliers and vendors, and you have substantially complied with all such agreements during their respective terms; you have satisfied all monetary obligations you owe us, our affiliates, and/or our major

	Provision	Section in Franchise Agreement	Summary
			suppliers and vendors; you execute our then-current form of Franchise Agreement, which may contain materially different terms and conditions than your original contract; you satisfy our then-current training requirements; you pay us a renewal fee amounting to \$12,500.
d.	Termination by you	No Provision	You do not have the contractual right to terminate the Franchise Agreement (subject to state law).
e.	Termination by us without cause	No Provision	Not Applicable.
f.	Termination by us with cause	15	We have the right to terminate the Franchise Agreement with cause.
g.	Cause defined - default which can be cured	15.3	We have the right to terminate the Franchise Agreement after providing you a 15-day cure period if: (i) you fail to pay any monies you owe us or our affiliates; (ii) any audit reveals that you have understated your royalty, brand development payments, Online Lead Generation Requirement payments or any other amounts due and payable to us under the Franchise Agreement, by more than 2%, or if you have failed to submit timely reports and/or remittances for any 3 reporting periods within any 12-month period; (iii) you fail to immediately endorse and deliver to us any payments due to us from any third party that is erroneously made to you; (iv) you fail to open the Franchised Business for business within twelve months from the date you sign the Franchise Agreement; (v) you fail to operate the Franchised Business during the months, days and hours that we prescribe; (vi) you, or your General Manager, fail to personally supervise the Franchised Business' operations or employ adequate personnel; (vii) you fail to maintain our quality controls and standards; (viii) you conduct yourself in a manner which reflects adversely on the System, the Proprietary Marks, or our products; or (ix) you fail to procure or maintain any licenses, certifications, or permits necessary for the operation of your Franchised Business.
		15.4	We have the right to terminate the Franchise Agreement after providing you a 30-day cure period if you fail to perform or comply with any one or more of the terms or conditions of the Franchise Agreement.
h.	Cause defined – non-curable defaults	15.1	The Franchise Agreement will automatically terminate without notice or an opportunity to cure if: (i) you make an assignment for the benefit

	Provision	Section in Franchise Agreement	Summary
		15.2	<p>of creditors, file a voluntary petition in bankruptcy, are adjudicated bankrupt or insolvent, file or acquiesce in the filing of a petition seeking reorganization or arrangement under any federal or state bankruptcy or insolvency law, or consent to or acquiesce in the appointment of a trustee or receiver for you or the Franchised Business; (ii) proceedings are commenced to have you adjudicated bankrupt or to seek your reorganization under any state or federal bankruptcy or insolvency law, and such proceedings are not dismissed within 60 days, or a trustee or receiver is appointed for you or the franchised business without your consent, and the appointment is not vacated within 60 days; (iii) you purport to sell, transfer or otherwise dispose of your interest in the Franchise Business without our written approval.</p> <p>We have the right to terminate the Franchise Agreement with notice without providing you an opportunity to cure if: (i) you take part in criminal acts or misconduct, if you or your principals, officers or directors refuse to undergo or fail to pass a criminal background check to our satisfaction, or if you fail to terminate an employee/personnel who has failed to pass a criminal background check to our satisfaction within the time frame we specify; (ii) you commit fraud in the operation of the Franchised Business; (iii) you make any misrepresentations in connection with the franchise application; (iv) you fail to complete our initial training program; (v) you receive two (2) or more written notices of default within any 12-month period; (vi) you materially breach any other agreement with us or our affiliates; (vii) you misuse the Proprietary Marks or Confidential Information or you misuse or disseminate Client information; (viii) you commit any act of violence or abuse or financial exploitation against any client; (ix) you violate the in-term restrictive covenants of the Franchise Agreement; (x) a lien or writ of attachment or execution is placed against you and is not released or bonded against within 30 days; (xi) you are insolvent; (xii) you abandon the Franchised Business; (xiii) you offer any unauthorized or unapproved products or services in connection with the operation of your Franchised Business; (xiv) you order or purchase supplies from unapproved suppliers; (xv) you misuse our proprietary software; (xvi) you fail to maintain the required insurance; (xvii) you fail to comply with any governmental notice of non-compliance with any law or regulation within 15 days of the notice; (xviii) any governmental action is taken against you that results in any obligation upon us; (xix) you fail to comply with any laws or regulations regarding terrorism; (xx) you use client or Franchised Business property for personal use; or (xx) if there are insufficient funds in your bank account 3 (or more) times in a 12 month calendar year.</p>

	Provision	Section in Franchise Agreement	Summary
i.	Your obligations on termination/ non-renewal	16.1	Upon termination or expiration of the Franchise Agreement, you must: (i) cease all operations under the Franchise Agreement; (ii) promptly pay all sums you owe us; (iii) cease using the Proprietary Marks and System; (iv) return to us the Operations Manual and all other manuals, proprietary and Confidential Information; (v) cease using and assist in transferring all of your telephone numbers to us; (vi) vacate the Franchised Business premises if we exercise our rights under the Collateral Assignment of Lease; (vii) return to us all items reflecting the Proprietary Marks; (viii) cease holding yourself out as our franchisee; (ix) take necessary action to amend or cancel any business name or equivalent registration which contains our trade name or Proprietary Marks; (x) allow us to inspect your financial records; (xi) comply with the post term covenants contained in the Franchise Agreement; (xii) cease to use in marketing endeavors or in any other manner any methods, procedures or techniques associated with us or the System; (xiii) at our option, assign to us the Lease for the Business; and (xiv) execute periodically any papers, documents, and assurances necessary to effectuate termination or non-renewal.
j.	Assignment of contract by us	14.5	We have the right to assign our rights under the Franchise Agreement.
k.	"Transfer" by you - definition	14.3	A sale, transfer or assignment requiring our prior written consent occurs: (i) if you are a corporation, upon any assignment, sale, pledge or transfer of any fractional portion of your voting stock, or any increase in the number of outstanding shares of your voting stock which results in a change in ownership; (ii) if you are a partnership, upon the assignment, sale, pledge or transfer of any fractional partnership ownership interest; or (iii) if you are a limited liability company, upon any assignment, sale, pledge or transfer of any fractional portion of any interest in the limited liability company.
l.	Our approval of transfer by Franchisee	14.1	You may not transfer any rights in the franchise without our prior written consent. We have the right to condition our approval of any sale, transfer, assignment or encumbrance as described below.
m.	Conditions for our approval of transfer	14.3.2	We will approve a proposed transfer if: (i) all of your accrued monetary obligations to us have been paid; (ii) all existing defaults under the Franchise Agreement have been cured; (iii) you execute a general release in favor of us and our affiliates; (iv) you provide us a copy of the executed purchase agreement; (v) the transferee meets our qualifications; (vi) the transferee executes our then-current Franchise Agreement; (vii) you or the transferee pay us a transfer fee equal to \$10,000 plus broker or other third-party fees; (viii) the transferee

	Provision	Section in Franchise Agreement	Summary
			satisfactorily completes our training program; (ix) you comply with the post term provisions of the Franchise Agreement; (x) the transferee obtains all necessary licenses and permits required to operate the Franchised Business; (xi) to the extent required by the terms of any leases or other agreements, the lessors or other parties must have consented to the proposed transfer; (xii) the transfer is made in compliance with all applicable laws; (xiii) the purchase price and terms of the proposed transfer are not so burdensome to the prospective transferee as to impair or materially threaten its future operation of the Franchised Business and performance under its Franchise Agreement; (xiv) we shall provide the prospective franchisee with Franchisor's current form of Franchise Disclosure Document; (xv) our approval of the transfer will not constitute a waiver of any claims we may have against the transferring party; (xvi) we will have the right to disclose to any prospective transferee such revenue reports and other financial information concerning you and your Franchised Business as you have supplied us; and (xvii) we may withhold or condition our consent to any transfer as we deem appropriate based on the circumstances of the transfer or otherwise.
n.	Our right of first refusal to acquire your business	14.3.1	You must first offer to sell to us on the same terms and conditions as those offered by a third party. We will notify you, within 30 days after receiving the offer, whether we wish to exercise our right to purchase your business.
o.	Our option to purchase your business	16.3	We have an option to purchase your Franchised Business upon termination or expiration of the Franchise Agreement.
p.	Your death or disability	14.2	Upon your death or disability, your rights under the Franchise Agreement may pass to your heirs or beneficiaries, provided that, within 45 days of your death or disability, they agree to assume your obligations under the Franchise Agreement, successfully complete our initial training program, and otherwise meet our requirements.
q.	Non-competition covenants during the term of the franchise	17.1	During the term of the Franchise Agreement, neither you, your officers, directors, principals, nor any members of your immediate family or the immediate family of your officers, directors, or principals may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation: (i) own, maintain, engage in, lend money to, extend credit to, have any interest in, or serve as an officer, director, executive, or principal of any other business offering the Services, including personal care and companion care services, or any other products or services offered or authorized for use by System franchisees; provided, however, that this provision does not apply to

	Provision	Section in Franchise Agreement	Summary
			your operation of any other One You Love Homecare Business; or (ii) divert or attempt to divert any business or client of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act which injures or prejudices the goodwill associated with the Proprietary Marks or the System.
r.	Non-competition covenants after the franchise is terminated or expires	17.2	For a period of 2 years after the expiration and non-renewal, transfer or termination of the Franchise Agreement, regardless of the cause, neither you, your officers, directors, principals, nor any members of your immediate family or the immediate family of your officers, directors, or principals may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation enter into any business competing in whole or in part with us in granting franchises or licenses to operate businesses offering the Services, including personal care and companion care services, or any other products or services offered or authorized for sale by System franchisees at the time your agreement is terminated or otherwise expires and is not renewed. For a period of 2 years after the expiration, transfer or termination of the Franchise Agreement, regardless of the cause, neither you, your officers, directors, principals, nor any members of your immediate family or the immediate family of your officers, directors, or principals may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation: (i) own, maintain, engage in, be employed as an officer, director, principal or executive of, or have any interest in any other business offering the Services, including personal care and companion care services, or any other products or services authorized by us for sale by System franchisees at the time your franchise agreement is terminated or otherwise not renewed, (a) at the Franchised Business Premises, (b) within the Designated Territory granted, or (c) within a radius of 25 miles of the perimeter of (1) the Designated Territory granted or (2) any other territory or marketing area licensed by us as of the date of expiration or termination of the Franchise Agreement, or (3) any One You Love Homecare business which we or our affiliates operate; or (ii) solicit business from clients of your former franchise or contact any of our suppliers or vendors for any competitive business purpose.
s.	Modification of the Franchise Agreement	22.1	The Franchise Agreement may only be modified or amended in writing signed by all parties.
t.	Integration/merger clauses	22.1	Only the terms of the franchise agreement are binding (subject to state law). Any representations or promises outside the disclosure

	Provision	Section in Franchise Agreement	Summary
			document and franchise agreement may not be enforceable. Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u.	Dispute resolution by arbitration or mediation	18.3 and 18.4	You must bring all disputes before our Chief Executive Officer prior to bringing a claim before a third party. After exhausting this internal dispute resolution procedure, at our option, all claims or disputes between you and us must be submitted first to mediation in Philadelphia, Pennsylvania in accordance with the American Arbitration Association’s Commercial Mediation Rules then in effect. All disputes and claims relating to this Agreement or any other agreement entered into between the parties, the rights and obligations of the parties, or any other claims or causes of action relating to the making, interpretation, or performance of either party under this Agreement, shall be settled by arbitration in Philadelphia, Pennsylvania in accordance with the Federal Arbitration Act, and administered by the American Arbitration Association (“AAA”) pursuant to the AAA Commercial Arbitration Rules.
v.	Choice of forum	18.5	The parties expressly agree to the jurisdiction and venue of the United States District Court for the Eastern District of Pennsylvania and Franchisee irrevocably submits to the jurisdiction of such courts and waives any objection Franchisee may have to either the jurisdiction of or venue in such courts (subject to state law).
w.	Choice of law	18.1	The Franchise Agreement is governed by the laws of Pennsylvania (subject to state law).

*[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]*

## B. THE FRANCHISE RELATIONSHIP UNDER A DEVELOPMENT AGREEMENT

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

	Provision	Section in Development Agreement	Summary
a.	Length of franchise term	6.1	10 years.
b.	Renewal or extension of the term	Not Applicable	Not Applicable
c.	Requirements for you to renew or extend	Not Applicable	Not Applicable
d.	Termination by you	Not Applicable	Not Applicable (subject to state law).
e.	Termination by us without cause	Not Applicable	Not Applicable.
f.	Termination by us with cause	6.2	We may terminate your Development Agreement with cause if you (i) cease to actively engage in development activities in the Development Area or otherwise abandon development for three (3) consecutive months; (ii) become insolvent or is adjudicated bankrupt; (iii) fail to meet your development obligations; or (iv) if any franchise agreement that is entered into in order to fulfill your development obligations is terminated or subject to termination, pursuant to the terms of that franchise agreement.
g.	Cause defined - default which can be cured	Not Applicable	Not Applicable.
h.	Cause defined – non-curable defaults	6.2	Your Development Agreement can be terminated by us if: (i) you cease to actively engage in development activities in the Development Area or otherwise abandon your development business for three (3) consecutive months, or any shorter period that indicates an intent by you to discontinue development of the Franchised Businesses within the Development Area; (ii) you become insolvent or are adjudicated bankrupt, or if any action is taken by Franchisee, or by others against you, under any insolvency, bankruptcy or

	Provision	Section in Development Agreement	Summary
			reorganization act, or if you make an assignment for the benefit or creditors or a receiver is appointed by you; (iii) you fail to meet your development obligations under the Development Schedule for any single Development Period, and fail to cure such default within 30 days of receiving notice thereof; and (iv) any Franchise Agreement that is entered into in order to fulfill your development obligations under the Development Agreement is terminated or subject to termination by us, pursuant to the terms of that Franchise Agreement.
i.	Your obligations on termination/non-renewal	Not Applicable	Not applicable
j.	Assignment of contract by us	8	We have the right to assign our rights under the Development Agreement.
k.	"Transfer" by you - definition	8	Any transfer in you (if you are an entity) or your rights/obligations under the Development Agreement.
l.	Our approval of transfer by Franchisee	8	You may not transfer any rights or obligations under the Development Agreement without our prior written consent.
m.	Conditions for our approval of transfer	Not Applicable	Not Applicable
n.	Our right of first refusal to acquire your business	Not Applicable	Not Applicable
o.	Our option to purchase your business	Not Applicable	Not Applicable
p.	Your death or disability	Not Applicable	Not Applicable
q.	Non-competition covenants during the term of the franchise	Not Applicable	Nothing additional. Please see non-competition covenants set forth in your Franchise Agreement(s) entered into under the Development Agreement (subject to state law).

	Provision	Section in Development Agreement	Summary
r.	Non-competition covenants after the franchise is terminated or expires	Not Applicable	Nothing additional. Please see non-competition covenants set forth in your Franchise Agreement(s) entered into under the Development Agreement (subject to state law).
s.	Modification of the Franchise Agreement	27	Any modification of the Development Agreement must be in writing and signed by both parties.
t.	Integration/merger clauses	27	Only the terms of the Development Agreement are binding (subject to state law). Any representations or promises made outside of the disclosure document and the Development Agreement may not be enforceable. Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u.	Dispute resolution by arbitration or mediation	12 and 13	<p>You must first notify us of any disputes arising under or related to your Development Agreement and attempt to resolve the dispute through internal dispute resolution with our management.</p> <p>At our option, any disputes or claims that are not resolved by internal dispute resolution must, at our option, be subject to non-binding mediation that will take place in Philadelphia, Pennsylvania. We will notify you if we decide to mediate any claim or dispute under the Franchise Agreement and/or Development Agreement, but we are not required to mediate any claim or dispute we have with you if we do not wish to do so (subject to state law).</p>
v.	Choice of forum	15	State court of general jurisdiction closest to Philadelphia, Pennsylvania or, if appropriate, the United States District Court for the Eastern District of Pennsylvania (unless settled by the parties after such action is initiated) (subject to state law).
w.	Choice of law		The Franchise Agreement is governed by the laws of Pennsylvania (subject to state law).

**ITEM 18**  
**PUBLIC FIGURES**

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

**ITEM 19**  
**FINANCIAL PERFORMANCE REPRESENTATION**

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

As of December 31, 2023, we had 13 franchisees operating in 18 Territories (each, a “Franchised Location”) and one affiliate-owned location operating in one Territory (the “Affiliate-Owned Location”).

Part I of this Item sets forth certain historical data for our Affiliate-Owned Location, including annual gross sales and certain expenses including direct caregiver labor cost, and gross margin for the periods between: (i) January 1, 2020, to December 31, 2020; (ii) January 1, 2021, to December 31, 2021; and (iii) January 1, 2022, to December 31, 2022; and (iv) January 1, 2023, to December 31, 2023. No Franchised Locations were included in Part I.

Our Affiliate-Owned Location has been in operation since September 2016, and previously operated under the name and mark “Parents First Homecare”. In January 2019, our affiliate began conducting business under the name and mark “One You Love Homecare”. Our Affiliate-Owned Location was in continuous operation for the full twelve months of 2020, 2021, 2022, and 2023. Differences between the Affiliate-Owned Location and the Franchised Business you will operate are set forth in the notes to this Item.

Part II of this Item sets for the total Gross Sales generated by each Franchised Location during the 2022 and 2023 calendar years as well as the date that each Franchised Location opened, and the number of Territories each Franchised Location operates in. No Franchised Locations were excluded from Part II.

The information in this Item 19 was reported to us by our Affiliate-Owned Location and our Franchised Locations. We have not independently audited this information.

*[The remainder of this page is left intentionally blank.]*

**PART I: ANNUAL GROSS SALES AND CERTAIN COSTS INCURRED BY THE AFFILIATE-OWNED LOCATION DURING 2020, 2021, 2022, AND 2023**

Affiliate-Owned Location								
	2020 Amount	Percent of Gross Sales	2021 Amount	Percent of Gross Sales	2022 Amount	Percent of Gross Sales	20223 Amount	Percent of Gross Sales
Total Gross Sales <sup>1</sup>	\$3,539,530	100.0%	\$3,349,736	100.0%	\$3,293,970	100.0%	\$4,533,346	100.0%
Direct Cost of Caregiver Labor <sup>2</sup>	\$2,402,552	67.87%	\$2,190,074	65%	\$2,149,318	65.3%	\$2,992,581	66%
Gross Margin <sup>3</sup> attained by Affiliate-Owned Location	\$1,136,978	32.13%	\$1,159,662	35%	\$1,144,652	34.7%	\$1,540,765	34%
Estimated Royalty <sup>4</sup>	\$176,977	5%	\$167,487	5%	\$164,699	5%	\$226,667	5%
Estimated Brand Development Fee <sup>5</sup>	\$35,395	1%	\$33,497	1%	\$32,940	1%	\$45,333	1%
Technology Fee <sup>6</sup>	\$1,800	.05%	\$1,800	.05%	\$1,800	.05%	\$1,800	>1%
Estimated Local Advertising Requirement <sup>7</sup>	\$12,000	.33%	\$12,000	.36%	\$12,000	.36%	\$12,000	>1%
Gross Margin Less Estimated Royalty, Brand Development Fee, Technology Fee and LAR	\$910,806	26%	\$944,878	28.2%	\$933,214	28.3%	\$1,254,964	27.6%

**Notes to Part I:**

- Total Gross Sales.** Total Gross Sales is defined as the dollar aggregate of the sales price on all goods, products and services sold by the affiliate owned location during each calendar year, whether sold for cash, for payment by check, on credit, or otherwise, without reserve or deduction for the inability or failure to collect for the same from a customer, and specifically includes all other things of value received as payment in the course of such operations.
- Direct Cost of Caregiver Labor.** Direct Cost of Caregiver Labor is the amount paid to caregivers related to generation of the Gross Sales during the periods of January 1, 2020, through December 31, 2020, January 1, 2021, through December 31, 2021, January 1, 2022, through December 31, 2022, and January 1, 2023, through December 31, 2023.
- Gross Margin.** Gross Margin is the mathematical result of subtracting Direct Cost of Caregiver Labor from Gross Sales for the applicable calendar year.
- Estimated Royalty.** The term “Estimated Royalty” means the Royalty Fee the Affiliate-Owned Location would have had to pay us over each calendar year if the Affiliate-Owned Location were owned by a System franchisee and governed by our current form of Franchise Agreement. We calculated the Estimated Royalty by multiplying the Gross Sales generated by the Affiliate-Owned Location by .05 to account for the Royalty Fee of 5% set forth and required under our current form of Franchise Agreement.
- Estimated Brand Development Fee.** The term “Estimated Brand Development Fee” means the Brand Development Fee the Affiliate-Owned Location would have had to pay us over each calendar year if the Affiliate-Owned Location were owned by a System franchisee and governed by our current form of Franchise Agreement. We calculated the Estimated Brand Development Fee by multiplying Gross Sales generated by the Affiliate-Owned Location by the greater of (i) .01, or (ii) \$250 per month to

account for the Brand Development Fee of the greater of (i) 1% of Gross Sales, or (ii) \$250 per month set forth and required under our current form of Franchise Agreement.

- 6 **Technology Fee.** The Technology Fee is based on the current Technology Fee (\$150 per month) set forth and described in detail in Item 6 of this Disclosure Document.
- 7 **Estimated Local Advertising Requirement.** The Estimated Local Advertising Requirement is based on the current Local Advertising Requirement (\$1,000 per month) set forth and described in detail in Item 6 of this Disclosure Document and was not actually expended by the Affiliated-Owned Location.
- 8 Our Affiliate-Owned Location is not a franchise. As such, it is not subject to franchise related fees as outlined in Item 6 of this Disclosure Document. As a franchisee, you will be required to pay the franchise related fees estimated in the table above. The list of fees above is not an inclusive list of all of the fees incurred by the Affiliate-Owned Location.
- 9 The affiliate owned location has approximately 35,000 people over the age of 65 in its territory.

**PART II: ANNUAL GROSS SALES GENERATED BY THE FRANCHISED LOCATIONS DURING THE 2022 AND 2023 CALENDAR YEARS**

<u>Franchised Location</u>	<u>Number of Territories</u>	<u>Date Opened in First Territory</u>	<u>2022 Total Gross Sales</u>	<u>2023 Total Gross Sales</u>
Franchised Location 1	1	May 2021	\$518,177.77	\$1,106,956.68
Franchised Location 2	2	March 2021	\$500,879.05	\$568,647.29
Franchised Location 3	1	October 2021	\$472,509.90	\$726,949.93
Franchised Location 4	1	January 2022	\$339,213.41	\$719,146.70
Franchised Location 5 <sup>1</sup>	2	March 2022	\$230,223.70	\$838,271.76
Franchised Location 6	1	March 2021	\$226,156.18	\$216,127.77
Franchised Location 7 <sup>2</sup>	2	December 2021	\$160,177.18	\$297,787.15
Franchised Location 8	1	January 2022	\$141,659.73	\$466,842.91
Franchised Location 9	1	August 2022	\$68,854.31	\$149,220.73
Franchised Location 10 <sup>3</sup>	1	October 2022	\$68,178.96	\$268,094.65
Franchised Location 11	1	August 2022	\$49,169.88	\$89,998.29
Franchised Location 12 <sup>4</sup>	2	June 2023	N/A	\$8,195.62
Franchised Location 13 <sup>5</sup>	1	October 2023	N/A	\$6,129.29

1. This Franchisee received an assignment of its second Territory in February 2023
2. This Franchisee received an assignment of the second Territory during the 2022 calendar year.
3. This Franchisee received an assignment of the Territory during the 2022 calendar year.
4. This Franchisee opened in both Territories in June 2023.
5. This Franchisee received an assignment of this Territory which was not yet open and operating.

**General Notes to Item 19**

**This outlet has earned this amount. Your individual results may differ. There is no assurance you will earn as much.**

Written substantiation of the data used in preparing this information is available upon reasonable request.

Other than the preceding financial performance representation, One You Love Homecare does 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 One You Love Homecare Franchising, LLC, 1620 W. Oregon Avenue, Philadelphia, PA 19145 and our mailing address is P.O. Box 60504, Philadelphia, PA 19145 or 855-203-4398, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

**TABLE 1**  
**System-Wide Outlet Summary**  
**For Fiscal Years 2021, 2022, and 2023**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
<b>Franchised</b>	2021	0	12	+12
	2022	12	14	+2
	2023	14	17	+3
<b>Company-Owned*</b>	2021	1	1	0
	2022	1	1	0
	2023	1	1	0
<b>Total Outlets</b>	<b>2021</b>	<b>1</b>	<b>13</b>	<b>+12</b>
	<b>2022</b>	<b>13</b>	<b>15</b>	<b>+2</b>
	<b>2023</b>	<b>15</b>	<b>18</b>	<b>+3</b>

\*This outlet is owned and operated by our affiliate.

**TABLE 2**  
**Transfers of Outlets from Franchisees to New Owners (other than Franchisor)**  
**For Fiscal Years 2021, 2022, 2023**

State	Year	Number of transfers
North Carolina	2021	0
	2022	0
	2023	1
Pennsylvania	2021	0
	2022	1
	2023	0
Texas	2021	0
	2022	1
	2023	0
<b>Totals</b>	<b>2021</b>	<b>0</b>
	<b>2022</b>	<b>2</b>
	<b>2023</b>	<b>1</b>

**TABLE 3**  
**Status of Franchised Outlets**  
**For Fiscal Years 2021, 2022, 2023**

State	Year	Outlets at the Start of the Year	Outlets Opened	Terminations	Non-Renewals	Re-acquired by Franchisor	Ceased operations other reasons	Outlets at End of the Year
Florida	2021	0	2	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Illinois	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
Maryland	2021	0	1	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
New Jersey	2021	0	2	0	0	0	0	2
	2022	2	0	0	0	0	1	1
	2023	1	0	0	0	0	0	1
North Carolina	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Ohio	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	1	0
	2023	0	0	0	0	0	0	0
Pennsylvania	2021	0	2	0	0	0	0	2
	2022	2	0	0	0	0	1	1
	2023	1	0	0	0	0	0	1
Tennessee	2021	0	2	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Texas	2021	0	2	0	0	0	0	2
	2022	2	2	0	0	0	0	4
	2023	4	0	0	0	0	0	4
Utah	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
<b>Total</b>	<b>2021</b>	<b>0</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12</b>
	<b>2022</b>	<b>12</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>14</b>
	<b>2023</b>	<b>14</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17</b>

*[The remainder of this page is intentionally left blank.]*

**TABLE 4**

**Status of Company-Owned and Affiliate-Owned Outlets  
For Years 2021, 2022, 2023**

State	Year	Outlets At The Start Of The Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold To Franchisees	Outlets At End Of The Year
<b>Pennsylvania</b>	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
<b>Total</b>	<b>2021</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
	<b>2022</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
	<b>2023</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>

**TABLE 5**

**Projected Openings as of December 31, 2023**

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets In The Next Fiscal Year	Projected New Company-Owned Outlets In The Current Fiscal Year
<b>CO</b>	2	2	0
<b>GA</b>	1	1	0
<b>NJ</b>	2	2	0
<b>PA</b>	2	2	0
<b>Total</b>	<b>7</b>	<b>7</b>	<b>0</b>

A list of our existing franchisees is attached as Exhibit J to this Franchise Disclosure Document. A list of the names, cities and states and last known business telephone numbers (or, if unknown, home telephone number) of every franchisee who has had a franchise agreement terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year, or who has not communicated with us within ten weeks of our application date is attached to this Disclosure Document at the end of Exhibit J. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

There are presently no trademark specific franchisee organizations associated with the System. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system. During the last three fiscal years, some franchisees have signed a confidentiality clause that restricts them from discussing with you their experiences as a franchisee in our franchise system.

**ITEM 21**  
**FINANCIAL STATEMENTS**

Exhibit D contains our audited balance sheet and statements of operations and cash flows and as of December 31, 2023, December 31, 2022, and December 31, 2021. Our fiscal year end is December 31 of each year.

**ITEM 22**  
**CONTRACTS**

Exhibits E, F, G and H of this Disclosure Document contain all contracts proposed for use or in use regarding the offer of our franchises, including the following agreements:

Exhibit E – Franchise Agreement

Exhibit A - Personal Guaranty

Exhibit B - Conditional Assignment of Franchisee’s Telephone Numbers and Social Media Pages

Exhibit C - Confidentiality and Restrictive Covenant Agreement

Exhibit D – Electronic Funds Withdrawal Authorization

Exhibit E – Consent and Agreement of Landlord and Collateral Assignment

Exhibit F - Development Agreement

Exhibit G to this Disclosure Document is a copy of a Sample Termination and Release Agreement.

Exhibit H to this Disclosure Document is a copy of the State Specific Addenda.

Exhibit I to this Disclosure Document is a Franchisee Questionnaire.

**ITEM 23**  
**RECEIPTS**

Exhibit L of this Franchise Disclosure Document contains a detachable document, in duplicate, acknowledging receipt of this Franchise Disclosure Document by a prospective franchisee. You should sign both copies of the Receipt. You should retain one signed copy for your records and return the other signed copy to: David Giacobbo, 1620 W. Oregon Avenue, Philadelphia, PA 19145 and our mailing address is P.O. Box 60504, Philadelphia, PA 19145.

**EXHIBIT A**  
**TO ONE YOU LOVE HOMECARE FRANCHISING, LLC'S**  
**FRANCHISE DISCLOSURE DOCUMENT**

**LIST OF STATE ADMINISTRATORS**

California Department of Business Oversight  
TOLL FREE 1-(866) 275-2677

LA Office

320 West 4th Street, Suite 750  
Los Angeles, CA 90013-2344  
(213) 576-7500

Sacramento Office

1515 K Street, Suite 200  
Sacramento, CA 95814-4052  
(866) 275-2677

San Diego Office

1350 Front Street, Room 2034  
San Diego, CA 92101-3697  
(619) 525-4233

San Francisco Office

One Sansome Street, Suite 600  
San Francisco, CA 94104  
(415) 972-8565

Florida Department of Agricultural  
and Consumer Services  
Division of Consumer Services  
Mayo Building, Second Floor  
Tallahassee, Florida 32399-0800  
(904) 922-2770

Commissioner of Securities of the State of  
Hawaii  
Department of Commerce and Consumer Affairs  
Business Registration Division  
335 Merchant Street, Room 203  
Honolulu, HI 96813  
(808) 586-2722

Illinois Attorney General  
500 South Second Street  
Springfield, IL 62706  
(217) 782-4465

Indiana Secretary of State

Securities Division  
302 West Washington Street, Room E-11  
Indianapolis, IN 46204  
(317) 232-6681

Kentucky Office of the Attorney General  
Consumer Protection Division  
P.O. Box 2000  
Frankford, KY 40602  
(502) 573-2200

Maryland Securities Commissioner  
Office of the Attorney General  
Securities Division  
200 St. Paul Place  
Baltimore, MD 21202-2020  
(410) 576-6360

Michigan Department of the Attorney General  
Consumer Protection Division  
Antitrust and Franchise Unit  
P.O. Box 30054, 6546 Mercantile Way  
Lansing, MI 48909  
(517) 373-7117

Minnesota Department of Commerce  
85 7<sup>th</sup> Place East, Suite 280  
St. Paul, MN 55101-2198  
(651) 539-1600

Nebraska Department of Banking and Finance  
1200 North Street, Suite 311  
P.O. Box 95006  
Lincoln, NE 68509-5006  
(402) 471-3445

NYS Department of Law  
Investor Protection Bureau  
28 Liberty Street, 21<sup>st</sup> Floor  
New York, NY 10005  
(212) 416-8236

North Dakota Securities Department  
State Capital, 5<sup>th</sup> Floor  
600 East Boulevard Avenue  
Bismarck, ND 58505-0510  
(701) 328-2910

Oregon Department of Consumer  
and Business Services  
Division of Finance and Corporate  
Securities labor and Industries  
350 Winter Street, NE, Room 410  
Salem, OR 97310-3881  
(503) 378-4140

Rhode Island Division of Securities  
233 Richmond Street, Suite 232  
Providence, RI 02903-4232

South Dakota Division of Insurance  
Securities Regulation  
124 S. Euclid, Suite 104  
Pierre, South Dakota 57501  
(605) 773-3563

Statutory Document Section  
Texas Secretary of State  
P.O. Box 12887  
Austin, TX 78711  
(512) 475-1769

State of Utah  
Division of Consumer Protection  
P.O. Box 45804  
Salt Lake City, Utah 84145-0804  
(801) 530-6601

State Corporation Commission  
Division of Securities and Retail Franchising  
1300 East Main Street, 9<sup>th</sup> Floor  
Richmond, VA 23219  
(804) 371-9051

State of Washington  
Director, Department of Financial Institutions  
Securities Division  
150 Israel Road, SW  
Olympia, WA 98501  
(360) 902-8760

Wisconsin Commissioner of Securities  
201 W Washington Ave., 3rd Floor  
Madison, WI 53703  
(608)266-8557

**EXHIBIT B**  
**TO ONE YOU LOVE HOMECARE FRANCHISING, LLC'S**  
**FRANCHISE DISCLOSURE DOCUMENT**

**LIST OF AGENTS FOR SERVICE OF PROCESS**

---

California Department of Business Oversight

233 Richard Street, Suite 232  
320 West 4<sup>th</sup> Street, Suite 750  
Los Angeles, CA 90013-2344

California Department of Business Oversight

One Sansome Street, Suite 600  
San Francisco, CA 94104  
(415) 972-8565

California Department of Business Oversight

1515 K Street., Suite 200  
Sacramento, CA 95814

Commissioner of Securities of the State of  
Hawaii

Department of Commerce and Consumer Affairs  
Business Registration Division  
335 Merchant Street, Room 203  
Honolulu, HI 96813

Illinois Attorney General

500 South Second Street  
Springfield, IL 62706

Indiana Secretary of State

Securities Division  
302 West Washington Street, Room E-111  
Indianapolis, IN 46204

Maryland Securities Commissioner

Office of Attorney General  
Securities Division  
200 St. Paul Place  
Baltimore, MD 21202-2020

Michigan Department of Attorney General

Consumer Protection Division  
Antitrust and Franchise Unit  
P.O. Box 30054  
6546 Mercantile Way  
Lansing, MI 48909

Commissioner of Commerce

Minnesota Department of Commerce  
85 7<sup>th</sup> Place East, Suite 280  
St. Paul, MN 55101-2198

New York Secretary of State

99 Washington Avenue  
Albany, NY 12231

North Dakota Securities Department

Securities Commissioner  
600 E. Boulevard Avenue  
State Capitol, 5<sup>th</sup> Floor, Dept. 414  
Bismarck, ND 58505  
(701) 328-4712

Director of Rhode Island

Division of Securities  
Suite 232  
233 Richmond Street  
Providence, RI 02903-4232

Director of South Dakota Division of Insurance

Securities Regulation  
124 S. Euclid, Suite 104  
Pierre, South Dakota 57501

Clerk of the State Corporation Commission

Tyler Building, 1<sup>st</sup> Floor  
1300 East Main Street  
Richmond, VA 23219

Director, Department of Financial Institutions

Securities Division  
150 Israel Road, Southwest  
Olympia, WA 98501

Wisconsin Commissioner of Securities

201 West Washington Avenue, 3rd Floor  
Madison, WI 53703  
(608) 261-9555

**EXHIBIT C**  
**TO ONE YOU LOVE HOMECARE FRANCHISING, LLC'S**  
**FRANCHISE DISCLOSURE DOCUMENT**

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**EXHIBIT D**  
**TO ONE YOU LOVE HOMECARE FRANCHISING, LLC'S**  
**FRANCHISE DISCLOSURE DOCUMENT**

**FINANCIAL STATEMENTS**

One You Love Homecare  
Franchising, LLC

Financial Statements

Years Ended  
December 31, 2023, 2022 and 2021

One You Love Homecare Franchising, LLC  
December 31, 2023 and 2022

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# Connolly, Grady & Cha, P.C.

## Certified Public Accountants

### INDEPENDENT AUDITORS REPORT

To the Members  
One You Love Homecare Franchising, LLC  
Philadelphia, PA 19145

#### Opinion

We have audited the accompanying financial statements of One You Love Homecare Franchising, LLC (a PA Limited Liability Company), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of operations, member's equity, and cash flows for each of the years in the three-year period ended December 31, 2023 and the related notes to the financial statements.

In our opinion, the 2023 and 2022 financial statements referred to above present fairly, in all material respects, the financial position of One You Love Homecare Franchising, LLC as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2023 in accordance with accounting principles accepted in the United States of America.

#### Basis for Opinion

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

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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.

Office Suites at Stoney Creek  
453 Baltimore Pike, 2nd Floor • Springfield, PA 19064-3850  
(215) 735-4580 • Fax (215) 735-4584 • cgpc.com

**A PCAOB Registered Firm**

Member of the American & Pennsylvania Institutes of Certified Public Accountants

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements 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 disclosure 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 One You Love Homecare Franchising, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about One You Love Homecare Franchising, LLC's ability to continue as a going concern for a reasonable period of time.

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

*Connolly, Hady + Co., P.C.*

Certified Public Accountants

Springfield, Pennsylvania

March 15, 2024

One You Love Homecare Franchising, LLC  
Balance Sheet

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Assets</u>		
Current Assets		
Cash and cash equivalents	\$ 91,134	\$ 67,864
Accounts receivable, net of allowance	15,390	11,439
Prepaid expenses	<u>3,969</u>	<u>3,901</u>
Total current assets	110,493	83,204
Other Assets		
Intangible assets, net	8,137	39,096
Property and equipment	<u>5,351</u>	<u>          </u>
Total other assets	<u>13,488</u>	<u>39,096</u>
Total Assets	<u>\$ 123,981</u>	<u>\$ 122,300</u>
 <u>Liabilities and Member's Equity</u>		
Current Liabilities		
Accounts payable	\$ 19,966	\$ 14,367
Accrued expenses	<u>          </u>	<u>79,538</u>
Total current liabilities	19,966	93,905
Non-Current Liabilities		
Due to related party	<u>1,059</u>	<u>1,059</u>
Total Liabilities	<u>21,025</u>	<u>94,964</u>
Member's Equity	<u>102,956</u>	<u>27,336</u>
Total Liabilities and Member's Equity	<u>\$ 123,981</u>	<u>\$ 122,300</u>

See accompanying notes to financial statements.

One You Love Homecare Franchising, LLC  
Statements of Operations and Member's Equity

	Years Ended December 31,		
	2023	2022	2021
Revenues			
Initial franchise fees	\$ 30,000	\$ 89,500	\$ 610,005
Royalty fee	308,110	147,643	29,932
Brand development fee	54,386	27,097	5,987
Technology fee	30,002	31,558	14,838
Transfer fees		40,000	
Referral fees	363	1,027	
Total Revenues	<u>422,861</u>	<u>336,825</u>	<u>660,762</u>
Operating Expenses			
Advertising	\$ 6,047	\$ 35,084	\$ 21,150
Amortization and depreciation	34,582	36,552	35,364
Bank service charges	277	130	739
Bond fee			3,000
Brokers fees		45,395	220,500
Broker network membership fees	31,940		5,526
Broker conference			10,678
Business license and permits	1,100		100
Computer technology costs	132,116	70,533	99,045
Continuing education			5,000
Credit card processing fees	1,809	1,434	1,256
Consulting	118,115	100,369	148,084
Dues and subscriptions	3,720	15,221	13,721
Insurance	17,399	20,353	29,300
Interest		1,080	659
Mapping software	8,345	8,545	8,869
Membership fees	125	166	1,395
Office expense	8,272	3,342	4,242
Payroll	1,000	22,069	73,635
Payroll processing fees		2,081	
Payroll taxes	99	2,922	27,639
Reference materials			10,596
Rent		11,488	14,020
Professional fees	46,902	64,418	55,848
Taxes			1,372
Telephone	370	370	367
Travel and entertainment	12,023		3,289
Total Expenses	<u>424,241</u>	<u>441,552</u>	<u>795,394</u>
Net (Loss) From Operations	( 1,380)	( 104,727)	( 134,632)
Member's Equity, Beginning of Year	27,336	219,063	353,695
Member's Equity Contributions	77,000	400,000	
Member's Equity Withdrawals	<u>          </u>	( 487,000)	<u>          </u>
Member's Equity, End of Year	<u>\$ 102,956</u>	<u>\$ 27,336</u>	<u>\$ 219,063</u>

See accompanying notes to financial statements.

One You Love Homecare Franchising, LLC  
Statements of Cash Flows

	Years Ended December 31,		
	<u>2023</u>	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities			
Net (loss) from operations	(\$ 1,380)	(\$ 104,727)	(\$ 134,632)
Adjustments to reconcile net (loss) to net cash (used in) operating activities:			
Amortization and depreciation	34,582	36,552	35,364
Changes in operating assets and liabilities:			
(Increase) decrease in:			
Account receivable	( 3,951)	34,397	23,664
Prepaid expenses	( 68)	13,770	2,481
 Increase (decrease) in:			
Accounts payable	5,599	( 9,580)	( 65,640)
Accrued expenses	( 79,538)	61,531	18,007
Net cash provided by (used in) operating activities	<u>( 44,756)</u>	<u>31,943</u>	<u>( 120,756)</u>
Cash Flows from Investing Activities			
Intangible assets	( 8,974)	_____	( 37,573)
Net cash (used in) investing activities	<u>( 8,974)</u>	<u>_____</u>	<u>( 37,573)</u>
Cash Flows from Financing Activities			
Member contributions	77,000	400,000	_____
Member withdrawals	_____	( 487,000)	_____
Net cash provided by (used in) financing activities	<u>77,000</u>	<u>( 87,000)</u>	<u>_____</u>
Net Increase (Decrease) in Cash	23,270	( 55,057)	( 158,329)
Cash and Cash Equivalents, Beginning of Year	<u>67,864</u>	<u>122,921</u>	<u>281,250</u>
Cash and Cash Equivalents, End of Year	<u>\$ 91,134</u>	<u>\$ 67,864</u>	<u>\$ 122,921</u>
Supplemental Disclosure			
Interest paid	<u>\$ -0-</u>	<u>\$ 1,080</u>	<u>\$ 659</u>
Income taxes paid	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

See accompanying notes to financial statements.

One You Love Homecare Franchising, LLC  
Notes to Financial Statements  
December 31, 2023 and 2022

1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Company was organized as a Pennsylvania limited liability company on May 7, 2018 under the name One You Love Homecare Franchising, LLC for the purpose of franchising under the trade name “One You Love Homecare”. One You Love Homecare franchises will offer non-medical in-home personal assistance to seniors and assistance to others who need help with daily living activities. Activities include in-home personal care and companionship, meal preparation, medication reminders, housecleaning services, and other similar home management services. The Company intends to sell its franchises throughout the United States.

Accounting Method

The Company maintains its accounting system on the accrual basis of accounting.

Revenue Recognition

The company recognizes revenue in accordance with Topic 606, which provides a five-step model for recognizing revenue from contracts with customers as follows:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when or as performed obligations are satisfied

The Company accounts for a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company recognizes revenue only when it satisfies a performance obligation by transferring a promised good or service to the customer. The good or service is considered to be transferred when the customer obtains control, meaning when the customer has the ability to direct the use and obtain substantially all of the remaining benefits of the good or service. At each contract inception, the Company determines when control of a good or service transfers to a customer over time or at a point in time.

The terms of the franchise contracts are typically ten (10) years. As of December 31, 2023, there were 13 franchises operating, 16 franchised.

As part of each contract, the Company identified one performance obligation that requires the Company to provide a combination of the following:

- Intellectual Property (“IP”) – license grant a non-exclusive right to establish and operate a personal care and companion care service business under the trademarks and systems established as part of The One You Love Homecare Franchising license during the term of the contract.
- Operations manual and brand specific training service – provide training programs, operating manuals and development of standards.
- Marketing services – ongoing advertising programs which are implemented throughout the course of the contract term.

One You Love Homecare Franchising, LLC  
Notes to Financial Statements  
December 31, 2023 and 2022

1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company determined that the services noted above represent a set of integrated or highly interrelated tasks/ services and are, therefore, accounted for as a single performance obligation of providing the franchise license.

The franchise contracts that the Company enters into must contain the following types of payments:

- Initial fees - franchise contracts require an initial fee which is due and payable when a contract is signed.
- Royalty fees – the Company received semi-monthly royalty payments based a percentage of each franchisee’s gross billings. The franchisee is required to meet certain minimum revenue levels for the payment of these royalty fees in any given month, effective thirteen (13) months after opening date.
- Marketing fund fees (Brand Development) – which are 1% of gross sales (the franchisor has the right to charge up to 2% of gross sales) to contribute to the local franchise for advertising activities directed by the franchisor. These fees are typically due on a semi-monthly basis over the course of the contract term.
- Monthly technology fees – the Company receives a monthly fee of \$150 for the use of its technology software.
- Renewal fees – franchise contracts include renewal options and require the franchisee to pay a renewal fee.
- Transfer fees – franchise contracts include transfer options and require the franchisee to pay a transfer fee.

The Company recognizes revenue for each performance obligation identified within the customer contacts when, or as, the performance obligation is satisfied by transferring the promised goods or services. The Company recognizes revenue over time for the combined franchise license performance obligation and for the no-brand specific training, as these performance obligations involve a continuous transfer of control to the customer.

*Revenue from Contracts with Customers (Topic 606)* identifies franchise rights as an example of a symbolic license. This type of license is satisfied over time since the customer simultaneously receives and consumes the benefit as the entity performs its obligation to provide access and, therefore, meets the criteria of recognizing revenue over time. Royalty fees represent the majority of consideration by the Company receives under franchise contracts and are recognized over time at the greater of the actual royalty earned or the contract monthly minimum each month. Revenue related to upfront fees allocated to this performance obligation is recognized over time using a straight-line (time lapse) measure of progress as the control of various services are provided to the customer ratably over the term of the contact for the initial upfront fee. The renewal option provides continued access for the franchise rights (symbolic license) for an extended period of time and, therefore, would also be recognized over time (over the course of the renewal term) as it meets the above-mentioned criterion.

The renewal option provides continued access for the franchise rights (symbolic license) for an extended period of time and, therefore, would also be recognized over time (over the course of the renewal term) as it meets the above-mentioned criterion.

Marketing Fund (Brand Development Fund)

General marketing fund fees received from the franchisees are recognized as revenue over time and marketing expenses are recognized when incurred within the Company’s statement of operations.

One You Love Homecare Franchising, LLC  
Notes to Financial Statements  
December 31, 2023 and 2022

1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Limited Liability Company

The Company has been organized in the Commonwealth of Pennsylvania as a limited liability company. Currently, the Company has one member who owns all outstanding member shares. The liability of a member is limited to the capital that the member has contributed to the Company. The Company is an ongoing entity.

Software and Website Development Costs

The Company accounts for the costs of computer software obtained or developed for internal use in accordance with FASB ASC 350, *Intangibles – Goodwill and Other*. Computer software development costs and website development costs are expensed as incurred, except for internal use software or website development costs that qualify for capitalization as described below and include costs of computer software and costs incurred in developing features and functionality. These capitalized costs are included in Intangible assets, net on the balance sheets.

- The Company expenses costs incurred in the preliminary project and post-implementation stages of software development and capitalizes costs incurred in the application development stage and costs associated with significant enhancements to existing internal use software applications.
- Software costs are amortized using the straight-line method over an estimated useful life of three years commencing when the software project is ready for its intended use.
- Costs incurred related to less significant modifications and enhancements as well as maintenance are expensed as incurred.

Intangible Assets

Intangible assets consist of website development costs and proprietary technology software costs. The website development costs, and the proprietary technology software costs are being amortized over three years on the straight-line basis. The amortization for 2023 and 2022 was \$33,859 and \$36,552 respectively.

Property and Equipment

Furniture and fixtures are carried at cost, less accumulated depreciation. Furniture and fixtures are depreciated using the straight-line method over the estimated useful lives of the asset.

Advertising

Advertising costs are expensed as incurred.

Adoption of FASB ASU2016-13 and Related Standards

At the beginning of 2023, the Company adopted FASB ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which modifies the measurement of expected credit losses on certain financial instruments. The Company adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Company's financial statements but did change how the allowance for credit losses is determined.

One You Love Homecare Franchising, LLC  
Notes to Financial Statements  
December 31, 2023 and 2022

1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Accounts receivable

The amounts included in account receivable represent obligations from franchises for outstanding initial franchise fees, royalty fees, broad development fees and technology fees and are considered fully collectible. Account receivables are stated at historical value which approximates fair value. The Company uses historical loss information based on the aging of receivables as the basis to determine expected credit losses for receivables and believes that the composition of trade receivables at year-end is consistent with historical conditions as credit terms and practices and the customer base has not changed significantly. All account receivable balances as of December 31, 2023 have been collected in January 2024. The Company routinely assesses financial strength of its franchises and, as a consequence, believes that its accounts receivable credit risk exposure is limited to the allowances provided. During the year ended December 31, 2023 and 2022, the Company had write-offs of uncollectable accounts of \$-0- and \$35,000, respectively.

Cash & Cash Equivalents

For purposes of the statement of cash flows, the Company considers all short-term investments purchased with a maturity of three months or less to be cash equivalents.

Income Taxes

The Company files its income taxes as a sole proprietorship for federal and state income tax purposes. As such, the Company does not pay federal or state income taxes as the income or loss will be included in the federal and state income tax returns of the individual members. As a limited liability company, each member's liability is limited to amounts reflected in their respective member accounts. Accordingly, no provisions, liability or asset for income taxes has been included in these financial statements.

Franchise Arrangements

Franchise arrangements generally include a license and provide for payment of initial franchise fees, brand development fees as well as continuing royalties to the Company based upon a percent of sales. Under this arrangement, franchises are granted the right to own and operate business offering personnel care and companion care services and medical services provided by healthcare personnel to seniors and other adults with chronic or acute illnesses under the mark "One You Love Homecare." Six franchises were sold during the year ending December 31, 2022 and two franchises were sold during the year ended December 31, 2023.

Related Party Transactions

A member of the Company is also the sole shareholder of Parents First Homecare, Inc. Parents First Homecare, Inc. (now doing business as One You Love Homecare) has an established record of providing homecare to seniors. The Company is utilizing the experience of this entity to establish the operating parameters of the projected franchisees. The Company borrows money from Parents First Homecare, Inc. for cash flows purposes. As of December 31, 2023 and 2022, the Company owes Parents First Homecare, Inc. \$1,059.

One You Love Homecare Franchising, LLC  
Notes to Financial Statements  
December 31, 2023 and 2022

2. CASH AND EQUIVALENTS

The Company maintains various accounts with the bank, The Federal Insurance Corporation, and does not insure any amount in excess of \$250,000. The uninsured amount as of December 31, 2023 and 2022 is \$-0-.

3. PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2023 are summarized as follows:

Office furniture and equipment	\$ 6,074
Less accumulated depreciation	<u>( 723 )</u>
	<u>\$ 5,351</u>

Depreciation expense amounted to \$723 in 2023.

4. FAIR VALUE OF FINANCIAL INVESTMENTS

The carrying amounts of the Company's accounts receivable approximate their fair value.

5. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 15, 2024, the date of this report. This is the date on which the financial statements were available to be issued.

**EXHIBIT E**  
**TO ONE YOU LOVE HOMECARE FRANCHISING, LLC'S**  
**FRANCHISE DISCLOSURE DOCUMENT**

**FRANCHISE AGREEMENT**

**ONE YOU LOVE HOMECARE FRANCHISING, LLC  
FRANCHISE AGREEMENT**

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**EXHIBITS**

Exhibit A	Personal Guaranty
Exhibit B	Conditional Assignment of Telephone Numbers and Social Media Pages
Exhibit C	Confidentiality and Restrictive Covenant Agreement
Exhibit D	Electronic Funds Withdrawal Authorization
Exhibit E	Collateral Assignment and Consent and Agreement of Landlord

**DATA SHEET**

Franchisee: \_\_\_\_\_

Address: \_\_\_\_\_

Guarantors: \_\_\_\_\_

Effective Date: \_\_\_\_\_

Approved Location: \_\_\_\_\_

\_\_\_\_\_

Designated Territory: \_\_\_\_\_

\_\_\_\_\_

Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Initial Franchise Fee: \_\_\_\_\_

**The terms of this Data Sheet are incorporated into the attached Franchise Agreement.**

**ONE YOU LOVE HOMECARE FRANCHISING, LLC**  
**FRANCHISE AGREEMENT**

THIS AGREEMENT (the “Agreement” or “Franchise Agreement”) is entered into and made effective \_\_\_\_\_ (the “Effective Date”), by and between: (i) One You Love Homecare Franchising, LLC, a Pennsylvania limited liability company, with its principal business address at 1620 W. Oregon Avenue, Philadelphia, PA 19145 (“Franchisor”) and the Franchisee identified in the attached Data Sheet (“Franchisee”).

**RECITALS**

A. Franchisor and its principals and affiliates have expended a considerable amount of time, effort, and money to develop a system for the operation of a unique business (the “Franchised Business” or “One You Love Homecare Business”) which offers personal care and companion care services, including companionship and conversation, meal preparation, light housekeeping, transportation, and telephone answering services (the “Services”) to seniors and disabled individuals or adults otherwise needing homecare services; and

B. Franchisor is engaged in the business of granting franchises to operate One You Love Homecare Businesses; and

C. Franchisee desires to enter into an agreement with Franchisor to obtain the rights to operate a Franchised Business using the system developed by Franchisor or its affiliate, including standards and procedures for the provision of Services, and strategies for client management in the manner set forth in this Agreement and in the Operations Manual provided by Franchisor and modified from time to time (the “System”). The System also offers unique sales techniques, marketing and advertising programs, and procedures for the operation and management of a One You Love Homecare Business; and

D. Franchisor and its franchisees use various trade names, trademarks and service marks including, without limitation, the trademark “ONE YOU LOVE HOMECARE” in connection with the System (the “Proprietary Marks”). The rights to all such Proprietary Marks as are now, or shall hereafter be, designated as part of the System shall be owned exclusively by Franchisor or its affiliate and be used for the benefit of Franchisor, its affiliate, and Franchisor’s franchisees to identify to the public the source of the products and services marketed thereunder; and

E. Franchisee has applied to Franchisor for a franchise to operate a One You Love Homecare Business and such application has been approved in reliance upon all of the representations made therein; and

F. Franchisee hereby acknowledges that adherence to the terms of this Agreement and the standards and specifications of Franchisor are essential to the operation of its Business and to the operations of the System.

**NOW, THEREFORE**, in consideration of the foregoing recitals and the mutual promises, commitments and understandings contained herein, Franchisor and Franchisee hereby agree as follows:

## 1. GRANT OF FRANCHISE

1.1 **Grant and Acceptance.** Franchisor hereby grants to Franchisee, upon the express terms and conditions contained in this Agreement, and Franchisee hereby accepts, a franchise for the right to establish and operate one One You Love Homecare Business, under the System and Proprietary Marks identified below, and the right to use the System and Proprietary Marks in the operation of the Franchised Business. Franchisor has the right to supplement, improve or otherwise modify the System from time to time in Franchisor's discretion, and Franchisee agrees to comply with all changes which may include, without limitation, the offer and sale of new or different services and ancillary products as Franchisor may specify. The foregoing grant to Franchisee does not include: (i) any right to offer any product or service via e-commerce; (ii) any right to establish an independent website or to establish a URL incorporating the Proprietary Marks or any variation thereof; or (iii) any right to distribute, market, or implement Franchisor's products and services in any channel of distribution not specifically identified in this Agreement.

1.1.1 Franchisee expressly understands and agrees that Franchisor and Franchisor's affiliates shall have the right, in Franchisor's sole discretion, to: (i) own and operate One You Love Homecare Businesses at any location(s) outside Franchisee's Designated Territory under the same or different marks, or to license others the right to own and operate One You Love Homecare Businesses at any location(s) outside Franchisee's Designated Territory under the same or different marks; (ii) to own, operate and license others to own and operate different businesses under different marks inside or outside Franchisee's Designated Territory; (iii) use the Proprietary Marks and System in connection with ancillary services and products, promotional and marketing efforts without regard to location, and the operation of any businesses using the One You Love Homecare name and mark; (iv) own and operate and license others the right to own and operate businesses that do not offer Services within or outside of the Designated Territory; and (v) use the Proprietary Marks, Proprietary Software, and System, and license others to use the Proprietary Marks, Proprietary Software, and System to engage in any other activities not expressly prohibited in this Agreement.

1.2 **Approved Location.** Franchisee may operate the Franchised Business only at the approved location identified in the Data Sheet (the "Approved Location"). Franchisee may not relocate the Franchised Business without Franchisor's prior written consent. Franchisor may condition its approval of any location for the Approved Location on Franchisee's and the landlord's execution of Franchisor's form of Consent and Agreement of Landlord attached to this Agreement at Exhibit E.

1.3 **Territory.** Upon the execution of this Agreement, Franchisor will assign Franchisee a protected, nonexclusive Designated Territory, as identified in the Data Sheet. Franchisee may not solicit clients and/or advertise outside its Designated Territory or deliver any products or services to any destination outside its Designated Territory without Franchisor's prior written consent. Generally, Franchisee's Designated Territory will have a population of up to 50,000 adults over the age of 65, as determined by data from the United States Census Bureau using weighted block groups and monthly postage data updates, which will be delineated by postal zip codes located within the same state. During the initial Term of the Franchise Agreement, the boundaries of Franchisee's Designated Territory will not change, even if the population within Franchisee's Territory increases or decreases. In some cases, Franchisee's Designated Territory may have a population of greater than 50,000 adults over the age of 65. This will be mutually agreed upon. Franchisee's initial franchise fee will increase by \$1.00 for every additional person over 65 Franchisee's Designated Territory has up to an additional 10,000 people over 65.

1.4 **Alternative Services.** Franchisee acknowledges and agrees that certain of Franchisor's or its affiliates' products and services, whether now existing or developed in the future, may be distributed in Franchisee's Territory by Franchisor, Franchisor's affiliates, or Franchisor's franchisees, licensees or designees, in such manner and through such channels of distribution as Franchisor, in its sole discretion, shall determine. Franchisee understands that this Agreement grants Franchisee no rights: (i) to distribute such products or services as described in this Section 1.4; or (ii) to share in any of the proceeds received by any such party therefrom.

1.5 **National Account Sales.** Franchisor shall have the exclusive right, unless otherwise specifically delegated in writing, on behalf of itself, Franchisee, and/or other franchisees utilizing the Proprietary Marks, to negotiate and enter into agreements or approve forms of agreement to provide services to "National Account" clients, including any affiliate, Franchisor owned, or franchised locations within the Territory.

1.5.1 The term National Account means any client which on its own behalf or through agents, franchisees, or other third parties owns, manages, controls or otherwise has responsibility for a business in more than one (1) location, including institutional clients such as hospitals, senior citizen centers, senior day care facilities, nursing homes, and hospices, whose physical presence and/or clientele are not confined within any one particular franchisee's Territory regardless of the aggregate contract amount of the services to be performed. Any dispute as to whether a particular client is a National Account shall be determined by Franchisor in its sole discretion and Franchisor's determination shall be final and binding.

1.5.2 Following the execution of a contract with or the acceptance of a bid by a National Account client which contemplates the provision of services to one or more National Account locations or National Account clientele within or outside of the Territory, Franchisor will, if Franchisee is qualified to perform the services and conditioned upon Franchisee's substantial compliance with the terms of this Agreement and any addenda, provide Franchisee the option to perform such services pursuant to the terms and conditions of the National Account contract or on such terms and conditions as Franchisor in its discretion determines is appropriate.

1.5.3 If Franchisee elects not to provide services to a National Account client in conformity with the terms and conditions of the National Account bid or contract, or fails to make an election within the time specified by Franchisor, after being offered the opportunity by Franchisor, Franchisor shall have the right, exercisable in its sole discretion, to:

1.5.3.1 Provide, directly or through any affiliate, other licensee or franchisee utilizing the Proprietary Marks, services to the National Account client location(s) within the Territory on the terms and conditions contained in the National Account bid or contract; and/or

1.5.3.2 Contract with another party to provide such services to the National Account client location(s) within the Territory on the terms and conditions contained in the National Account bid or contract between Franchisor and the National Account client, utilizing the Franchisor's Proprietary Marks or any other trademarks, service marks or trade names.

1.5.3.3 Neither the direct provision by Franchisor (or an affiliate, franchisee, licensee, or agent of Franchisor) of services to National Account clients as authorized in Section 1.5.3.1 above, nor Franchisor's contracting with another party to provide such services as authorized in 1.5.3.2 above, shall constitute a violation of this Section 1 relating to territorial exclusivity, even if such services are delivered from a location

within the Territory. Franchisee disclaims any compensation or consideration for work performed by others in the Exclusive Territory pursuant to this section.

**1.6 Certification Program and Qualification Requirements.** Franchisor reserves the right, but is not obligated to, establish one or more certificate programs through which franchisees may be authorized to provide any additional services which Franchisor may now or in the future designate in connection with System (“Certification Program”). All certificate programs will be designated as such in Franchisor’s Operations Manual, as amended from time to time.

**1.6.1 Program Participation Requirements.** Franchisee acknowledges and agrees that Franchisee’s participation in any Certification Program will be subject to the terms and conditions of such programs. Those terms and conditions may include, but will not be limited to the following:

1.6.1.1 Franchisee’s compliance with the provisions of this Agreement and any other agreement between Franchisee and Franchisor, Franchisor’s affiliates and Franchisee’s substantial compliance with all such agreements during their respective terms;

1.6.1.2 Execution of Franchisor’s then-current Certification Program Addendum, which may require a Certification Program initial fee, additional or alternative Program Fees or royalty payments, and additional marketing requirements;

1.6.1.3 Franchisee’s purchase or lease of additional equipment, inventory, and insurance meeting Franchisor’s then-current standards and specifications;

1.6.1.4 Franchisee’s satisfactory completion of Franchisor’s training program, if any, for any Certification Program. Franchisee hereby acknowledges and agrees that Franchisee will be responsible for all travel, meal and lodging costs associated with Franchisee and Franchisee’s personnel/employees’ attendance at such training programs;

1.6.1.5 Franchisee’s acquisition of any required licenses and permits necessary for the provision of Certification Program products and services; and

1.6.1.6 Any other requirements Franchisor deems necessary and appropriate in connection with Franchisor’s Certification Program.

**1.6.2** Franchisee hereby acknowledges and agrees that Franchisor may include a particular Certification Program as part of its standard offering now or in the future, or offer a Certification Program through a separate franchise offering using the Proprietary Marks or any other marks Franchisor may designate.

**1.6.3** In the event that Franchisee is in default of this Agreement, or the Certification Program Addendum, and fails to cure such defaults within the time frame prescribed in such agreements, Franchisor may revoke Franchisee’s Certification and/or require re-Certification if, in Franchisor’s judgment, Franchisee’s performance warrants such action(s).

**1.6.4** In the event that Franchisee is unable or unwilling to participate in a Certification Program, Franchisee acknowledges and expressly understands and agrees that Franchisor, Franchisor’s other franchisees, or any third party designated by Franchisor may perform Certification Program services within Franchisee’s Territory. Franchisee disclaims any

compensation or consideration for work performed by others in the Territory pursuant to this Section.

1.6.5 This Section 1.6 does not constitute a right of first refusal for any additional franchise programs which Franchisor may now or in the future create.

## **2. TERM AND RENEWAL**

2.1 **Term.** The initial term of the Franchise is for a period of ten (10) years, which will begin on the date that Franchisor signs this Agreement.

2.2 **Renewal.** Franchisee has the right to renew this Agreement for one (1) successive, additional ten (10) year period, provided Franchisee has met the following conditions:

2.2.1 Franchisee has notified Franchisor of Franchisee's intention to renew this Agreement in writing at least one hundred twenty (120) days prior to expiration of the current term;

2.2.2 Franchisee has demonstrated to Franchisor's satisfaction that Franchisee has the right to operate the Franchised Business at the Approved Location for the duration of the renewal term; or, if Franchisee is unable to operate the Franchised Business at the Approved Location, Franchisee has secured a substitute location;

2.2.3 Franchisee has completed, to Franchisor's satisfaction, no later than ninety (90) days prior to the expiration of the then-current term, all maintenance, refurbishing, renovating, updating and remodeling of the Franchised Business premises required to bring the Business and all equipment into full compliance with Franchisor's then-current System standards and specifications;

2.2.4 Franchisee is not in breach of any provision of this Agreement, or any other agreement between Franchisee and Franchisor, Franchisor's affiliates and Franchisee has substantially complied with all such agreements during their respective terms;

2.2.5 Franchisee has satisfied all monetary obligations Franchisee owes Franchisor, Franchisor's affiliates, Franchisor's approved/designated suppliers and vendors;

2.2.6 Franchisee executes Franchisor's then-current form of franchise agreement, the terms of which may vary materially from the terms of this Agreement and may include, without limitation, increased royalty fees and branding fund obligations;

2.2.7 Franchisee satisfies Franchisor's then-current training requirements for renewing franchisees at Franchisee's expense, as of the date of such renewal, if any;

2.2.8 Franchisee signs a general release, in the form Franchisor prescribes. The release shall not be inconsistent with any applicable state statute regulating franchises; and

2.2.9 Franchisee pays Franchisor a renewal fee amounting to \$12,500.

**3. FEES**

3.1 **Initial Franchise Fees.** Upon execution of this Agreement, Franchisee shall pay an initial franchise fee of \_\_\_\_\_ (\$\_\_\_\_\_) via certified check or wire transfer in immediately available federal funds (“Franchise Fee”) to Franchisor. The initial franchise fee is non-refundable and is deemed fully earned upon payment in consideration of administrative and other expenses Franchisor incurs in granting the franchise and for Franchisor’s lost or deferred opportunity to franchise others.

3.2 **Royalty Fee.** Franchisee shall pay Franchisor a biweekly royalty fee equal to the greater of (i) five percent (5%) of Gross Sales, or (ii) the Minimum Royalty Fee (“Royalty”). Beginning upon the earlier of (i) when Franchisee receives its license, or (ii) 10 months after the execution of this Agreement, Franchisee shall pay Franchisor a biweekly minimum Royalty in an amount equal to (the “Minimum Royalty Fee”):

<b>Time Period</b>	<b>Biweekly Minimum Royalty Fee</b>
Earlier of (i) when Franchisee receives its license, or (ii) 10 months from the execution of the Franchise Agreement	\$250.00
Months 13 - 24	\$500.00
Months 25 – 36	\$750.00
Months 37 – 48	\$1,125.00
Months 49 – 60	\$1,625.00
Months 61 – End of Term	\$1,875.00

“Gross Sales” includes all revenues Franchisee generates from all business conducted at, from, or through Franchisee’s Franchised Business during the preceding reporting period. (See Section 3.2 of the Franchise Agreement). Gross Sales does not include the amount of any applicable sales tax imposed by any federal, state, municipal, or other governmental authority. Also excluded from Gross Sales are system-wide discounts, including disbursements paid on behalf of clients and corrections or errors in billings.

Franchisor reserves the right to require Franchisee to pay any fees due under the Franchise Agreement by electronic funds transfer or any other means Franchisor may designate. Franchisee agrees to execute any documentation necessary to effectuate Franchisor’s designated method of payment.

3.3 **Manner of Payment.** Unless otherwise agreed between Franchisor and Franchisee, all fees and other amounts paid to Franchisor or any affiliate shall be made in the form of an ACH or similar funds transfer in the appropriate amount(s) from Franchisee’s bank account. Franchisor reserves the right to require Franchisee to pay any fees due under this agreement at any intervals Franchisor may designate and by such means as Franchisor may specify from time to time. Franchisee agrees to execute and deliver to its bank and to Franchisor those documents necessary to authorize such withdrawals and to make payment or deposit as directed by Franchisor. A form of authorization for electronic transfer of funds is attached hereto as Exhibit D. Franchisee further agrees that it will not thereafter terminate such authorization so long as the Franchise Agreement is in effect. Franchisee agrees that it will not close such bank account without prior notice to Franchisor and the establishment of a substitute bank account permitting such withdrawals. Franchisee also agrees that in the event that a direct electronic funds transfer or other withdrawal program is not available at the bank at which it currently does its business, it will take all reasonable and necessary

steps to establish an account at a bank which does have such a program.

3.4 **Insufficient Funds.** If any check or other form of payment is not honored, Franchisee will be responsible for the amount of the payment plus any service charges Franchisor incurs. Franchisee shall also be subject to an insufficient funds fee of \$50.

3.5 **Failure to Pay Fees in a Timely Manner.** Any late payment or underpayment of the Royalty, Brand Development Fee, Invoicing Fee, and any other charges or fees Franchisee owes Franchisor or Franchisor's affiliates, will bear interest from the due date until paid at a rate of one and a half percent (1.5%) per month, and may also be subject to an insufficient funds fee of \$50. Nothing contained in this Section shall prevent Franchisor from exercising, in Franchisor's sole judgment, any other rights or remedies available to Franchisor under this Agreement.

3.6 **Taxes on Payments.** In the event any taxing authority, wherever located, imposes any future tax, levy or assessment on any payment Franchisee makes to Franchisor, Franchisee must, in addition to all payments due to Franchisor, pay such tax, levy or assessment.

3.7 **Technology Fee.** Upon execution of this Agreement, Franchisee will be required to pay Franchisor (or its designated supplier) its then-current a monthly fee in connection with certain technology services necessary to operate the Franchised Business, including without limitation, the designated franchise management software, One You Love Mobile proprietary technology and intranet costs. The technology fee includes three email addresses, however in the event Franchisee requires use of more than three One You Love email addresses, Franchisee will be required to pay Franchisor (or its designated supplier) an additional monthly fee, currently \$10 per additional email address. These fees are due via ACH on the 15th day of each month (the "Technology Fee"). Franchisor has the right to increase or decrease the Technology Fee based on changes in System vendors' pricing and System technology needs, or impose additional fees, as changes are made to the System's technology platforms, including computer hardware, software and other computer requirements or as required by the third-party service provider(s) or by any regulatory agency, or otherwise require Franchisee to pay the Technology Fee to a third-party vendor.

3.8 **Software Fee.** Franchisor reserves the right to collect a Software Fee in connection with the ongoing cost of providing, maintaining and implementing hardware and software. This amount is subject to increase based upon vendor/licensor pricing. This amount is currently paid to an Approved Supplier. Franchisor also reserves the right to require Franchisee to pay its Approved Supplier for certain security services for each tablet that Franchisee uses in the operation of the Franchised Business.

#### 4. **PROPRIETARY MARKS**

##### 4.1 **Franchisee's Use of the Proprietary Marks and Other Proprietary Material.**

4.1.1 Franchisee shall use only the Proprietary Marks which Franchisor designates, and shall use them only in the manner Franchisor authorizes and permits.

4.1.2 Franchisee shall use the Proprietary Marks only for the operation of the Franchised Business and only at the Approved Location and in marketing for the Franchised Business.

4.1.3 Franchisee shall use all Proprietary Marks without prefix or suffix and in conjunction with the symbols "TM," "SM," "S," or "®," as applicable. Franchisee may not use the

Proprietary Marks in connection with the offer or sale of any services or products which Franchisor has not authorized for use in connection with the System. Franchisee may not use the Proprietary Marks as part of Franchisee's corporate or other legal name. Franchisee's corporate name and all fictitious names under which Franchisee proposes to do business must be approved by Franchisor in writing before use. Franchisee must use Franchisee's corporate or limited liability company name followed by the phrase "an independently owned and operated One You Love Homecare business." Franchisee must promptly register at the office of the county in which Franchisee's Business is located, or such other public office as provided for by the laws of the state in which Franchisee's Approved Location is located, as doing business under such assumed business name.

4.1.4 Franchisee must identify itself as the owner of the Franchised Business (in the manner Franchisor prescribes) in conjunction with any use of the Proprietary Marks including, without limitation, on invoices, order forms, receipts, client forms and questionnaires, business stationery, and advertisements, as well as at such conspicuous locations as Franchisor may designate in writing at the Approved Location.

4.1.5 Franchisee's right to use the Proprietary Marks is limited to such uses as are authorized under this Agreement, and any unauthorized use thereof shall constitute an infringement of Franchisor's rights.

4.1.6 Franchisee shall not use the Proprietary Marks to incur any obligation or indebtedness on Franchisor's behalf.

4.1.7 Franchisee shall execute all documents Franchisor deems necessary to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability.

4.1.8 Franchisee must promptly notify Franchisor of any suspected unauthorized use of the Proprietary Marks, or any proprietary software (as defined in Section 7.8.1 below). Franchisor may now or hereafter designate for use in connection with the System, any challenge to the validity of the Proprietary Marks, or any challenge to Franchisor's ownership of, Franchisor's right to use and to license others to use, or Franchisee's right to use, the Proprietary Marks.

4.1.9 Franchisee expressly understands and acknowledges that:

4.1.9.1 Franchisor owns all right, title, and interest in and to the Proprietary Marks and the goodwill associated with and symbolized by them, and Franchisor has the right to use, and license others to use, the Proprietary Marks;

4.1.9.2 The Proprietary Marks are valid and serve to identify the System and those who are authorized to operate under the System;

4.1.9.3 During the term of this Agreement and after its expiration or termination, Franchisee shall not directly or indirectly contest the validity of, or Franchisor's ownership of, or right to use and to license others to use, the Proprietary Marks or any other Proprietary Material;

4.1.9.4 Franchisee's use of the Proprietary Marks or Proprietary Materials does not give Franchisee any ownership interest or other interest in or to the Proprietary Marks or Proprietary Materials;

4.1.9.5 Any and all goodwill arising from Franchisee's use of the

Proprietary Marks and Proprietary Material shall inure solely and exclusively to Franchisor's benefit, and upon expiration or termination of this Agreement, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the System, the Proprietary Marks, or any other Proprietary Material;

4.1.9.6 Except as specified in Section 1.3 hereof, the license of the Proprietary Marks granted to Franchisee hereunder is nonexclusive and Franchisor retains the right, among others, (i) to use the Proprietary Marks itself in connection with selling products and services; (ii) to grant other licenses for the Proprietary Marks; and (iii) to develop and establish other systems using the Proprietary Marks, similar proprietary marks, or any other proprietary marks, and to grant licenses thereto without providing any rights therein to Franchisee; and

4.1.9.7 Franchisor reserves the right, in Franchisor's sole discretion, to substitute different proprietary marks for use in identifying the System and the businesses operating thereunder. Franchisee shall discontinue using all Proprietary Marks which Franchisor has notified Franchisee, in writing, have been modified or discontinued within ten (10) days of receiving written notice and, at Franchisee's sole cost and expense, shall promptly begin using such additional, modified or substituted Proprietary Marks.

4.2 **Litigation Involving the Marks.** Franchisee acknowledges that Franchisor has the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement thereof. Franchisor has the right, but not the obligation, to take action against uses by others that may constitute infringement of the Franchisor's rights to the Proprietary Marks. Franchisor shall defend Franchisee against any third-party claim, suit, or demand arising out of Franchisee's use of the Proprietary Marks. If Franchisor, in Franchisor's sole discretion, determines that Franchisee has used the Proprietary Marks in accordance with this Agreement, Franchisor shall bear the cost of such defense, including the cost of any judgment or settlement. If Franchisor, in Franchisor's sole discretion, determines that Franchisee has not used the Proprietary Marks in accordance with this Agreement, Franchisee shall bear the cost of such defense, including the cost of any judgment or settlement. In the event of any litigation relating to Franchisee's use of the Proprietary Marks, Franchisee shall execute any and all documents and do such acts as may, in Franchisor's opinion, be necessary to carry out such defense or prosecution including, without limitation, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of Franchisee's use of the Proprietary Marks in a manner inconsistent with the terms of this Agreement, Franchisor agrees to reimburse Franchisee for Franchisee's out-of-pocket costs in performing such acts.

## 5. CONFIDENTIAL INFORMATION

5.1 **Nondisclosure.** During the term of this Agreement, Franchisee will receive information which Franchisor considers a trade secret and confidential information, including the Proprietary Software ("Confidential Information"). Franchisee shall not, during the term of this Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, partnership, association, corporation, or limited liability company any Confidential Information including, without limitation, methods and techniques for the Services, the company's client lists, copyrighted materials, methods, processes and other techniques and know-how concerning the operation of the Franchised Business which may be communicated to Franchisee or of which Franchisee may be apprised by virtue of Franchisee's operation of the Business. Franchisee acknowledges that certain information regarding clients, including (i) current client and prospective client names and addresses, (ii) information about credit extensions to clients, (iii) client service

purchasing histories, (iv) rates charged to clients (subsections (i)-(iv) collectively “Client Lists”), and (v) sources of suppliers also constitute Franchisor’s trade secrets and confidential information. Franchisee may divulge such Confidential Information and trade secrets only to such of Franchisee’s employees/personnel as must have access to it in order to operate the Franchised Business. Any and all information, knowledge, know-how, techniques, and other data which Franchisor designates as confidential will be deemed Confidential Information for purposes of this Agreement. Franchisee further acknowledges and agrees to maintain the full and strictest confidentiality of all client information.

5.2 **Employees/Personnel.** Franchisee must require Franchisee’s officers, directors, General Manager, and any personnel having access to any of Franchisor’s Confidential Information to execute the Confidentiality and Restrictive Covenant Agreement attached hereto as Exhibit C. The Confidentiality and Restrictive Covenant Agreement provides that they will maintain the confidentiality of information they receive in connection with their employment by Franchisee.

5.3 **New Concepts.** If Franchisee, Franchisee’s employees/personnel, or principals develop any new concept, processes, or improvements in the operation or promotion of the Franchised Business or Proprietary Software, Franchisee shall promptly notify Franchisor and provide Franchisor with all necessary related information, without compensation. Any such concept, process or improvement shall become Franchisor’s sole property and Franchisor shall be the sole owner of all patents, patent applications, trademarks, copyrights, and other intellectual property rights related thereto. Franchisee and Franchisee’s principals hereby assign to Franchisor any rights Franchisee may have or acquire therein, including the right to modify such concept, process, or improvement, and otherwise waive and/or release all rights of restraint and moral rights therein and thereto. Franchisee and Franchisee’s principals agree to assist Franchisor in obtaining and enforcing the intellectual property rights to any such concept, process, or improvement in any and all countries and further agree to execute and provide Franchisor with all necessary documentations for obtaining and enforcing such rights. Franchisee and Franchisee’s principals hereby irrevocably designate and appoint Franchisor as Franchisee’s agent and attorney-in-fact to execute and file any such documentation and to do all other lawful acts to further the prosecution and issuance of patents or other intellectual property rights related to any such concept, process, or improvement. In the event that the foregoing provisions of this Section 5.3 are found to be invalid or otherwise unenforceable, Franchisee and Franchisee’s principals hereby grant to Franchisor a worldwide, perpetual, non-exclusive, fully paid license to use and sublicense the use of the concept, process or improvement to the extent such use or sublicense would, absent this Agreement, directly or indirectly infringe Franchisee’s rights therein.

## 6. FRANCHISOR’S OBLIGATIONS

6.1 **Operations Manual.** Franchisor will provide Franchisee with on-line access to Franchisor’s proprietary and confidential Operations Manual and any other manual Franchisor may now or hereafter designate for use in operating a Business (collectively the “Operations Manual”). Franchisee shall operate the Franchised Business in strict compliance with the Operations Manual, as it may be reasonably changed from time to time. The Operations Manual shall remain confidential and Franchisor’s exclusive property. Franchisee shall not disclose, duplicate or make any unauthorized use of any portion of the Operations Manual. The provisions of the Operations Manual constitute provisions of this Agreement as if fully set forth herein. If there is a dispute relating to the contents of the Operations Manual, the master on-line copy, which Franchisor maintains, will control. Franchisor reserves the right to disclose updates to the Operations Manual in writing in any manner, including electronic means such as e-mail, Franchisor’s website and any intranet or extranet that Franchisor establishes in connection with the System. Franchisee must operate the Franchised

Business in accordance with all applicable federal, state, and local laws, regulations, and ordinances. Franchisee acknowledges that Franchisee has conducted a thorough independent investigation into all such laws and regulations with the advice of an attorney or other qualified advisor. Franchisee must obtain Franchisor's written consent prior to deviating from any of Franchisor's standards and specifications to comply with any law or regulation, which approval will not be unreasonably withheld.

6.2 **Equipment Selection.** Franchisor will provide Franchisee with specifications and requirements for computer hardware, software, and other electronic equipment required to operate the Franchisee's One You Love Homecare Business and will set forth such specifications in the Operations Manual.

6.3 **Start-up and Ongoing Inventory and Supplies.** Franchisor will provide specifications for and designate sources of supply from which Franchisee agrees to purchase inventory and other supplies necessary for the start-up and ongoing operations of Franchisee's Franchised Business, including stationery, marketing collateral and display materials.

6.4 **Pre-opening Marketing.** Franchisor will help plan Franchisee's grand opening campaign. Franchisor, at its sole discretion, may provide graphic designs, layouts and written copy for marketing material, which Franchisee may use (Franchisee must pay production costs for items such as advertisements and other promotional material for Franchisee's Franchised Business address).

6.5 **Ongoing Assistance.** Franchisor will provide Franchisee continuing consultation and advice as Franchisor deems necessary and appropriate regarding the management and operation of the Franchised Business. Franchisor will provide such assistance, in Franchisor's discretion, by telephone, in person or by intranet communication.

6.6 **Toll Free Telephone Number.** Franchisor has the right, but not the obligation, to establish and maintain a toll-free telephone number for the purpose of accepting and confirming client orders nationwide, customer service, and client follow-up and satisfaction surveys. Franchisee must comply with Franchisor's procedures for implementing the nationwide service as Franchisor specifies in the Operations Manual or otherwise in writing and Franchisee may have to pay a fee related to the establishment, operation and maintenance of the toll-free telephone number.

6.7 **Conferences.** Franchisor may, in Franchisor's discretion, hold an Annual Conference, Regional Conferences or other training sessions at locations to be selected by Franchisor. Franchisor shall determine the topics and agenda for any such conference to serve the purpose, among other things, of updating franchisees on new developments affecting franchisees, exchanging information between franchisees and Franchisor's personnel regarding Business operations and programs, and recognizing franchisees for their achievements. Franchisee is required to pay for the cost of one ticket to the upcoming annual conference each year at least 60 days' prior to the date of the annual conference. If Franchisee fails to attend the annual conference, the cost of the ticket will not be refunded to Franchisee. Franchisor requires Franchisee to attend the Annual Conference, Regional Conferences, or other training sessions and to pay Franchisor's then-current registration fee. All expenses, including Franchisee's and Franchisee's personnel/employees' transportation to and from the conference or training session, and lodging, meals, and salaries during the event, are Franchisee's sole responsibility. Franchisor may use expenditures from the Branding Fund for purposes related to the Annual Conference, including costs related to productions, programs, and materials.

6.8 **Refresher/On-going Training.** Franchisor may, in Franchisor's sole discretion, hold refresher and ongoing training courses, or training courses upon a significant change to the Franchise System. Franchisor may require Franchisee and Franchisee's personnel/employees to attend such training at its then-current fee for providing such training. All expenses, including Franchisee and Franchisee's personnel/employees' transportation, meal, and lodging expenses to attend such training shall be Franchisee's sole responsibility provided that such expenses shall not exceed \$2,000.00 per year.

## 7. FRANCHISEE'S OBLIGATIONS

7.1 **Site Location and Lease Approval.** Franchisee will not initially be required to lease commercial office space unless the laws and regulations applicable to the Franchised Business prevent Franchisee from operating the Franchised Business from a home office. Franchisee must secure commercial office space for the operation of the Franchised Business at the earlier of (a) 30 days from when you receive your license (if required), or (b) 30 days from the execution of the Franchise Agreement (if a license is not required). Franchisor has the right to review, evaluate and approve Franchisee's proposed lease for the commercial office space ("Lease") prior to execution, approval of which will not be unreasonably withheld. Neither Franchisor's review of the Lease, nor Franchisor's acceptance of the site Franchisee has selected, constitutes a representation or guarantee that Franchisee will succeed at the selected Approved Location or an expression of Franchisor's opinion regarding the terms of the Lease. Franchisor encourages Franchisee to seek independent counsel from a lawyer or business adviser to assist Franchisee in selecting a location and negotiating a lease for the Franchised Business premises. Franchisee and its landlord must execute the form of Consent and Agreement of Landlord and Collateral Assignment of Lease attached hereto as Exhibit E.

7.1.1 **Relocation.** If, for any reason, the Lease term is shorter than the term of this Agreement and the Lease cannot be renewed or extended, or Franchisee cannot continue for any other reason to occupy the Location, Franchisee must relocate Franchisee's Franchised Business to a mutually acceptable site within Franchisee's Designated Territory to complete the unexpired portion of the term of this Agreement. Franchisee must notify Franchisor of Franchisee's intention to relocate, procure a site acceptable to Franchisor within ninety (90) days prior to closing operations at Franchisee's current Approved Location, and open for business at the new Approved Location within thirty (30) days of closing business at Franchisee's existing Approved Location.

7.2 **Training.** Franchisee (or Franchisee's principal, as applicable) or Franchisee's General Manager, if applicable, must attend and successfully complete Franchisor's Initial Training Program, as set forth in Section 8 of this Agreement.

7.3 **Opening Requirements.** Franchisee shall apply for the applicable required licensing in Franchisee's locale (city, county, or township) within ten (10) days of the Effective Date of this Agreement. Franchisee must apply for any state licensing within thirty (30) days of the Effective Date of this Agreement. Franchisee is obligated to provide Franchisor with proof that Franchisee has submitted all required applications for licensure within these time periods. Franchisee must use its best efforts to progress and advance these applications and respond to any inquiries in a reasonable time. Franchisee shall commence operations of the Franchised Business within thirty (30) days of the date Franchisee receives such licensing approval. In any case, Franchisee shall open and commence operations of the Franchised Business within nine (9) months of the Effective Date of this Agreement.

#### 7.4 **Purchasing Requirements.**

7.4.1 Compliance with Standards. Franchisee acknowledges and agrees that Franchisee's obligations set forth in this Agreement and the Operations Manual are reasonable and necessary for the operation of the Business and to maintain uniformity throughout the System. Franchisee shall adhere to the standards and specifications set forth in this Agreement and the Operations Manual and any revisions or amendments to same. Franchisee shall use signs, furnishings, supplies, fixtures, equipment and inventory which comply with Franchisor's then-current standards and specifications (including, without limitation, standards and specifications for computer hardware and software, as well as other equipment and inventory items, furnishings, fixtures, and signage) which Franchisor establishes from time to time. Franchisor has the right to change Franchisor's standards and specifications in Franchisor's discretion. Franchisee acknowledges that Franchisee may incur an increased cost to comply with such changes at Franchisee's expense.

7.4.2 Designated and Approved Suppliers. Recognizing that preservation of the System depends upon service and product uniformity and the maintenance of Franchisor's trade dress, Franchisee agrees to purchase products and services, including (but not limited to) certain signs, furnishings, supplies, fixtures, computer hardware and software, and services from Franchisor or from approved or designated third party suppliers as Franchisor shall specify, from time to time, in the Operations Manual and otherwise in writing. Franchisee hereby acknowledges that Franchisor, Franchisor's affiliate and/or a third party may be one of several, or the only, approved supplier of any item. Franchisee further acknowledges and agrees that Franchisor and/or Franchisor's affiliates have the right to realize a profit on any items that Franchisor, Franchisor's affiliates or Franchisor's approved suppliers provide to Franchisee.

7.4.3 Supplier Approval. In the event Franchisee wishes to purchase any approved items from an unapproved supplier, Franchisee must provide Franchisor the name, address and telephone number of the proposed supplier, a description of the item Franchisee wishes to purchase, and purchase price of the item, if known. At Franchisor's request, Franchisee must provide Franchisor, for testing purposes, a sample of the item Franchisee wishes to purchase. Franchisor reserves the right to charge Franchisee its then-current supplier approval fee ("Supplier Approval Fee") to offset any costs in connection with testing a particular product or evaluating an unapproved supplier at Franchisee's request. Franchisor will notify Franchisee of approval or disapproval within 30 days of receiving all requested information. Nothing in the foregoing shall be construed to require Franchisor to approve any particular supplier. Franchisor may base Franchisor's approval of any such proposed item or supplier on considerations relating not only directly to the item or supplier itself, but also indirectly to the uniformity, efficiency, and quality of operation Franchisor deems necessary or desirable in Franchisor's System as a whole. Franchisor has the right to receive payments from suppliers on account of their dealings with Franchisee and other franchisees and to use all amounts Franchisor receives without restriction (unless instructed otherwise by the supplier) for any purposes Franchisor deems appropriate. Nothing herein shall require Franchisor to approve an unreasonable number of suppliers for a given item, which approval might, in Franchisor's reasonable judgment, result in higher costs or prevent the effective or economical supervision of approved suppliers. Franchisor may revoke Franchisor's approval of particular products or suppliers when Franchisor determines, in Franchisor's sole discretion, that such products or suppliers no longer meet Franchisor's standards. Upon receipt of written notice of such revocation, Franchisee must cease purchasing products from such supplier. Franchisee must use products purchased from approved suppliers solely in connection with the operation of Franchisee's Business and not for any competitive business purpose.

7.4.4 **System Suppliers.** Franchisor may establish business relationships, from time to time, with suppliers who may offer certain services (such as credit and background check services and asset identification services) or certain products such as furnishings, supplies, fixtures, equipment and inventory according to Franchisor's proprietary standards and specifications or private label goods which Franchisor has authorized and prescribed for sale by System franchisees ("System Suppliers"). Franchisee recognizes that such services and products are essential to the operation of the Franchised Business and to the System generally. Franchisee further recognizes that Franchisee's failure to pay System Suppliers may interfere with such suppliers' willingness to supply the System which may result in other System franchisees' inability to obtain product or ability to obtain product only on less favorable credit terms. Accordingly, Franchisee agrees to pay System Suppliers as and when due.

7.5 **Authorized Products and Services.** Franchisee shall offer for sale all services and products which Franchisor prescribes and only those services and products which Franchisor prescribes. Franchisee may not offer any other services for sale or products for sale, rent, or lease without having received Franchisor's prior written authorization.

7.6 **Operations.**

7.6.1 Franchisee must operate Franchisee's Franchised Business for at least those months, hours (9:00 AM – 5:00 PM) and days that Franchisor specifies in the Operations Manual. Franchisee must be available to answer the phone and respond to emails during these business hours.

7.6.2 Franchisee must operate the Franchised Business in accordance with all applicable requirements of law, including all federal, state, and local laws or regulations, and the Operations Manual. Franchisee and Franchisee's employees/personnel must give prompt, courteous and efficient service to the public and otherwise operate the Business so as to preserve, maintain and enhance the reputation and goodwill of the System.

7.6.2.1 Franchisee shall provide the Services strictly in accordance with Franchisor's techniques and processes for providing such services, as Franchisor may state in the Operations Manual or otherwise in writing and in compliance with all applicable laws and regulations. Such services may only be sold using Franchisor's marketing plan and concept. Franchisee acknowledges that such operational procedures are integral to the System and failure to strictly adhere to such procedures shall be detrimental to the System and Proprietary Marks and shall constitute a default of this Agreement.

7.6.3 Franchisee must employ a sufficient number of qualified, competent personnel, offer prompt, courteous and efficient service to the public, and otherwise operate the Business in compliance with the System so as to preserve, maintain and enhance the reputation and goodwill of the System and to receive any necessary state healthcare licensing. All employees and personnel engaged in the operation of Franchisee's Franchised Business during working hours shall dress conforming to Franchisor's standards as set forth in the Operations Manual or otherwise in writing and shall present a neat and clean appearance in conformance with Franchisor's reasonable standards and shall render competent, efficient service to the clients of the Business.

7.6.4 Franchisee agrees to conduct the Franchised Business in accordance with the Operations Manual. Franchisee shall immediately train and instruct Franchisee's employees/personnel in accordance with the Operations Manual, any other training manuals or other materials Franchisor may provide to Franchisee and shall continue such training and instruction as long as each employee is employed. The Operations Manual shall set forth the practices, procedures

and methods to be utilized in Franchisee's Franchised Business and Franchisor may require Franchisee to conform Franchisee's practices to national programs, which Franchisor has designed and promulgated as part of Franchisor's Franchise System.

7.6.5 Franchisee (or at least one of Franchisee's principals if Franchisee is a corporation or partnership) must personally supervise the day-to-day operations of the Business. Franchisee (or at least one of Franchisee's principals if Franchisee is a corporation or partnership) must devote Franchisee's personal full-time attention and best efforts to the management and operation of the Business. Franchisee may, however, delegate certain day-to-day matters of Franchisee's Franchised Business to a manager ("General Manager"), however, Franchisee must still supervise the day-to-day operations of the Franchised Business. Franchisor must approve Franchisee's General Manager in writing prior to hiring and Franchisee or Franchisee's General Manager must successfully complete Franchisor's initial training program before assuming any managerial responsibility. Franchisee's Business must, at all times, be staffed with at least one (1) individual who has successfully completed Franchisor's initial training program as set forth in Section 8.2. In the event that Franchisee operates more than one Business, Franchisee shall have a properly trained General Manager who has been approved by Franchisor at each location. Franchisee shall keep Franchisor informed at all times of the identity of any employee/personnel acting as General Manager of a Business. In the event that a General Manager resigns or is otherwise terminated from Franchisee's Business, Franchisee shall hire a replacement approved of in writing by Franchisor who meets Franchisor's then current standards for General Managers within thirty (30) days after termination or resignation of the prior General Manager. The new General Manager must complete initial training to Franchisor's satisfaction within sixty (60) days of hiring, subject to the availability of Franchisor's personnel. Any General Manager(s) shall devote full time and best efforts to the day-to-day operation and management of the Business and shall not engage in any other business activity without Franchisor's prior written consent.

7.6.6 Franchisee must at all times maintain such working capital as may be reasonably necessary to enable Franchisee to properly and fully carry out and perform all of Franchisee's duties, obligations and responsibilities hereunder and to operate the business in a businesslike, proper and efficient manner.

7.6.7 All persons providing services to clients must be employed by Franchisee and be covered under Franchisee's insurance policies and may not be classified as independent contractors.

7.6.8 In addition, Franchisee and all of Franchisee's employees/personnel must (a) undergo a criminal background check, which must be passed to our satisfaction; and (b) provide at least two (2) references meeting our satisfaction prior to entering into this Agreement and participating in the operation of the Franchised Business. Franchisee and Franchisee's employees/personnel must routinely undergo criminal background rescreening during the term of the Franchise Agreement as prescribed in the Operations Manual and immediately upon request. Franchisor must be provided with copies of all such reports on a periodic basis and immediately upon request. Any employee/personnel failing to meet Franchisor's criteria for a clean criminal background check must be terminated immediately. Franchisor has the right to terminate the Franchise Agreement immediately in the event Franchisee fails a criminal background check.

7.7 **Site Evaluation.** Franchisee agrees, that in order to maintain the high quality and uniform standards associated with the Franchise System and to protect its goodwill and reputation, Franchisee will permit Franchisor during business hours, to inspect Franchisee's Business, confer with Franchisee and Franchisee's employees, personnel, and clients, conduct field investigations,

and perform any other inspection which Franchisor deems necessary to protect the standards of quality and uniformity of the Franchise system and Franchisee's performance under this Agreement. Franchisee is obligated to make changes to Franchisee's operations based upon any inspections by Franchisor.

7.8 **Computer Software and Hardware.** Franchisee shall purchase and use any and all computer software programs (including any iPad Security Fee) ("Software") which Franchisor may develop and/or designate for use for the System and shall purchase such computer hardware as may be necessary for the efficient operation of the Software. Franchisor has the right to require Franchisee to update or upgrade computer hardware components and/or Software as Franchisor deems necessary from time to time but not more than two (2) times per calendar year, at Franchisee's cost. In addition, Franchisor has the right to require Franchisee to enter into a separate maintenance agreement for such computer hardware and/or Software. Franchisor reserves the right to require Franchisee to install a "systems backup solution", which backs up critical data in Franchisee's computer system using an off-premises storage scheme. Notwithstanding the fact that Franchisee must buy, use and maintain the computer hardware and Software under Franchisor's standards and specifications, Franchisee will have the sole and complete responsibility for: 1) the acquisition, operation, maintenance and upgrading of the computer hardware and Software; and 2) any and all consequences that may arise if the computer hardware and Software is not properly operated, maintained and upgraded. Franchisor may lend Franchisee some or all Software and/or hardware at no extra cost to Franchisee and Franchisee must immediately return such equipment to Franchisor in working order upon the expiration or termination of this agreement.

7.9 **Computer Network, Intranet or Extranet Participation.** Franchisee is required to participate in any System-wide computer network, intranet system or extranet system that Franchisor implements and may be required by Franchisor to use such area computer network, intranet system or extranet system to, among other things: (i) submit Franchisee's reports due under this Agreement to Franchisor on-line; (ii) view and print portions of the Operations Manual; (iii) download approved local marketing materials; (iv) communicate with Franchisor and other System franchisees; (v) complete any initial and ongoing training; and (vi) view and retrieve standard business forms. Franchisee agrees to use the facilities of any such area computer network, intranet system or extranet system in strict compliance with the standards, protocols, and restrictions that Franchisor included in the Operations Manual, including those related to the encryption of confidential information and prohibitions against the transmission of libelous, derogatory or defamatory statements.

7.10 **Personal Conduct.** Franchisee agrees to refrain from committing any act or pursuing any course of conduct that tends to bring Franchisor's Proprietary Marks into disrepute.

7.11 **Best Efforts.** Franchisee must use best efforts to promote and increase the demand for the goods and services of the Business. All of Franchisee's marketing and promotion shall be completely factual and shall conform to the highest standards of ethical advertising. Franchisee agrees to refrain from any business or marketing practice which may be injurious to the Franchised Business or the goodwill associated with the Proprietary Marks and System.

7.12 **Telephone.** Franchisor will obtain on behalf of Franchisee, a new telephone number and telephone listing at Franchisee's expense, to be listed under the "One You Love Homecare" name and not under Franchisee's corporate, partnership, or individual name, to be used exclusively in connection with Franchisee's operation of the Business. Upon the expiration, transfer or termination of this Agreement for any reason, Franchisee shall terminate Franchisee's use of such telephone number and listing and assign same to Franchisor or Franchisor's designee. Franchisee

must answer the telephone in the manner Franchisor specifies in the Operations Manual.

**7.13 Payment of Debts.** Franchisee is solely responsible for selecting, retaining, and paying Franchisee's employees/personnel; the payment of all invoices for the purchase of goods and services used in connection with operating the Franchised Business; and determining whether, and on what terms, to obtain any financing or credit which Franchisee deems advisable or necessary for the conduct of the Franchised Business. Franchisee agrees to pay all current obligations and liabilities to suppliers, lessors, and creditors on a timely basis. Franchisee agrees to indemnify Franchisor in the event that Franchisor is held responsible for debts owed by Franchisee if Franchisor elects to pay any of Franchisee's obligations in order to preserve the relationship between System Suppliers and System franchisees. Franchisee agrees to make prompt payment of all federal, state and local taxes, including individual and corporate taxes, sales and use taxes, franchise taxes, gross receipts taxes, employee withholding taxes, FICA taxes, personal property and real estate taxes arising from Franchisee's operation of the Franchised Business. Franchisee agrees to indemnify Franchisor in the event that Franchisor is held responsible for these taxes.

**7.14 Compliance with Applicable Laws.** Franchisee must comply with all applicable federal, state and local laws, ordinances and regulations regarding the operation of the Franchised Business (including, without limitation, all government regulations relating to the healthcare industry, employment agency licenses, senior care, housekeeping laws, occupational hazards and health, consumer protection, trade regulation, worker's compensation, unemployment insurance, withholding and payment of federal and state income taxes and social security taxes and sales, use and property taxes, and the applicable provisions of the Americans with Disabilities Act ("ADA") regarding the construction, design, and operation of the Franchised Business). Franchisee must obtain and maintain in good standing all applicable federal, state and local permits and licenses necessary to operate the Franchised Business. If Franchisee obtains accreditation from a national accreditation service (The Joint Commission or other providers), Franchisee must maintain such accreditation in good standing. Franchisee will provide Franchisor with a list of third-party consultants that may assist Franchisee in obtaining all required licenses and permits necessary to operate the Franchised Business at Franchisee's expense. Franchisor does not anticipate or recommend that Franchisee seek Medicare/Medicaid certification from the federal government and Franchisor will not support Franchisee in achieving and/or maintaining Medicare/Medicaid certification. If Franchisee determines to obtain Medicare/Medicaid certification, Franchisee agrees to assume all associated costs and risks. Franchisee will be required to pay Franchisor royalties on account of Gross Sales resulting from Franchisee's Medicare/Medicaid certification. Franchisee will have sole authority and control over the day-to-day operations of the Franchised Business and Franchisee's employees and/or independent contractors. Franchisee agrees to be solely responsible for all employment decisions and to comply with all state, federal, and local hiring laws, including without limitation, those related to hiring, firing, training, wage and hour requirements, compensation, promotion, record-keeping, supervision, and discipline of employees/personnel, paid or unpaid, full or part-time. At no time will Franchisee or Franchisee's employees/personnel be deemed to be employees/personnel of Franchisor or Franchisor's affiliates.

**7.15 Trade Secrets and Confidential Information.** Franchisee must maintain the confidentiality of all Confidential Information as set forth in Section 5 of this Agreement. Moreover, Franchisee and Franchisee's employees/personnel must keep information regarding clients' health and financial position and holdings confidential at all times during and after the term of this agreement.

**7.16 Image.** Franchisee acknowledges that Franchisor has developed the System to offer and sell products which will distinguish the Business as a Business of distinction from other

businesses and chains which offer similar services valued at different prices and with less attention paid to customer service excellence. Franchisee agrees to offer services and products and to conduct the Business in such a manner which will serve to emulate and enhance the image Franchisor intended for the System. Franchisee further acknowledges and agrees that each aspect of the System is important not only to Franchisee but also to Franchisor and to other System franchisees in order to maintain the highest operating standards, achieve system wide uniformity and increase the demand for the customized personal care services rendered by System franchisees. Franchisee agrees to comply with the standards, specifications and requirements Franchisor set forth in order to uniformly convey the distinctive image of a One You Love Homecare Franchised Business. Franchisee shall, in the operation of the Business, use only such displays, labels, forms, and stationery imprinted with the Proprietary Marks and colors as prescribed from time to time by Franchisor.

7.17 **Pending Actions.** Franchisee shall notify Franchisor, in writing, within five (5) days of the commencement of any action, suit or proceeding and the issuance of any order, suit or proceeding of any court, agency or other government instrumentality, including the receipt of any notice or citation, which may adversely affect the operation or financial condition of Franchisee or the Franchised Business.

7.18 **Standard Maintenance.** Franchisee agrees to repair, refinish, repaint, or replace, the furnishings, fixtures, decor, and any other tangible part or property of the Franchised Business at Franchisee's sole expense at such times as Franchisor may reasonably direct. Franchisee agrees that Franchisor has the right to direct Franchisee to remodel, re-equip, and otherwise refurbish the Franchised Business premises in the manner necessary to bring it into conformance with other franchises of the type that Franchisor and Franchisor's franchisees are opening at the time of such direction.

## 8. TRAINING

8.1 **Initial Training Program.** Franchisor will provide Franchisee (or its General Manager, if applicable) and two additional attendees with the initial training program. Prior to opening, Franchisee must complete initial training to our satisfaction. If Franchisee is a partnership, corporation or limited liability company, at least one of the trainees for the Initial Training Program must be its general partner, principal shareholder, or manager as appropriate (or its designated General Manager, if applicable). Franchisee will be responsible for the cost of its and its personnel/employees' salaries, lodging, meal, and travel costs. Franchisor reserves the right to offer the Initial Training Program via remote learning.

8.2 **Training Materials.** Franchisor will provide Franchisee with training materials for Franchisee to use in training Franchisee's personnel. Only Franchisor's approved training materials may be used by Franchisee in training Franchisee's personnel. Updated training materials will be provided to Franchisee by Franchisor upon written request. All training materials provided to Franchisee, by Franchisor, shall at all times remain Franchisor's property, and Franchisee agrees not to challenge Franchisor's or Franchisor's affiliates' title or rights in or to the training materials. Franchisee may not make any disclosure, duplication or other unauthorized use of any portion of the training materials. All training-related expenses for Franchisee's additional teaching personnel, including transportation to and from the training site, lodging, meals, and salaries during training, are Franchisee's sole responsibility. All training related expenses for Franchisee's additional teaching personnel, including transportation to and from the training site, lodging, meals, and salaries during training, are Franchisee's sole responsibility.

**8.3 Additional Assistance.** To assist Franchisee in the operation of Franchisee's Business, Franchisor may offer additional training programs and/or refresher courses to Franchisee, Franchisee's General Manager and/or Franchisee's employees/personnel. Franchisor may provide such assistance, in its discretion, by telephone, intranet communication, web portals or on-site visits. Franchisor may require Franchisee's attendance at these programs and/or courses. Franchisee is responsible for the expenses of Franchisee, Franchisee's General Manager, and Franchisee's employees/personnel, including transportation to and from the training site and lodging, meals, and salaries during such training. The additional training programs and refresher courses will be at Franchisor's then-current tuition for such training, which is \$500 per person. At Franchisee's request, Franchisor will train additional management personnel at Franchisor's then current fee. All training related expenses for any additional trainees Franchisee designates, including transportation to and from the training site, lodging, meals, and salaries during training, are Franchisee's sole responsibility.

**8.3.1 Minimum Performance Level.** Franchisee must achieve certain minimum levels of Gross Sales in the Territory once Franchisee has operated in the Territory for one year. Franchisee must achieve at least \$10,000 in Gross Sales per Territory per month once the Franchised Business has been open for one year (the "Minimum Performance Level"). If Franchisee fails to achieve at least \$10,000 in Gross Sales per month in any two-month period, then Franchisor reserves the right to require that Franchisee attend additional training at Franchisor's then-current tuition for such training, which is presently \$500 per person.

## **9. INSURANCE**

Franchisee agrees to purchase/procure and maintain such insurance covering the operation and location of the Franchised Business as Franchisor may designate from time to time. Franchisor presently requires System franchisees to maintain the following types of insurance, in the amounts specified in the Operations Manual: (a) Commercial Property; (b) Crime Fidelity-Employee Dishonesty (must include 1<sup>st</sup> and 3<sup>rd</sup> party crime); (c) General Liability (must include products/completed operations, personal & advertising injury, fire damage (legal liability)); (d) Professional Liability); (e) Sexual Abuse & Molestation; (f) Commercial Auto Liability (must include hired/non owned auto); (g) Workers' Compensation / Employers Liability; (h) Umbrella Coverage; (i) Employment Practices Liability; and (j) Cyber Liability (must include Security and Privacy Liability, Regulatory Defense, Breach Response Costs, and Cyber Extortion/Cyber Terrorism).

All insurance policies shall be issued by insurance companies that are acceptable to Franchisor. Franchisee further agrees to purchase hired and non-hired auto insurance to cover all vehicles used in connection with operating Franchisee's One You Love Homecare Business. Franchisor's acceptance of an insurance carrier does not constitute Franchisor's representation or guarantee that the insurance carrier will be capable of meeting claims during the term of the insurance policy. Franchisee agrees to carry such insurance as may be required by the lease of the Approved Location or by any of Franchisee's lenders or equipment lessors and such workers' compensation insurance as may be required by applicable law. Franchisee shall add Franchisor and its designees and assignees to all insurance contracts as additional insureds under the insurance policies, the cost of which will be paid by Franchisee. No insurance policy must be subject to cancellation, termination, non-renewal or material modification, except upon at least thirty (30) calendar days' prior written notice from the insurance carrier to Franchisor. Franchisee must submit a certification of insurance which demonstrates compliance with this Section. If Franchisee fails to comply with the minimum insurance requirements set forth herein, Franchisor has the right to obtain such insurance and keep same in force and effect and Franchisee shall pay Franchisor, on demand, the

premium cost thereof and administrative costs of ten percent (10%) in connection with Franchisor's obtaining the insurance. Franchisor has the right to increase or otherwise modify the minimum insurance requirements upon thirty (30) days prior written notice to Franchisee, and Franchisee shall comply with any such modification within the time specified in said notice.

## **10. FINANCIAL RECORDS AND REPORTS**

Franchisee must maintain for at least seven (7) fiscal years from their preparation complete financial records for the operation of the Business in accordance with generally accepted accounting principles. At Franchisor's request, Franchisee must provide Franchisor unaudited monthly financial statements including a monthly Profit & Loss Statement within fifteen (15) days of each month's end as well as year-end unaudited financial statements, including a Profit & Loss Statement and Balance Sheet to be prepared by a certified public accountant or state licensed public accountant and provided to Franchisor within ninety (90) days of the calendar year end. Franchisee's fiscal year must be on a calendar year basis. Franchisor may provide Franchisee with a Chart of Accounts that Franchisee must follow in preparation of its financial statements. Any reports requested by Franchisor will be in a format specified by Franchisor and Franchisee must ensure that each shift is completed and/or closed out by the next morning.

Additionally, Franchisor may request copies of any other financial and tax reports including but not limited to (i) a quarterly income statement and profit and loss statement, and (ii) state and local sales tax returns or reports and federal, state, and local income tax returns for each year in which Franchisee's Business is operated, within thirty (30) days after their timely completion.

To assist Franchisee in recording and keeping accurate and detailed financial records for reports and tax returns, Franchisor, at Franchisor's discretion, may specify the form in which the business records are to be maintained, and provide a uniform set of business records for Franchisee to use. Franchisor shall have full access to all of Franchisee's data, system, and related information by means of direct access, whether in person, or by telephone/modem installed and maintained at Franchisee's sole expense.

## **11. BOOKS AND RECORDS**

Franchisee must maintain accurate business records, reports, accounts, books and data relating to the operation of Franchisee's Business. Franchisor and Franchisor's designees have the right to inspect and/or audit Franchisee's business records at any time during normal business hours, to determine whether Franchisee is current with suppliers and are otherwise operating in compliance with the terms of this Agreement and the Operations Manual. If any audit reveals that Franchisee has understated Franchisee's royalty or marketing payments, or Franchisee's Local Marketing Requirement expenditures, by more than two percent (2%), or if Franchisee has failed to submit timely reports and/or remittances for any three (3) reporting periods within any twelve (12)-month period, Franchisee must pay the reasonable cost of such audit and/or inspection, including the cost of outside auditors and attorneys (to the extent Franchisor incurs such costs), together with amounts due for royalty and other fees as a result of such underreporting and/or failure to submit reports, along with all late fees and interest which may otherwise be due under this Agreement.

## **12. MARKETING**

Recognizing the value of marketing and promotion, and the importance of the standardization of marketing and promotion programs to the furtherance of the goodwill and public

image of the System, the parties agree as follows:

12.1 **Generally.** With regard to marketing generally for the Business, Franchisee shall place or display at the Approved Location (interior and exterior) only such signs, emblems, lettering, logos and displays and marketing materials as Franchisor approves in writing from time to time. Franchisee shall submit to Franchisor, at least ten (10) days prior to publication or use, samples of all sales, promotional, and marketing materials Franchisee desires to use, including, but not limited to, all print, radio and television material, signage, supplies and packaging which Franchisor has not previously approved. Such submission shall not affect Franchisee's right to determine the prices at which Franchisee sells Franchisee's products. Within five (5) days of Franchisor's receipt of any sample sales promotional material or marketing materials from Franchisee, Franchisor shall notify Franchisee in writing of Franchisor's approval or disapproval of the materials. Franchisee shall not use any marketing materials for which Franchisor has not given Franchisor's prior written approval. All marketing materials shall prominently display the Proprietary Marks and shall comply with any standards for use of the Proprietary Marks Franchisor establishes as set forth in the Operations Manual or otherwise in writing. Franchisor may require Franchisee to discontinue the use of any marketing material, within time frames prescribed by Franchisor, at Franchisee's sole cost and expense.

12.2 **Territorial Marketing Restriction.** Franchisee is not permitted to solicit clients and/or market outside Franchisee's Designated Territory, except to the extent that Franchisee has received Franchisor's prior written authorization, which Franchisor will not unreasonably withhold. Franchisor may condition Franchisor's authorization upon Franchisee's agreement to offer System franchisees that are operating System Businesses in territories encompassed by the circulation base of the proposed marketing opportunity to participate in, and share the expense of, such solicitation and/or marketing opportunity. Notwithstanding the foregoing, Franchisee may not accept clients from outside Franchisee's Designated Territory. Franchisee may not advertise the Business or any products or services offered by the Business via the Internet or any other means of e-commerce, except as permitted in Section 12.3.

### 12.3 **Internet Website.**

12.3.1 Franchisor will establish a website that provides information about the System and Franchisor's products and services. Franchisor may use the Technology Fees and monies from the Branding Fund that Franchisor collects under this Agreement to pay or reimburse the costs associated with the development, maintenance, and update of such website. Franchisor will also provide, through a third-party internet marketing company of its choice, an integrated customizable and supported mobile-friendly website to Franchisee, which includes maintenance updates, changes, enhancements, form support and security protection. In addition, the website will have the same One You Love Homecare branding as the corporate site with templated pages, layout and content. Franchisor will be the web master, either directly or through a third party, and will have absolute discretion and control over such a web page. All information on the website must be approved by Franchisor prior to posting, pursuant to Section 12.1 above. Franchisee is prohibited from maintaining an individual website related to the Franchised Business or establishing a URL incorporating any variation of the "One You Love Homecare" name or the Proprietary Marks. Franchisee cannot violate Franchisor's privacy policies or user terms posted on its website. Franchisor has the right to modify the provisions of this Section 12.3 relating to Internet websites as Franchisor deems necessary or appropriate in the best interest of the System.

12.3.2 Franchisee may not establish a URL incorporating any variation of the "One You Love Homecare" name or the Proprietary Marks, without Franchisor's prior written approval.

Franchisee will not violate Franchisor's privacy policies as posted on the website. Franchisee must also participate in any System-wide area computer network, intranet system, or extranet system implemented by Franchisor as described in Section 7.9 above. The Franchisee shall, during the term of this Agreement, maintain access to the Internet and comply with all Internet and privacy policies announced by the Franchisor from time to time, and as required by applicable law. Any advertising or other presence or promotion by Franchisee on the Internet must comply with Franchisor's internet and privacy policies, data protection requirements and applicable law, including the contents of any Franchisee website (the Franchisee Home Page). Any website property, including social media, mobile property, address, domain name and other identifiers used in any website owned or maintained by or for the benefit of the Franchisee shall belong to Franchisor.

12.3.3 The Franchisee agrees that it will not utilize any approved website used to promote the Franchised Business in any manner not approved by Franchisor including but not exclusive to misuse of the Proprietary Marks, and Franchisee agrees to abide by all terms and conditions prescribed by Franchisor in relation to any website provided to Franchisee or authorized for use by Franchisee for the promotion of the Franchised Business. Franchisee may not conduct business hereunder through the Internet without Franchisor's consent. In connection with any such consent, Franchisor may establish such requirements as it deems appropriate, including:

12.3.3.1 obtaining its prior written approval of any Internet domain name, home page and social media addresses;

12.3.3.2 obtaining of account information for any of the Internet customer accounts used by Franchisee in the Franchised Business;

12.3.3.3 submission for its approval of all website pages, advertising materials and content;

12.3.3.4 use of all meta-tags, hyperlinks and other links;

12.3.3.5 restrictions on use of any materials (including text, video clips, photographs, images and audio clips) in which any third party has any ownership interest;

12.3.3.6 obtaining its prior written approval of any modifications; and

12.3.3.7 consenting in advance to its removal of any website pages, materials, advertising and content as it deems desirable, in its sole discretion, to maintain and enhance the goodwill associated with the Marks.

12.3.4 Franchisee acknowledges that Franchisor is the lawful, rightful and sole owner of the Internet domain name [www.oneyoulovehomecare.com](http://www.oneyoulovehomecare.com), and any other Internet domain names registered by Franchisor, and unconditionally disclaims any ownership interest in those or any arguably similar Internet domain names. Franchisee agrees not to register any Internet domain name in any class or category that contains words used in or similar to any brand name owned by Franchisor or Franchisor's affiliates or any abbreviation, acronym, phonetic variation or visual variation of those words.

12.4 **Grand Opening Marketing & Promotion.** In addition to Franchisee's Local Advertising Requirement, during the period beginning 60 days prior to opening and ending 90 days following opening, Franchisee must spend a minimum of \$1,000 on Grand Opening Advertising. Franchisor may provide guidance with respect to conducting the grand opening advertising, as it deems appropriate in its sole discretion, and will review and approve the materials for use in

Franchisee's grand opening advertising.

**12.5 Branding Fund.** Franchisor has established a brand development fund (the "Fund") for the common benefit of System Franchisees. Franchisee will participate in and contribute biweekly to the Fund in an amount equal to the greater of (i) one percent (1%) of Franchisee's Gross Sales, or (ii) the Minimum Brand Fund Contribution (the "Brand Development Fee") in the same manner as the Royalty fees due under this Agreement. Beginning upon the earlier of (i) when Franchisee receives its license, or (ii) 10 months after the Effective Date of this Agreement and continuing for the remainder of the Term of this Agreement, Franchisee will pay a minimum biweekly contribution of \$125 (the "Minimum Brand Fund Contribution"). Franchisor reserves the right to increase the amount of the Fund contribution up to two percent (2%). Franchisor has the right to require that an advertising cooperative and/or franchisee advisory council be formed, changed, dissolved or merged.

12.5.1 Franchisor will use Fund contributions, in Franchisor's sole discretion, to develop, produce and distribute national, regional and/or local advertising and to create advertising materials and public relations programs which promote, in Franchisor's sole judgment, the services offered by System Franchisees. Franchisor has the sole right to determine contributions and expenditures from the Fund, or any other advertising program, and sole authority to determine, without limitation, the selection of the advertising materials and programs; provided, however, that Franchisor will make a good faith effort to expend Fund contributions in the general best interests of the System on a national or regional basis. Franchisor may use the Fund to satisfy any and all costs of maintaining, administering, directing, preparing, and producing advertising, including the cost of preparing and producing television, radio, magazine and newspaper advertising campaigns; the cost of direct mail and outdoor billboard advertising; the cost of public relations activities and advertising agencies; the cost of developing and maintaining an Internet website; and personnel and other departmental costs for advertising that Franchisor internally administers or prepares. Franchisor may use the Fund to pay for One You Love Homecare Kickstart and One You Love 365 Marketing. Nevertheless, Franchisee acknowledges that not all System Franchisees will benefit directly or on a pro rata basis from such expenditures. While Franchisor does not anticipate that any part of the Fund contributions will be used for advertising which is principally a solicitation for franchisees, Franchisor reserves the right to use the Fund for public relations or recognition of the One You Love Homecare brand.

12.5.2 Franchisor may periodically assist franchises to maintain high quality standards through client surveys, client interviews, and other similar initiatives ("Surveys"). The cost of such programs will be borne by the Fund. The cost of these programs may be charged directly to Franchisee if Franchisee's results from a Survey fall below System established minimum standards for such Surveys.

12.5.3 Franchisor has the right to reimburse itself from the Fund contributions for such reasonable costs and overhead, if any, as Franchisor may incur in activities reasonably related to the direction and implementation of the Fund.

12.5.4 Franchisor's contribution to the Fund for subsequent company owned units will be equal to that provided for in Franchisor's Franchise Disclosure Document in the year that the company owned unit is established. Should the advertising contribution for the System decrease at any time, Franchisor has the right to reduce Franchisor's contribution from company owned units to the rate specified for franchised locations.

12.5.5 Upon Franchisee's request, Franchisor will make available for Franchisee

within sixty (60) days of the end of the fiscal year, a statement of contributions and expenditures for the Fund. The Fund is not required to be independently audited.

**12.6 Regional Marketing and Promotional Cooperative.** Franchisor shall have the right, in Franchisor's discretion, to designate any geographical area for purposes of establishing a regional marketing and promotional cooperative ("Cooperative"), and to determine whether a Cooperative is applicable to the Franchised Business. If a Cooperative has been established applicable to the Franchised Business at the time Franchisee begins operating under this Agreement, Franchisee must immediately become a member of such Cooperative. If a Cooperative applicable to the Franchised Business is established at any later time during the term of this Agreement, Franchisee must become a member of such Cooperative no later than thirty (30) days after the date on which the Cooperative begins operation. If the Franchised Business is within the territory of more than one Cooperative, Franchisee is required to be a member of only one such Cooperative. The following provisions will apply to each Cooperative:

12.6.1 Each Cooperative will be organized and governed in a form and manner, and will commence operation on a date, approved in advance by Franchisor;

12.6.2 Each Cooperative will be organized for the exclusive purpose of administering regional marketing programs and developing, subject to Franchisor's approval, standardized marketing materials for use by the members in local marketing;

12.6.3 No promotional or marketing plans or materials may be used by a Cooperative or furnished to its members without Franchisor's prior approval. All such plans and materials shall be submitted to Franchisor in accordance with the procedure set forth in Section 12.1 hereof;

12.6.4 All activities and contributions to the Cooperative shall be determined by a majority vote of the member franchisees in the Cooperative, and all contributions shall be credited towards the Local Marketing Requirement set forth in Section 12.7;

12.6.5 Each member franchisee must submit to the Cooperative, no later than the Tuesday following the first Monday of each month, for the preceding month, its respective contribution as provided in this Agreement together with such other statements or reports as Franchisor may require or as may be required the Cooperative with Franchisor's approval; and

12.6.6 Franchisor may grant to any franchisee, in Franchisor's sole discretion, an exemption for any length of time from the requirement of membership in a Cooperative, upon written request of such franchisee stating reasons supporting such exemption. Franchisor's decision concerning such request for exemption will be final.

**12.7 Local Marketing Requirement.** Franchisee must spend a minimum of the then-current amount that Franchisor designates each month on local marketing and advertisements (the "Local Marketing Requirement"). Franchisee will be required to spend the Local Marketing Requirement as Franchisor prescribes in the Operations Manual or otherwise in writing, which may include, without limitation, requirements for placing a certain number and/or type(s) of media advertisements or changes to the manner and formats in which the Local Marketing Requirement is spent. Franchisee acknowledges and agrees that Franchisee's local marketing obligation must be expended regardless of the amount(s) spent by other System franchisees on local marketing. Franchisee may spend any additional sums Franchisee wishes on local marketing. Franchisee must use only such marketing and promotional materials as have been previously approved by Franchisor. Franchisee must use any required local advertising materials designated by Franchisor. All

advertising must prominently display the Proprietary Marks and comply with any standards for use of the Proprietary Marks as Franchisor establishes from time to time. Franchisor may require Franchisee to discontinue use of any advertising or marketing materials at any time at Franchisee's expense.

### **13. INDEPENDENT CONTRACTOR; INDEMNIFICATION**

13.1 **Independent Contractor Status.** Franchisee is an independent contractor responsible for full control over the internal management and daily operation of Franchisee's Business, and neither party to this Agreement is the agent, principal, partner, employee, employer or joint venture partner of the other party. Franchisee may not act or represent itself, directly or by implication, as Franchisor's agent, partner, employee or joint venture partner, and Franchisee may not incur any obligation on Franchisor's behalf or in Franchisor's name. All stationery, business cards and contractual agreements entered into by Franchisee shall contain Franchisee's corporate or fictitious name and a conspicuously displayed notice in the place Franchisor designates, that Franchisee operates Franchisee's Business as an independently owned and operated One You Love Homecare franchise and that Franchisee independently owns and operates the Business as a System franchisee. Nothing in this Agreement authorizes Franchisee to make any contract, agreement warranty, or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name; and Franchisor shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action; nor shall Franchisor be liable by reason of any of Franchisee's acts or omissions in the operation of the franchised business or for any claim or judgment arising therefrom against Franchisee or Franchisor.

13.2 **Indemnification.** Franchisee and Franchisee's principals agree to indemnify, defend and hold Franchisor, Franchisor's affiliates and their respective shareholders, directors, officers, employees, agents, successors and assignees ("Indemnitees") harmless against and to reimburse them for all claims, obligations, liabilities and damages ("Claims"), including any and all taxes, directly or indirectly arising out of, in whole or in part: (a) the operation of Franchisee's Business, including the use, condition, or construction, equipping, decorating, maintenance or operation of the Franchised Business Premises, the sale or provision of any services, including supplemental healthcare staffing services or personal care services, and Franchisee's advertising; (b) the use of the Proprietary Marks and other Proprietary Material; (c) the transfer of any interest in this Agreement or Franchisee's Business in any manner not in accordance with this Agreement; (d) the infringement, alleged infringement, or any other violation or alleged violation by Franchisee or any of Franchisee's principals of any patent, mark or copyright or other proprietary right owned or controlled by third parties; or (e) libel, slander or any other form of defamation of Franchisor, the System or any franchisee or developer operating under the System, by Franchisee or by any of Franchisee's principals. For purposes of this indemnification, "Claims" shall mean and include all obligations, actual, consequential, punitive and other damages, and costs reasonably incurred in the defense of any action, including attorneys', attorney assistants' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether or not such claims exceed the amount of insurance coverage available through Franchisee to Franchisor. Franchisor shall have the right to defend any such claim against it in such manner as Franchisor deems appropriate or desirable in Franchisor's sole discretion. Such an undertaking by Franchisor shall, in no manner or form, diminish Franchisee's and each of Franchisee's principals' obligations to indemnify the Indemnitees and to hold them harmless. This indemnity shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

## 14. SALE OR TRANSFER

14.1 **Transfer.** Franchisee's rights under this Agreement are personal, and Franchisee shall not sell, transfer, assign or encumber Franchisee's interest in the Franchise Business without Franchisor's prior written consent. Any sale, transfer, assignment or encumbrance made without Franchisor's prior written consent shall be voidable at Franchisor's option and shall subject this Agreement to termination as specified herein.

### 14.2 **Death or Disability.**

14.2.1 Representative's Right to Continue as Franchisee. In the event of Franchisee's death, disability or incapacitation (or the death, disability or incapacitation of Franchisee's partners or personal guarantors, Franchisee's legal representative, or Franchisee's partner's or guarantor's respective legal representative, as applicable) shall have the right to continue the operation of the Business as franchisee under this Agreement if: (i) within forty-five (45) days from the date of death, disability or incapacity (the "45 day period"), such person has obtained Franchisor's prior written approval and has executed Franchisor's then-current Franchise Agreement for the unexpired term of the franchise, or has furnished a personal guaranty of any partnership, corporate or limited liability company franchisee's obligations to Franchisor and Franchisor's affiliates; and (ii) such person successfully completes Franchisor's training program (which Franchisor will provide at Franchisor's then-current tuition rate). Such assignment by operation of law will not be deemed in violation of this Agreement, provided such heirs or legatees accept the conditions imposed by the Franchise Agreement and are acceptable to Franchisor.

14.2.2 Business Operation During and After 45 Day Period. Franchisor is under no obligation to operate the Business or incur any obligation on behalf of any incapacitated franchisee, during or after the 45-day period. If necessary, Franchisee (or Franchisee's legal representative, as applicable) shall appoint a previously approved acting interim manager to operate the Business during the 45-day period. In the event of Franchisee's death, disability, absence or otherwise, Franchisor may (but is not required to) operate Franchisee's Business on Franchisee's behalf and at Franchisee's expense for such period of time (and under such terms and conditions) as Franchisor determines, including paying out the assets and/or revenues of the Business to cover any or all past, current and/or future obligations of the Business (including any amounts owed to Franchisor and/or any affiliate) in such priorities as Franchisor determines from time-to-time in Franchisor's sole and absolute discretion. Franchisor may pay itself a reasonable amount to reimburse Franchisor for Franchisor's management services and other costs. Franchisor may obtain approval of a court or arbitrator for any such arrangements, the attorney's fees and other costs incurred in connection with obtaining such approval to be charged against the assets and/or revenues of Franchisee's Business. Franchisee (and/or Franchisee's estate) will indemnify Franchisor against any costs and/or liabilities incurred by it in connection with, or related in any way to, the operation (or otherwise) of Franchisee's Business.

14.3 **Ownership Changes.** A sale, transfer or assignment requiring Franchisor's prior written consent shall be deemed to occur: (i) if Franchisee is a corporation, upon any assignment, sale, pledge or transfer of any fractional portion of Franchisee's voting stock or any increase in the number of outstanding shares of Franchisee's voting stock which results in a change of ownership, (ii) if Franchisee is a partnership, upon the assignment, sale, pledge or transfer of any fractional partnership ownership interest; or (iii) if Franchisee is a limited liability company, upon the assignment, sale, pledge or transfer or any interest in the limited liability company. Any new partner, shareholder, or member or manager owning more than ten percent (10%) of the outstanding shares of the corporation, will be required to personally guarantee Franchisee's obligations under this

Agreement. A transfer pursuant to (i) and (iii) above shall not be subject to Franchisor's right of first refusal as set forth in Section 14.3.1.

14.3.1 Right of First Refusal. If Franchisee proposes to transfer either this Agreement or all, or substantially all, of the assets used in connection with the Franchised Business or any interest in Franchisee's lease to any third party (other than a corporation or limited liability company as set forth in Section 14.4 hereof), Franchisee shall first offer to sell such interest to Franchisor on the same terms and conditions as offered by such third party. Franchisee shall obtain from the third party and provide Franchisor a statement in writing, signed by the third party and Franchisee, of the terms of the offer ("Letter of Intent"). If Franchisor elects not to accept the offer within a thirty (30) day period, Franchisee shall have a period not to exceed sixty (60) days to complete the transfer described in the Letter of Intent subject to the conditions for approval set forth in Section 14.3.2 hereof. Franchisee shall effect no other sale or transfer as contemplated under the Letter of Intent without first complying with this Section 14.3.1. Any material change in the terms of the offer, shall be deemed a new proposal subject to Franchisor's right of first refusal. So long as Franchisee has obtained Franchisor's prior written consent, which shall not be unreasonably withheld, a transfer to an existing partner or shareholder, or a transfer as a result of the death, disability or incapacitation of a shareholder or partner, in accordance with the provisions set forth below, is not subject to Franchisor's first right of refusal.

14.3.2 Conditions for Approval. Franchisor may condition Franchisor's approval of any proposed sale or transfer of the Franchise Business or of Franchisee's interest in this Agreement upon satisfaction of the following occurrences:

14.3.2.1 All of Franchisee's accrued monetary obligations to Franchisor, Franchisor's affiliates, and Franchisor's designated/approved suppliers and vendors, are satisfied;

14.3.2.2 Franchisee must cure all existing defaults under this Agreement, or any other agreement between Franchisee and Franchisor, Franchisor's affiliates, Franchisor's designated/approved suppliers and vendors, within the period permitted for cure and have substantially complied with such agreements during their respective terms;

14.3.2.3 Franchisee and Franchisee's principals (if Franchisee is a partnership, corporation or limited liability company), and the transferee (if it has had any previous relationship with Franchisor or Franchisor's affiliates), must execute a general release under seal, in a form satisfactory to Franchisor, of any and all claims against Franchisor and Franchisor's affiliates and officers, directors, shareholders and employees, in their corporate and individual capacities; provided, however, the release shall not be inconsistent with any applicable state statute regulating franchising;

14.3.2.4 Franchisee or transferee shall provide Franchisor a copy of the executed purchase agreement relating to the proposed transfer with all supporting documents and schedules, including transferee's assumption of, and agreement to faithfully perform all of Franchisee's obligations under this Agreement;

14.3.2.5 The transferee shall demonstrate to Franchisor's satisfaction that he or she meets Franchisor's educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to conduct the business to be transferred; and has adequate financial resources and capital to meet the performance obligations under this Agreement; however, transferee shall not be in

the same business as Franchisor either as licensor, franchisor, independent operator or licensee of any other personal care business, chain or business which is similar in nature or in competition with Franchisor, except that the transferee may be an existing franchisee of ours;

14.3.2.6 The transferee shall execute Franchisor's then-current Franchise Agreement for the unexpired term of this Agreement;

14.3.2.7 Franchisee or transferee shall pay Franchisor a transfer fee equal to \$10,000, plus any broker or other third-party fees;

14.3.2.8 The transferee shall satisfactorily complete Franchisor's training program at the transferee's expense within the time frame Franchisor sets forth;

14.3.2.9 Franchisee (and Franchisee's principals if Franchisee is a partnership, corporation or limited liability company), and the members of their respective families must comply with the post-termination provisions of this Agreement;

14.3.2.10 The transferee must obtain, within the time limits set by Franchisor, and maintain thereafter, all permits and licenses required for the operation of the Franchised Business;

14.3.2.11 To the extent required by the terms of any leases or other agreements, the lessors or other parties must have consented to the proposed transfer;

14.3.2.12 The transfer must be made in compliance with any laws that apply to the transfer, including state and federal laws governing the offer and sale of franchises;

14.3.2.13 The purchase price and terms of the proposed transfer are not so burdensome to the prospective transferee as to impair or materially threaten its future operation of the Business and performance under its franchise agreement;

14.3.2.14 Franchisor shall provide the prospective transferee with Franchisor's current form of Franchise Disclosure Document;

14.3.2.15 Franchisor's approval of the transfer shall not constitute a waiver of any claims Franchisor may have against the transferring party;

14.3.2.16 Franchisor shall have the right to disclose to any prospective transferee such revenue reports and other financial information concerning Franchisee and Franchisee's Business as Franchisee has supplied Franchisor hereunder; and

14.3.2.17 In any event, Franchisor may withhold or condition Franchisor's consent to any transfer as Franchisor deems appropriate based on the circumstances of the transfer or otherwise.

**14.4 Transfer to a Corporation or Limited Liability Company.** If Franchisee is an individual and desires to assign its rights under this Agreement to a corporation or limited liability company, and if all of the following conditions are met, Franchisor will consent to the transfer without assessing the transfer fee set forth in Section 14.3.2.7, and such assignment will not be subject to Franchisor's right of first refusal in Section 14.3.1:

14.4.1 The corporation or limited liability company is newly organized, and its activities are confined to operating the Franchised Business;

14.4.2 Franchisee is, and at all times remains, the owner of fifty-one percent (51%) of the outstanding shares of the corporation or a controlling interest in the limited liability company;

14.4.3 The corporation or limited liability company agrees in writing to assume all of Franchisee's obligations hereunder; and

14.4.4 All stockholders of the corporation, or members and managers of the limited liability company, as applicable, personally guarantee prompt payment and performance by the corporation or limited liability company of all its obligations to Franchisor and Franchisor's affiliates, under this Agreement and any other agreement between Franchisee and Franchisor and/or Franchisor's affiliates and execute a non-compete agreement as set forth in Section 17.4 hereof.

14.5 **Franchisor's Right to Transfer.** Franchisor has the right to sell, transfer, assign and/or encumber all or any part of Franchisor's assets and Franchisor's interest in, and rights and obligations under, this Agreement at Franchisor's sole discretion.

## 15. BREACH AND TERMINATION

15.1 **Automatic Termination.** This Agreement shall automatically terminate without notice or an opportunity to cure upon the occurrence of any of the following:

15.1.1 Voluntary Bankruptcy. If Franchisee makes an assignment for the benefit of creditors, files a voluntary petition in bankruptcy, is adjudicated bankrupt or insolvent, files or acquiesces in the filing of a petition seeking reorganization or arrangement under any federal or state bankruptcy or insolvency law, or consents to or acquiesces in the appointment of a trustee or receiver for Franchisee or the franchised business.

15.1.2 Involuntary Bankruptcy. If proceedings are commenced to have Franchisee adjudicated bankrupt or to seek Franchisee's reorganization under any state or federal bankruptcy or insolvency law, and such proceedings are not dismissed within sixty (60) days, or a trustee or receiver is appointed for Franchisee or the franchised business without Franchisee's consent, and the appointment is not vacated within sixty (60) days.

15.1.3 Unauthorized Transfer. Franchisee purports to sell, transfer or otherwise dispose of the franchise or any interest in the Franchise Business in violation of Section 14 hereof.

15.2 **With Notice and Without Opportunity to Cure.** Franchisor has the right to terminate this Agreement upon notice without providing Franchisee an opportunity to cure for any of the following breaches or defaults:

15.2.1 Criminal Acts. If Franchisee or Franchisee's principals or employees/personnel are convicted of or plead guilty or no contest to a felony; take part in any criminal misconduct relevant to the operation of Franchisee's Franchised Business; refuse to undergo or fail to pass a criminal background check to Franchisor's satisfaction; or if Franchisee fails to terminate any employee/personnel who fails to pass a criminal background check to Franchisor's satisfaction.

15.2.2 Fraud. If Franchisee or Franchisee's principals commit any fraud or

misrepresentation in the operation of Franchisee's Business.

15.2.3 Misrepresentation. If Franchisee or Franchisee's principals make any misrepresentation or omission in connection with Franchisee's franchise application, including but not limited to any financial misrepresentation.

15.2.4 Failure to Complete Training. If Franchisee fails to complete training as provided in Section 8.1 and 8.2.

15.2.5 Repeated Breaches. If Franchisor sends Franchisee two (2) or more written notices to cure pursuant to Sections 15.3 or 15.4 hereof in any twelve (12)-month period.

15.2.6 Breach of Other Agreements. If Franchisee or Franchisee's principals materially breach any other agreement with Franchisor or any of Franchisor's affiliates, or threaten any material breach of any such agreement, or any lease for the Approved Location, and fail to cure such breach within any permitted period for cure.

15.2.7 Misuse of the Proprietary Marks or Confidential Information. If Franchisee or Franchisee's principals materially violate any provision hereof pertaining to Proprietary Marks or Confidential Information or misuse the Proprietary Marks or Confidential Information, or Franchisee misuses or disseminates Client information.

15.2.8 Violation of Law. If Franchisee or Franchisee's principals violate any health, safety or sanitation law, ordinance or regulation or operates the Franchised Business in a manner that presents a health or safety hazard to any clients or the general public.

15.2.9 Violation of In-term Restrictive Covenant. If Franchisee violates the in-term restrictive covenant contained in Section 17.1.

15.2.10 Liens. If a levy of writ of attachment or execution or any other lien is placed against Franchisee or any of Franchisee's principals or any of their assets which is not released or bonded against within thirty (30) days.

15.2.11 Insolvency. If Franchisee or any of Franchisee's principals become insolvent.

15.2.12 Abandonment. If Franchisee voluntarily or otherwise abandons the Franchised Business. The term "abandon" includes any conduct which indicates a desire or intent to discontinue the Franchised Business in accordance with the terms of this Agreement and shall apply in any event Franchisee fails to operate the Business as a System Business for a period of two (2) or more consecutive days without Franchisor's prior written approval.

15.2.13 Unauthorized Products or Services. If Franchisee offers any unauthorized and unapproved products or services at or from the Business.

15.2.14 Unapproved Purchases. Franchisee orders or purchases equipment or supplies for resale telephone equipment or CRM and operational software from a supplier which Franchisor has not approved.

15.2.15 Proprietary Software. Franchisee misuses or makes unauthorized use of the Proprietary Software or Franchisor's other proprietary software, if any.

15.2.16 Insurance. Franchisee fails to maintain insurance or to repay Franchisor for insurance paid for by it, or otherwise fails to adhere to the requirements of Section 9.

15.2.17 Government Regulations. Franchisee fails, within fifteen (15) calendar days after notification of non-compliance by federal, state, or local government authorities, to comply with any law or regulation applicable to the Business.

15.2.18 Government Actions. Any government action is taken against Franchisee that results in any obligation upon Franchisor which in Franchisor's sole judgment is uneconomical, not in the best interests of Franchisor, or would result in Franchisor having an unintended relationship or obligation.

15.2.19 Anti-Terrorist Activities. Franchisee fails to comply with the provisions of Section 22.7.

15.2.20 Insufficient Funds. If there are insufficient funds in Franchisee's bank account to cover a check or EFT payment to Franchisor three (3) or more times within any twelve (12) month period.

15.2.21 Misuse of Property. Franchisee uses Franchised Business assets or the assets of Clients for personal use.

15.2.22 Violence, Abuse or Neglect. Franchisee or Franchisee's employee/personnel is found guilty of committing any act of violence or abuse or financial exploitation against any client.

15.3 **Upon 15 Days' Notice to Cure**. Franchisor has the right to terminate this Agreement if any of the following defaults remain uncured after expiration of the fifteen (15) day cure period:

15.3.1 Nonpayment. If Franchisee fails to pay, as and when due, any sums owed to Franchisor, any of Franchisor's affiliates, or any of Franchisor's major suppliers or vendors.

15.3.2 Under-reporting of Gross Sales. If any audit reveals that Franchisee has understated Franchisee's royalty or marketing payments, Online Lead Generation Requirement payments, Local Marketing Requirement expenditures, or any other amounts owed to Franchisor under this Agreement by more than two percent (2%), or if Franchisee has failed to submit timely reports and/or remittances for any three (3) reporting periods within any twelve (12)-month period, as described in Section 11.

15.3.3 Endorsement of Checks. Franchisee fails to immediately endorse and deliver to Franchisor any payments due to Franchisor from any third party that is erroneously made to Franchisee.

15.3.4 Failure to Open. If Franchisee fails to commence operations of Franchisee's Business or otherwise apply for the applicable licenses (and otherwise use its best efforts to advance such applications) within the time prescribed in Section 7.3 of this Agreement.

15.3.5 Interruption of Service. If Franchisee fails to maintain the prescribed months, days or hours of operation at the Business as described in the Operations Manual.

15.3.6 Failure to Personally Supervise Business Operations or Employ Adequate

Personnel. If Franchisee fails, in Franchisor's sole discretion, to personally supervise day-to-day operation of the Business or fails to employ a sufficient number of qualified, competent personnel as Franchisor requires from time to time.

15.3.7 Quality Control. If Franchisee fails to maintain the strict quality controls reasonably required by this Agreement and/or the Operations Manual.

15.3.8 Other Conduct Reflecting Adversely on System. Franchisee conducts itself in a manner that, although not criminal, reflects adversely on the System, the Proprietary Marks, or the products offered through the System.

15.3.9 Licenses and Permits. Franchisee fails to procure or maintain any licenses, certifications, or permits necessary for the operation of Franchisee's Business.

15.4 **Upon 30 Days' Notice to Cure**. Franchisor has the right to terminate this Agreement upon thirty (30) days' notice if Franchisee fails to perform or comply with any one or more of the terms or conditions of this Agreement or any ancillary agreements between Franchisee and Franchisor or Franchisor's affiliates.

15.5 **Step In Rights**. In addition to Franchisor's right to terminate this Agreement, and not in lieu of such right, or any other rights, Franchisor may have against Franchisee, upon a failure to cure any default within the applicable time period (if any), Franchisor has the right, but not the obligation, to enter upon the Franchised Business premises and exercise complete authority with respect to the operation of the Business until such time as Franchisor determines, in Franchisor's sole discretion, that the default has been cured, and Franchisee is otherwise in compliance with this Agreement. In the event Franchisor exercises the rights described in this Section, Franchisee must reimburse Franchisor for all reasonable costs and overhead, if any, incurred in connection with its operation of Franchisee's Business including, without limitation, costs of personnel for supervising and staffing the Franchised Business and their travel and lodging accommodations. If Franchisor undertakes to operate the Business pursuant to this Section, Franchisee agrees to indemnify and hold Franchisor (and Franchisor's representative(s) and employees) harmless from and against any fines, claims, suits or proceedings which may arise out of Franchisor's operation of the Business.

15.6 **Nonwaiver**. Franchisor's delay in exercising or failing to exercise any right or remedy under this Agreement or Franchisor's acceptance of any late or partial payment due hereunder shall not constitute a waiver of any of Franchisor's rights or remedies against Franchisee.

## **16. RIGHTS AND DUTIES UPON TERMINATION OR EXPIRATION**

16.1 **Franchisee's Obligations**. Upon termination of this Agreement, regardless of the cause, and upon expiration and non-renewal or transfer of this Agreement, Franchisee must, at Franchisee's cost and expense:

16.1.1 Cease immediately all operations under this Agreement;

16.1.2 Pay Franchisor immediately all unpaid fees and pay Franchisor, Franchisor's affiliates, Franchisor's major suppliers and vendors, all other monies owed;

16.1.3 Discontinue immediately the use of the Proprietary Marks;

16.1.4 Immediately return the Operations Manual, Proprietary Software and Third

Party Material, client lists, all other Proprietary Materials and Confidential Information Franchisor loaned to Franchisee and immediately and permanently cease use of such information and materials;

16.1.5 Immediately cease using all telephone numbers and listings used in connection with the operation of the Franchised Business and direct the telephone company to transfer all such numbers and listings to Franchisor or Franchisor's designee pursuant to the Conditional Assignment of Telephone Numbers and Social Media Pages attached hereto as Exhibit B or, if Franchisor directs, to disconnect the numbers;

16.1.6 Promptly surrender all stationery, printed matter, signs, advertising materials and other items containing the Proprietary Marks as Franchisor directs and all items which are a part of the trade dress of the System;

16.1.7 Cease to hold itself out as Franchisor's franchisee;

16.1.8 Take such action as shall be necessary to amend or cancel any assumed name, business name or equivalent registration which contains any trade name or other Proprietary Mark Franchisor licensed to Franchisee and furnish Franchisor evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) calendar days after the termination, expiration or transfer of this Agreement;

16.1.9 Permit Franchisor to make final inspection of Franchisee's financial records, books, and other accounting records within six (6) months of the effective date of termination, expiration, or transfer;

16.1.10 Comply with the post-termination covenants set forth in Section 17 hereof, all of which shall survive the transfer, termination or expiration of this Agreement;

16.1.11 Cease to use in marketing materials or in any other manner, any methods, procedures or techniques associated with Franchisor or the System;

16.1.12 Execute from time to time any necessary papers, documents, and assurances to effectuate the intent of this Section 16; and

16.1.13 Promptly turn over all Client Lists and any other information Franchisee may have about former, existing, or potential clients, including health related information and financial information.

16.2 **Power of Attorney.** Franchisee hereby irrevocably appoints Franchisor as Franchisee's attorney-in-fact to execute in Franchisee's name and on Franchisee's behalf all documents necessary to discontinue Franchisee's use of the Proprietary Marks and the Confidential Information.

### 16.3 **Option to Purchase Personal Property.**

16.3.1 Upon the termination or expiration of this Agreement, Franchisor, or Franchisor's designee shall also have the option, but not the obligation, to purchase any personal property used in connection with operation of Franchisee's Business by providing Franchisee written notice of Franchisor's election within sixty (60) calendar days after such termination or expiration and paying Franchisee the book value for such personal property within sixty (60) calendar days of such notice. For purposes of this paragraph, "book value" means the amount Franchisee actually

paid for the personal property less depreciation (calculated by using the straight-line depreciation method on a ten (10) year depreciation schedule irrespective of the depreciation method or schedule Franchisee uses for accounting purposes). Notwithstanding the foregoing, to the extent that Franchisor exercises Franchisor's right to purchase any personal property that is subject to a lease or finance agreement, the purchase price of such personal property shall equal the amount of Franchisee's remaining obligations under the lease or finance agreement, as applicable. Franchisor shall be entitled to offset the purchase price by the amount of money owed by Franchisee to Franchisor for any payments necessary to acquire clear title to property or for any other debt. If Franchisor exercises Franchisor's option to purchase, pending the closing of such purchase, Franchisor has the right to appoint a manager to maintain operation of the Business, or Franchisor may require that Franchisee close the Franchised Business during such period without removing any assets. Franchisee is required to maintain in force all insurance policies required under this Agreement until the date of such closing. Franchisor has the unrestricted right to assign this option to purchase the Business. Franchisor will be entitled to all customary warranties and representations in connection with Franchisor's purchase of Franchisee's property, including, without limitation, representations and warranties as to ownership and condition of and title to the property; liens and encumbrances on the property; validity of contracts and agreements; and liabilities affecting the property, contingent or otherwise.

16.3.2 Exclusions. Franchisor may exclude from the personal property purchased hereunder cash or its equivalent and any equipment, signs, inventory, materials and supplies that are not reasonably necessary (in function or quality) to the Business's operation or that Franchisor has not approved as meeting standards for the Business.

16.4 **Damages, Costs, and Expenses.** In the event of termination for any default by Franchisee, Franchisee shall promptly pay to Franchisor all damages, costs and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of the default, which obligation shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of Franchisee's personal property, furnishings, equipment, signs, fixtures and inventory related to the operation of the Business.

## 17. COVENANTS

Franchisee acknowledges that as a participant in Franchisor's Franchise System, Franchisee will receive proprietary and confidential information and materials, trade secrets, and the unique methods, procedures and techniques which Franchisor has developed. Therefore, to protect Franchisor and all Franchisor's franchisees, Franchisee agrees as follows:

17.1 **During the Term of This Agreement.** During the term of this Agreement, neither Franchisee, Franchisee's principals, General Managers, officers, directors, or principals, nor any member of the immediate family of Franchisee or Franchisee's principals, officers, directors, and General Managers may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership, or corporation:

17.1.1 Own, maintain, engage in, lend money to, extend credit to, have any interest in, or be employed as an officer, director, executive, or principal of any other business offering the Services, including personal care and companion care services, or other goods or services offered or authorized for sale by System franchisees; provided, however, that this Section does not apply to Franchisee's operation of any other One You Love Homecare Business; or

17.1.2 Divert or attempt to divert any business or client of the Business to any

competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks or the System.

## 17.2 **After the Term of This Agreement.**

17.2.1 For a period of two (2) years after the expiration and non-renewal, transfer, or termination of this Agreement, regardless of the cause, neither Franchisee, Franchisee's principals, nor any member of the immediate family of Franchisee or Franchisee's principals may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation, enter into any business competing in whole or in part with Franchisor granting franchises or licenses for businesses offering the Services, including personal care and companion care services, or other goods or services offered or authorized for sale by System franchisees at the time this Agreement is terminated or otherwise expires and is not renewed.

17.2.2 For a period of two (2) years after the expiration, transfer, or termination of this Agreement, regardless of the cause, neither Franchisee, Franchisee's principals, nor any member of the immediate family of Franchisee or Franchisee's principals may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership, or corporation:

17.2.2.1 Own, maintain, engage in, lend money to, extend credit to, have any interest in, or be employed as an officer, director, executive, or principal of any other business offering, in whole or in part, the Services, including personal care and companion care services, or other goods or services offered or authorized for sale by System franchisees at the time this Agreement is terminated or otherwise expires and is not renewed, (i) at the Franchised Business premises; (ii) within the Designated Territory; or (iii) within a radius of twenty (20) miles of the perimeter of (a) the Designated Territory being granted hereunder or (b) any other territory licensed by Franchisor as of the date of expiration or termination of this Agreement; or

17.2.2.2 Solicit business from clients of Franchisee's former Business or contact any of Franchisor's suppliers or vendors for any competitive business purpose.

17.3 **Intent and Enforcement.** It is the parties' intent that the provisions of this Section 17 be judicially enforced to the fullest extent permissible under applicable law. Accordingly, the parties agree that any reduction in scope or modification of any part of the noncompetition provisions contained herein shall not render any other part unenforceable. In the event of the actual or threatened breach of this Section 17 by Franchisee, any of Franchisee's principals, or any member of the immediate family of Franchisee or Franchisee's principals, Franchisor shall be entitled to an injunction restraining such person from any such actual or threatened breach. Franchisee agrees that in the event of the actual or threatened breach of this Section 17, Franchisor's harm will be irreparable and that Franchisor has no adequate remedy at law to prevent such harm. Franchisee acknowledges and agrees on Franchisee's own behalf and on behalf of the persons who are liable under this Section 17 that each has previously worked or been gainfully employed in other careers and that the provisions of this Section 17 in no way prevent any such person from earning a living. Franchisee further acknowledges and agrees that the time limitation of this Section 17 shall be tolled during any default under this Section.

17.4 **Employees/Personnel.** Franchisee shall ensure that Franchisee's principals, employees, personnel and members of their immediate families who have access to Franchisor's

Confidential Information, including all of Franchisee's managers and other key employees, execute a Confidentiality and Restrictive Covenant Agreement, in the form attached as Exhibit C to the Franchise Agreement, or as Franchisor, in Franchisor's sole discretion, otherwise prescribes. Franchisee must furnish Franchisor a copy of each and/or any executed agreement, upon request.

17.5 **No Defense.** Franchisee hereby agrees that the existence of any claim Franchisee may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to Franchisor's enforcement of the covenants contained in this Section 17. Franchisee agrees to pay all costs and expenses (including reasonable attorneys' fees) which Franchisor incurs in connection with the enforcement of this Section 17.

## 18. DISPUTE RESOLUTION

18.1 **Choice of Law.** This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania (without reference to its conflict of laws principles).

18.2 **Internal Dispute Resolution.** Franchisee must first bring any claim or dispute between Franchisee and Franchisor to Franchisor's Chief Executive Officer, after providing notice as set forth in Section 18.6 below. Franchisee must exhaust this internal dispute resolution procedure before Franchisee may bring Franchisee's dispute before a third party. This agreement to first attempt resolution of disputes internally shall survive termination or expiration of this Agreement.

18.3 **Mediation.** At Franchisor's option, all claims or disputes between Franchisor and Franchisee or its affiliates arising out of, or in any way relating to, this Agreement or any other agreement by and between Franchisor and Franchisee or its affiliates, or any of the parties' respective rights and obligations arising from such agreement, which are not first resolved through the internal dispute resolution procedure set forth in Section 18.2 above, must be submitted first to mediation, in Philadelphia, Pennsylvania under the auspices of the American Arbitration Association ("AAA"), in accordance with AAA's Commercial Mediation Rules then in effect. Before commencing any arbitration against Franchisor or its affiliates with respect to any such claim or dispute, Franchisee must submit a notice to Franchisor, which specifies, in detail, the precise nature and grounds of such claim or dispute. Franchisor will have a period of thirty (30) days following receipt of such notice within which to notify Franchisee as to whether Franchisor or its affiliates elects to exercise its option to submit such claim or dispute to mediation. Franchisee may not commence any arbitration against Franchisor or its affiliates with respect to any such claim or dispute in any court unless Franchisor fails to exercise its option to submit such claim or dispute to mediation, or such mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by Franchisor. Franchisor's rights to mediation, as set forth herein, may be specifically enforced by Franchisor. Each party shall bear its own cost of mediation and Franchisor and Franchisee shall share mediation costs equally. This agreement to mediate shall survive any termination or expiration of this Agreement and if Franchisor exercises this option, shall be a pre-requisite to the initiation of any arbitration or other proceeding.

18.3.1 The parties shall not be required to first attempt to mediate a controversy, dispute, or claim through mediation as set forth in this Section 18.3 if such controversy, dispute, or claim concerns an allegation that a party has violated (or threatens to violate, or poses an imminent risk of violating):

18.3.1.1 Any federally protected intellectual property rights in the Proprietary Marks, the System, or in any Confidential Information;

18.3.1.2 Any claims pertaining to or arising out of any warranty issue; or

18.3.1.3 Any of the restrictive covenants contained in this Agreement.

#### 18.4 **Arbitration.**

18.4.1 All disputes and claims relating to this Agreement or any other agreement entered into between the parties, the rights and obligations of the parties, or any other claims or causes of action relating to the making, interpretation, or performance of either party under this Agreement, shall be settled by arbitration in Philadelphia, Pennsylvania in accordance with the Federal Arbitration Act, and administered by the American Arbitration Association (“AAA”) pursuant to the AAA Commercial Arbitration Rules. The right and duty of the parties to this Agreement to resolve any disputes by arbitration shall be governed by the Federal Arbitration Act, as amended, except that there shall be no class action arbitration nor a consolidation of Franchisee’s proceeding with any other proceeding between Franchisor and any other person or entity. The following shall supplement and, in the event of a conflict, shall govern any arbitration: If the claim is for less than \$30,000, then the matter shall be heard before a single arbitrator selected from the AAA list of arbitrators. If the claim, or a counterclaim, is for \$30,000 or more, the matter shall be heard before a panel of three (3) arbitrators and each party shall appoint its own arbitrator, and the appointed arbitrators shall appoint a "neutral" arbitrator who shall be a member of the American Bar Association's Forum on Franchising in good standing for at least five (5) years. Each party must bear its own costs of arbitration including the fee for their respective arbitrator; provided, however, that the neutral or the single arbitrator's fee shall be shared equally by the parties. The arbitrators will be bound to the Federal Rules of Evidence and Discovery and shall be governed by the Federal Rules of Civil Procedure. The arbitrators shall have no authority to determine class action claims or other consolidated claims and shall have no authority to amend or modify the terms of the Agreement. To the extent permitted by applicable law, no issue of fact or law shall be given preclusive or collateral estoppel effect in any arbitration, except to the extent such issue may have been determined in another proceeding between the parties. Judgment upon the award of the arbitrator shall be submitted for confirmation to the United States District Court for the Eastern District of Pennsylvania and, if confirmed, may be subsequently entered in any court having competent jurisdiction. This agreement to arbitrate shall survive any termination or expiration of this Agreement.

18.4.2 The parties shall not be required to first attempt to arbitrate a controversy, dispute, or claim through arbitration as set forth in this Section 18.4 if such controversy, dispute, or claim concerns an allegation that a party has violated (or threatens to violate, or poses an imminent risk of violating):

18.4.2.1 Any federally protected intellectual property rights in the Proprietary Marks, the System, or in any Confidential Information;

18.4.2.2 Any claims pertaining to or arising out of any warranty issue; or

18.4.2.3 Any of the restrictive covenants contained in this Agreement.

18.5 **Selection of Venue.** Nothing contained in this Agreement shall prevent Franchisor from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction and/or other emergency relief available to safeguard and protect

Franchisor's interests. The parties expressly agree to the jurisdiction and venue of the United States District Court for the Eastern District of Pennsylvania and Franchisee irrevocably submits to the jurisdiction of such courts and waives any objection Franchisee may have to either the jurisdiction of or venue in such courts. Notwithstanding the foregoing, Franchisee agrees that Franchisor may enforce this Agreement and any court orders in the courts of the state or states in which Franchisee is domiciled or the Franchise Business is located.

18.6 **Third-Party Beneficiaries.** Franchisor's officers, directors, shareholders, agents and/or employees are express third-party beneficiaries of the provisions of this Agreement, including the mediation and arbitration provision set forth in this Section 18, each having authority to specifically enforce the right to mediate or arbitrate claims asserted against such person(s) by Franchisee. Franchisee agrees and acknowledges that it is not a third-party beneficiary to any other agreement.

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

18.8 **No Right to Offset.** Franchisee shall not withhold all or any part of any payment to Franchisor or any of its affiliates on the grounds of Franchisor's alleged nonperformance or as an offset against any amount Franchisor or any of Franchisor's affiliates allegedly may owe Franchisee under this Agreement or any related agreements.

18.9 **Injunctive Relief.** Nothing in this Agreement shall prevent Franchisor from seeking to obtain injunctive relief, without posting a bond, against threatened conduct that will cause Franchisor loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary and permanent injunctions. If injunctive relief is granted, Franchisee's only remedy will be the court's dissolution of the injunctive relief. If the injunctive relief was wrongfully issued, Franchisee expressly waives all claims for damages Franchisee incurred as a result of the wrongful issuance.

18.10 **Limitation of Action.** Franchisee further agrees that no cause of action arising out of or under this Agreement may be maintained by Franchisee against Franchisor unless brought before the expiration of one (1) year after the act, transaction or occurrence upon which such action is based or the expiration of one (1) year after the Franchisee becomes aware of facts or circumstances reasonably indicating that Franchisee may have a claim against Franchisor hereunder, whichever occurs sooner, and that any action not brought within this period shall be barred as a claim, counterclaim, defense, or set-off.

18.10.1 Franchisee hereby waives the right to obtain any remedy based on alleged fraud, misrepresentation, or deceit by Franchisor, including, without limitation, rescission of this Agreement, in any mediation, judicial, or other adjudicatory proceeding arising hereunder, except upon a ground expressly provided in this Agreement, or pursuant to any right expressly granted by any applicable statute expressly regulating the sale of franchises, or any regulation or rules promulgated thereunder.

18.11 **Waiver of Punitive Damages.** Franchisee hereby waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) against Franchisor arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort

or otherwise) and agrees that in the event of a dispute, that Franchisee's recovery is limited to actual damages. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions shall continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages.

**18.12 JURY TRIAL WAIVER. WITH RESPECT TO ANY PROCEEDING NOT SUBJECT TO ARBITRATION, THE PARTIES HEREBY AGREE TO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT. THIS WAIVER SHALL APPLY TO ANY MATTER WHATSOEVER BETWEEN THE PARTIES HERETO WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THIS AGREEMENT, THE PERFORMANCE OF EITHER PARTY, AND/OR FRANCHISEE'S PURCHASE FROM FRANCHISOR OF THE FRANCHISE AND/OR ANY GOODS OR SERVICES.**

## **19. REPRESENTATIONS**

**19.1 No Authority.** NO SALESPERSON, REPRESENTATIVE OR OTHER PERSON HAS THE AUTHORITY TO BIND OR OBLIGATE FRANCHISOR EXCEPT FRANCHISOR'S AUTHORIZED OFFICER BY A WRITTEN DOCUMENT. FRANCHISEE ACKNOWLEDGES THAT NO REPRESENTATIONS, PROMISES, INDUCEMENTS, GUARANTEES OR WARRANTIES OF ANY KIND WERE MADE BY FRANCHISOR OR ON FRANCHISOR'S BEHALF WHICH HAVE LED FRANCHISEE TO ENTER INTO THIS AGREEMENT. FRANCHISEE UNDERSTANDS THAT WHETHER FRANCHISEE SUCCEEDS AS A FRANCHISEE IS DEPENDENT UPON FRANCHISEE'S EFFORTS, BUSINESS JUDGMENTS, THE PERFORMANCE OF FRANCHISEE'S EMPLOYEES, MARKET CONDITIONS AND VARIABLE FACTORS BEYOND FRANCHISOR'S CONTROL OR INFLUENCE. FRANCHISEE FURTHER UNDERSTANDS THAT SOME FRANCHISEES ARE MORE OR LESS SUCCESSFUL THAN OTHER FRANCHISEES AND THAT FRANCHISOR HAS MADE NO REPRESENTATION THAT FRANCHISEE WILL DO AS WELL AS ANY OTHER FRANCHISEE.

**19.2 Receipt.** THE UNDERSIGNED ACKNOWLEDGES RECEIPT OF THIS AGREEMENT, WITH ALL BLANKS COMPLETED AND WITH ANY AMENDMENTS AND EXHIBITS, AT LEAST SEVEN (7) DAYS PRIOR TO EXECUTION OF THIS AGREEMENT. IN ADDITION, THE UNDERSIGNED ACKNOWLEDGES RECEIPT OF FRANCHISOR'S UNIFORM FRANCHISE DISCLOSURE DOCUMENT AT LEAST FOURTEEN (14) DAYS PRIOR TO THE EXECUTION OF THIS AGREEMENT OR FRANCHISEE'S PAYMENT OF ANY MONIES TO FRANCHISOR, REFUNDABLE OR OTHERWISE.

**19.3 Opportunity for Review by Franchisee's Advisors.** FRANCHISEE ACKNOWLEDGES THAT FRANCHISOR HAS RECOMMENDED, AND THAT FRANCHISEE HAS HAD THE OPPORTUNITY TO OBTAIN, REVIEW OF THIS AGREEMENT AND FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT BY FRANCHISEE'S LAWYER, ACCOUNTANT OR OTHER BUSINESS ADVISOR PRIOR TO EXECUTION HEREOF.

**19.4 Execution of Agreement.** EACH OF THE UNDERSIGNED PARTIES WARRANTS THAT IT HAS THE FULL AUTHORITY TO SIGN AND EXECUTE THIS AGREEMENT. IF FRANCHISEE IS A PARTNERSHIP OR CORPORATION, THE PERSON EXECUTING THIS AGREEMENT ON BEHALF OF SUCH PARTNERSHIP OR CORPORATION WARRANTS TO FRANCHISOR, BOTH INDIVIDUALLY AND IN HIS CAPACITY AS PARTNER OR OFFICER, THAT ALL OF THE PARTNERS OF THE

PARTNERSHIP OR ALL OF THE SHAREHOLDERS OF THE CORPORATION, AS APPLICABLE, HAVE READ AND APPROVED THIS AGREEMENT, INCLUDING ANY RESTRICTIONS WHICH THIS AGREEMENT PLACES UPON RIGHTS TO TRANSFER THEIR INTEREST IN THE PARTNERSHIP OR CORPORATION.

**20. GUARANTEE OF PRINCIPALS AND THEIR AND SPOUSES**

If Franchisee is a corporation, or subsequent to execution hereof, Franchisee assigns this Agreement to a corporation, all shareholders owning more than ten percent (10%) of Franchisee’s outstanding shares and their spouses (or if Franchisee is a partnership, or subsequent to execution hereof, Franchisee assigns this Agreement to a partnership, all general partners and their spouses, or if Franchisee is a limited liability company, or subsequent to execution hereof Franchisee assigns this Agreement to a limited liability company, all members and managers and their spouses) hereby personally and unconditionally guarantee without notice, demand or presentment, the payment of all of Franchisee’s monetary obligations under this Agreement and any other agreement between Franchisee and Franchisor and/or Franchisor’s affiliates, as if each were an original party to this or any other agreement in his or her individual capacity. All such personal guarantors further agree to be bound by the restrictions upon Franchisee’s activities upon transfer, termination or expiration and non-renewal of this Agreement as if each were an original party to this Agreement in his or her individual capacity. All such personal guarantors and their spouses must execute a continuing personal guarantee in the form attached hereto as Exhibit A.

**21. NOTICES**

All notices and requests to be given under this Agreement are to be in writing, and delivered by either hand delivery or overnight mail by a recognized carrier offering a delivery receipt, to the following addresses (which may be changed by written notice):

Franchisee’s Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Franchisor’s Address: One You Love Homecare Franchising, LLC  
P.O. Box 60504  
Philadelphia, PA 19145  
Attention: David Giacobbo

With a copy to: Lane Fisher, Esq.  
Fisher Zucker, LLC  
21 South 21<sup>st</sup> Street  
Philadelphia, PA 19103

**22. MISCELLANEOUS**

**22.1 Entire Agreement.** This Agreement contains the entire Agreement of the parties. There are no representations either oral or written, except those contained in this Agreement. This written Agreement includes all representations between the parties. This Agreement may not be modified except by a written document signed by both parties. Nothing in the Agreement is intended

to disclaim the representations Franchisor makes in the Franchise Disclosure Document provided to Franchisee.

**22.2 Construction of Language.** The language of this Agreement shall be construed according to its fair meaning, and not strictly for or against either party. All words in this Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as Franchisee, their obligations and liabilities shall be joint and several. Headings are for reference purposes and do not control interpretation. Reference to Franchisee's "immediate family" means Franchisee's spouse, parents, children and siblings and Franchisee's spouse's parents, children and siblings. Reference to Franchisee's "principals" means Franchisee's partners, officers, directors, shareholders, members and managers, as applicable. References to "Franchisor" and "Franchisee" include the party's successors, assigns or transferees.

**22.3 Severability.** If any provision of this Agreement is deemed invalid or inoperative for any reason, that provision shall be deemed modified to the extent necessary to make it valid and operative or, if it cannot be so modified, it shall then be severed, and the remainder of that provision shall continue in full force and effect as if this Agreement had been signed with the invalid portion so modified or eliminated; provided, however, that if any part of this Agreement relating to payments to Franchisor or any of its affiliates or protection of the Proprietary Marks or the Confidential Information, including the Operations Manual and Franchisor's other trade secrets, is declared invalid or unenforceable, then Franchisor at Franchisor's option may terminate this Agreement immediately upon written notice to Franchisee.

**22.4 State Law Applies.** If any provision of this Agreement, including but not limited to its provisions for transfer, renewal, termination, notice of termination, or cure rights, is inconsistent with any valid law or regulation of the state in which the Business is located, then the valid law or regulation of that state applicable to the franchise shall supersede any provision of this Agreement that is less favorable to Franchisee.

**22.5 Additional Documentation.** Franchisee must from time to time, subsequent to the date first set forth above, at Franchisor's request and without further consideration, execute and deliver such other documentation or agreement and take such other action as Franchisor reasonably may require in order to effectuate the transactions contemplated herein. In the event that Franchisee fails to comply with the provisions of this Section, Franchisee hereby appoints Franchisor as Franchisee's attorney-in-fact to execute any and all documents on Franchisee's behalf that are reasonably necessary to effectuate the transactions contemplated herein.

**22.6 Force Majeure.** Neither Franchisee, Franchisor, or Franchisor's affiliates will be liable for loss or damage or deemed to be in breach of this Agreement or any related agreement if its failure to perform its obligations is not the fault nor within the reasonable control of the person due to perform but results from, without limitation, fire, flood, natural disasters, acts of God, governmental acts or orders, or civil disorders. Any delay resulting from any such cause will extend the time of performance for the period of such delay or for such other reasonable period of time as the parties agree in writing or will excuse performance, in whole or in part, as Franchisor deems reasonable.

**22.7 Anti-Terrorist Activities.** Franchisee certifies that neither Franchisee, nor Franchisee's owners, principals, employees or anyone associated with Franchisee is listed in the Annex to Executive Order 13224. (The Annex is available at <http://www.treasury.gov/offices/enforcement/ofac/sanctions/terrorism.html>.) Franchisee agrees not to hire or have any dealings with a person listed in the Annex. Franchisee certifies that Franchisee

has no knowledge or information that, if generally known, would result in Franchisee, Franchisee's owners, principals, employees, or anyone associated with Franchisee being listed in the Annex to Executive Order 13224. Franchisee agrees to comply with and/or assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with the Anti-Terrorism Laws (as defined below). In connection with such compliance, Franchisee certifies, represents, and warrants that none of Franchisee's property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws and that Franchisee and Franchisee's owners or principals are not otherwise in violation of any of the Anti-Terrorism Laws. Franchisee is solely responsible for ascertaining what actions must be taken by Franchisee to comply with all such Anti-Terrorism Laws, and Franchisee specifically acknowledges and agrees that Franchisee's indemnification responsibilities as provided in Section 13.2 of this Agreement pertain to Franchisee's obligations under this Section 22.7. Any misrepresentation by Franchisee under this Section or any violation of the Anti-Terrorism Laws by Franchisee, Franchisee's owners, principals or employees shall constitute grounds for immediate termination of this Agreement and any other agreement Franchisee has entered into with Franchisor or one of Franchisor's affiliates in accordance with the terms of Section 15.2.3 of this Agreement. As used herein, "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations (Title 31, Part 595 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies lists and any other requirements of any Governmental Authority (including without limitation, the United States Department of Treasury Office of Foreign Assets Control) addressing or in any way relating to terrorist acts and acts of war.

22.8 **Attorneys' Fees.** If Franchisee is in breach or default of any monetary or non-monetary material obligation under this Agreement or any related agreement between Franchisee and Franchisor and/or Franchisor's affiliates, and Franchisor engages an attorney to enforce Franchisor's rights (whether or not formal judicial proceedings are initiated), Franchisee must pay all reasonable attorneys' fees, court costs and litigation expenses Franchisor incurs. If Franchisee institutes any legal action to interpret or enforce the terms of this Agreement, and Franchisee's claim in such action is denied or the action is dismissed, Franchisor is entitled to recover Franchisor's reasonable attorneys' fees, and all other reasonable costs and expenses incurred in defending against same, and to have such an amount awarded as part of the judgment in the proceeding.

## 23. ACKNOWLEDGMENTS

23.1 **Independent Investigation.** Franchisee acknowledges that Franchisee has conducted an independent investigation of the Franchised Business contemplated by this Agreement and recognizes that it involves business risks which make the success of the venture largely dependent upon Franchisee's business abilities and efforts. Franchisee acknowledges that Franchisee has been given the opportunity to clarify any provision of this Agreement that Franchisee may not have initially understood and that Franchisor has advised Franchisee to have this Agreement reviewed by an attorney.

23.2 **No Guarantee of Earnings.** Franchisee understands that Franchisor and any of Franchisor's representatives and/or agents with whom Franchisee has met have not made and are not making any guarantees as to the extent of Franchisee's success in Franchisee's Franchised Business, and have not and are not in any way representing or promising any specific amounts of earnings or profits in association with Franchisee's Franchised Business.

23.3 **Receipt of Disclosure Document.** Franchisee acknowledges that this Agreement and

Franchisor's Franchise Disclosure Document have been in Franchisee's possession for at least fourteen (14) days before Franchisee signed this Agreement and that any material changes to this Agreement were in writing in this Agreement for at least seven (7) days before Franchisee signed this Agreement.

23.4 No Personal Liability. Franchisee agrees that fulfillment of any and all of Franchisor's obligations written in this Agreement or based on any oral communications which may be ruled to be binding in a Court of Law shall be Franchisor's sole responsibility and none of Franchisor's agents, representatives, nor any individuals associated with Franchisor's franchise company shall be personally liable to Franchisee for any reason. This is an important part of this Agreement. Franchisee agrees that nothing that Franchisee believes Franchisee has been told by Franchisor or Franchisor's representatives shall be binding unless it is written in this Agreement. This is an important part of this Agreement. Do not sign this Agreement if there is any question concerning its contents or any representations made.

*[The remainder of this page is left intentionally blank. Signature to appear on the following page.]*

**IN WITNESS WHEREOF, AND INTENDING TO BE LEGALLY BOUND HEREBY, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE EXECUTED EFFECTIVE THE DATE FIRST SET FORTH ABOVE.**

**FRANCHISEE:**

By:

\_\_\_\_\_  
(Individual, Partnership or Corporation Name)  
Title: Owner

By:

\_\_\_\_\_  
(Individual, Partnership or Corporation Name)  
Title: Owner

**PERSONAL GUARANTORS:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

**ONE YOU LOVE HOMECARE  
FRANCHISING, LLC**

By: \_\_\_\_\_

Name: David Giacobbo, CEO

**EXHIBIT A**  
**to**  
**ONE YOU LOVE HOMECARE FRANCHISING, LLC**  
**FRANCHISE AGREEMENT**

**PERSONAL GUARANTY**

NOTE: IF FRANCHISEE IS A CORPORATION, EACH OF FRANCHISEE'S SHAREHOLDERS AND THEIR SPOUSES MUST EXECUTE THE FOLLOWING UNDERTAKING. IF FRANCHISEE IS A PARTNERSHIP, EACH OF FRANCHISEE'S GENERAL PARTNERS AND THEIR SPOUSES MUST EXECUTE THE FOLLOWING UNDERTAKING. IF FRANCHISEE IS A LIMITED LIABILITY COMPANY, EACH OF FRANCHISEE'S MEMBERS AND MANAGERS AND THEIR SPOUSES MUST EXECUTE THE FOLLOWING UNDERTAKING.

**ARTICLE I**  
**PERSONAL GUARANTY**

The undersigned persons (individually and collectively "you") hereby represent to One You Love Homecare Franchising, LLC ("Franchisor") that you are all of the shareholders of the franchisee, or all of the general partners of the franchisee, or all of the members and managers, or the spouse of any such shareholder, general partner, or member or manager of \_\_\_\_\_ ("Franchisee"), as the case may be. In consideration of the grant by Franchisor to the Franchisee as herein provided, each of you hereby agree, in consideration of benefits received and to be received by each of you, jointly and severally, and for yourselves, your heirs, legal representatives and assigns, to be firmly bound by all of the terms, provisions and conditions of the foregoing One You Love Homecare Franchising, LLC Franchise Agreement, and any other agreement between Franchisee and Franchisor and/or its affiliates, and do hereby unconditionally guarantee the full and timely performance by Franchisee of each and every obligation of Franchisee under the aforesaid Franchise Agreement or other agreement between Franchisor and Franchisee, including, without limitation, any indebtedness of Franchisee arising under or by virtue of the aforesaid Franchise Agreement and that you (jointly and individually) will not permit or cause any change in the percentage of Franchisee owned, directly or indirectly, by any person, without first obtaining the written consent of Franchisor prior to said proposed transfer, which consent must not be unreasonably withheld, and without first paying or causing to be paid to Franchisor the transfer fee provided for in said Franchise Agreement, if applicable, and without otherwise complying with the transfer provisions of the foregoing Franchise Agreement. You further agree to be bound by the in-term and post-term covenants against competition of the aforesaid Franchise Agreement.

**ARTICLE II**  
**CONFIDENTIALITY**

During the initial and any renewal terms of the Franchise Agreement and this Guaranty, you will receive information, which Franchisor considers its trade secrets and confidential information, including the Proprietary Software ("Confidential Information"). You shall not, during the term of this Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, partnership, association, corporation, or limited liability company any Confidential Information including, without limitation, trade secrets, the company's copyrighted materials, methods and other techniques and know-how concerning the operation of the Franchised Business which may be communicated to you or of which you may become apprised by virtue of your role as a guarantor of the Franchisee's obligations under the Franchise Agreement. You also acknowledge and agree that

certain client information, including (i) current client and prospective client names and addresses, (ii) information about credit extensions to clients, (iii) client service purchasing histories, and (iv) rates charged to clients; and (v) National Account Information (collectively "Client Lists"), as well as supplier network information, also constitute the trade secrets and confidential proprietary information of Franchisor. Any and all information, knowledge, know-how, techniques, and other data, which Franchisor designates as confidential, will be deemed Confidential Information for purposes of this Agreement.

### **ARTICLE III NON-COMPETITION**

You acknowledge that, as a participant in the Franchisor's Franchise System, you will receive proprietary and confidential information and materials, trade secrets, and the unique methods, procedures and techniques which Franchisor has developed. Therefore, to protect Franchisor and all Franchisor's franchisees, Franchisee agrees as follows:

**1) During the Term of the Franchise Agreement.** During the term of the Franchise Agreement, neither you, nor your principals, officers, or directors, nor any member of your immediate family or the immediate family of your officers, directors, or principals may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation:

- a) Own, maintain, engage in, lend money to, extend credit to, have any interest in, or be employed as an officer, director, executive, or principal of any other business offering the Services, including personal care and companion care services, or other goods or services offered or authorized for sale by System franchisees; provided, however, that this Section does not apply to Franchisee's operation of any other One You Love Homecare Business; or
- b) Divert or attempt to divert any business or client of the One You Love Homecare Business, including National Account clients, to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks or the System.

**2) After the Term of the Franchise Agreement.**

- a) For a period of two (2) years after the expiration and non-renewal, transfer or termination of the Franchise Agreement, regardless of the cause, neither you, your officers, directors, or principals, nor your immediate family members or the immediate family members of your officers, directors, or principals may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation enter into any business competing in whole or in part with Franchisor granting franchises or licenses for businesses offering the Services, including personal care and companion care services, or other goods or services offered or authorized for sale by System franchisees.
- b) For a period of two (2) years after the expiration, transfer or termination of the Franchise Agreement, regardless of the cause, neither you, your

officers, directors, or principals, nor your immediate family or the immediate family of your officers, directors, or principals may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation:

- (1) Own, maintain, engage in, lend money to, extend credit to, have any interest in, or be employed as an officer, director, executive, or principal of any other business offering, in whole or in part, the Services, including personal care and companion care services, or other goods or services offered or authorized for sale by System franchisees at the time the Franchise Agreement is terminated or expires and is otherwise not renewed, (i) at the Franchised Business premises; (ii) within the Designated Territory; or (iii) within a radius of twenty (20) miles of the perimeter of (a) the Designated Territory being granted hereunder or (b) any other territory licensed by Franchisor as of the date of expiration or termination of this Agreement; or
- (2) Solicit business from clients of Franchisee's former One You Love Homecare Business or contact any of Franchisor's suppliers or vendors for any competitive business purpose.

3) **Intent and Enforcement.** It is the parties' intent that the provisions of this Article III be judicially enforced to the fullest extent permissible under applicable law. Accordingly, the parties agree that any reduction in scope or modification of any part of the noncompetition provisions contained herein shall not render any other part unenforceable. In the event of the actual or threatened breach of this Article III by you, any of your principals, or any members of their immediate family, Franchisor shall be entitled to an injunction restraining such person from any such actual or threatened breach. You agree that in the event of the actual or threatened breach of this Article III, Franchisor's harm will be irreparable and that Franchisor has no adequate remedy at law to prevent such harm. You acknowledge and agree that you have previously worked or been gainfully employed in other careers and that the provisions of this Article III in no way prevent you from earning a living. You further acknowledge and agree that the time limitation of this Article III shall be tolled during any default under the Franchise Agreement and this Guaranty.

#### **ARTICLE IV DISPUTE RESOLUTION**

- 1) **Acknowledgment.** You acknowledge that this Guaranty is not a franchise agreement and does not confer upon you any rights to use the Franchisor's proprietary marks or its system.
- 2) **Governing Law.** This Guaranty shall be deemed to have been made in and governed by the laws of the Commonwealth of Pennsylvania.
- 3) **Internal Dispute Resolution.** You must first bring any claim or dispute arising out of or relating to the Franchise Agreement or this Personal Guaranty to Franchisor's Chief Executive Officer. You agree to exhaust this internal dispute resolution procedure before bringing any dispute before a third party. This agreement to engage in internal dispute resolution first shall survive the termination or expiration of this Agreement.
- 4) **Mediation.** At Franchisor's option, all claims or disputes between Franchisor and Franchisee or

its affiliates arising out of, or in any way relating to, this Agreement or any other agreement by and between Franchisor and Franchisee or its affiliates, or any of the parties' respective rights and obligations arising from such agreement, which are not first resolved through the internal dispute resolution procedure set forth in Section 18.2 above, must be submitted first to mediation, in Philadelphia, PA under the auspices of the American Arbitration Association ("AAA"), in accordance with AAA's Commercial Mediation Rules then in effect. Before commencing any arbitration against Franchisor or its affiliates with respect to any such claim or dispute, Franchisee must submit a notice to Franchisor, which specifies, in detail, the precise nature and grounds of such claim or dispute. Franchisor will have a period of thirty (30) days following receipt of such notice within which to notify Franchisee as to whether Franchisor or its affiliates elects to exercise its option to submit such claim or dispute to mediation. Franchisee may not commence any arbitration against Franchisor or its affiliates with respect to any such claim or dispute in any court unless Franchisor fails to exercise its option to submit such claim or dispute to mediation, or such mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by Franchisor. Franchisor's rights to mediation, as set forth herein, may be specifically enforced by Franchisor. Each party shall bear its own cost of mediation and Franchisor and Franchisee shall share mediation costs equally. This agreement to mediate shall survive any termination or expiration of this Agreement.

(a) The parties shall not be required to first attempt to mediate a controversy, dispute, or claim through mediation as set forth in this Section 4 if such controversy, dispute, or claim concerns an allegation that a party has violated (or threatens to violate, or poses an imminent risk of violating):

- (1) Any federally protected intellectual property rights in the Proprietary Marks, the System, or in any Confidential Information;
- (2) Any claims pertaining to or arising out of any warranty issue; or
- (3) Any of the restrictive covenants contained in this Agreement.

4) **Arbitration.** All disputes and claims relating to this Agreement or any other agreement entered into between the parties, the rights and obligations of the parties, or any other claims or causes of action relating to the making, interpretation, or performance of either party under this Agreement, shall be settled by arbitration in Philadelphia, PA in accordance with the Federal Arbitration Act, and administered by the American Arbitration Association ("AAA") pursuant to the AAA Commercial Arbitration Rules. The right and duty of the parties to this Agreement to resolve any disputes by arbitration shall be governed by the Federal Arbitration Act, as amended, except that there shall be no class action arbitration nor a consolidation of Franchisee's proceeding with any other proceeding between Franchisor and any other person or entity. The following shall supplement and, in the event of a conflict, shall govern any arbitration: If the claim is for less than \$30,000, then the matter shall be heard before a single arbitrator selected from the AAA list of arbitrators. If the claim, or a counterclaim, is for \$30,000 or more, the matter shall be heard before a panel of three (3) arbitrators and each party shall appoint its own arbitrator, and the appointed arbitrators shall appoint a "neutral" arbitrator who shall be a member of the American Bar Association's Forum on Franchising in good standing for at least five (5) years. Each party must bear its own costs of arbitration including the fee for their respective arbitrator; provided, however, that the neutral or the single arbitrator's fee shall be shared equally by the parties. The arbitrators will be bound to the Federal Rules of Evidence and Discovery, and shall be governed by the Federal Rules of Civil Procedure. The arbitrators shall have no

authority to determine class action claims or other consolidated claims and shall have no authority to amend or modify the terms of the Agreement. To the extent permitted by applicable law, no issue of fact or law shall be given preclusive or collateral estoppel effect in any arbitration, except to the extent such issue may have been determined in another proceeding between the parties. Judgment upon the award of the arbitrator shall be submitted for confirmation to the United States District Court for the Eastern District of Pennsylvania and, if confirmed, may be subsequently entered in any court having competent jurisdiction. This agreement to arbitrate shall survive any termination or expiration of this Agreement.

(a) The parties shall not be required to first attempt to arbitrate a controversy, dispute, or claim through arbitration as set forth in this Section 5 if such controversy, dispute, or claim concerns an allegation that a party has violated (or threatens to violate, or poses an imminent risk of violating):

- (1) Any federally protected intellectual property rights in the Proprietary Marks, the System, or in any Confidential Information;
  - (2) Any claims pertaining to or arising out of any warranty issue; or
  - (3) Any of the restrictive covenants contained in this Agreement.
- 5) **Third-Party Beneficiaries.** Franchisor's officers, directors, shareholders, agents and/or employees are express third-party beneficiaries of the Franchise Agreement and this Guaranty, and the mediation and arbitration provisions contained herein, each having authority to specifically enforce the right to mediate and arbitrate claims asserted against such person(s) by you.
- 6) **Injunctive Relief.** Nothing contained in this Guaranty shall prevent Franchisor from applying to or obtaining from any court having jurisdiction, without bond, a writ of attachment, temporary injunction, preliminary injunction and/or other emergency relief available to safeguard and protect Franchisor's interest prior to the filing of any arbitration proceeding or pending the trial or handing down of a decision or award pursuant to any arbitration or judicial proceeding conducted hereunder.
- 7) **Jurisdiction and Venue.** With respect to any proceeding not subject to mediation or arbitration, the parties expressly agree to submit to the jurisdiction and venue of the United States District Court for the Eastern District of Pennsylvania.
- 8) **Jury Trial Waiver.** THE PARTIES HEREBY AGREE TO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT. THIS WAIVER SHALL APPLY TO ANY MATTER WHATSOEVER BETWEEN THE PARTIES HERETO WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THIS PERSONAL GUARANTY OR THE FRANCHISE AGREEMENT, THE PERFORMANCE OF EITHER PARTY, AND/OR YOUR PURCHASE FROM FRANCHISOR OF THE FRANCHISE, OPTION AND/OR ANY GOODS OR SERVICES.
- 9) **Waiver of Punitive Damages.** You waive to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) which you may have against us arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort

or otherwise) and agree that in the event of a dispute, your recovery shall be limited to actual damages. If any other term of this Personal Guaranty is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions shall continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages.

- 10) **Limitation on Action.** You agree that no cause of action arising out of or under this Guaranty or the Franchise Agreement may be maintained by you unless brought before the expiration of one (1) year after the act, transaction or occurrence upon which such action is based or the expiration of one (1) year after you become aware of facts or circumstances reasonably indicating that you may have a claim against the Franchisor, whichever occurs sooner, and that any action not brought within this period shall be barred as a claim, counterclaim, defense or set-off.
- 11) **Attorneys' Fees.** If either party institutes any mediation action or judicial proceeding to enforce any monetary or nonmonetary obligation or interpret the terms of this Guaranty and the Franchise Agreement, and Franchisor prevails in such action, you shall be liable to Franchisor for all costs, including reasonable attorneys' fees, incurred in connection with such proceeding.
- 12) **Nonwaiver.** Franchisor's failure to insist upon strict compliance with any provision of this Personal Guaranty and the Franchise Agreement shall not be a waiver of Franchisor's right to do so, any law, custom, usage or rule to the contrary notwithstanding. Delay or omission by Franchisor respecting any breach or default shall not affect Franchisor's rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Guaranty shall be cumulative. Franchisor's election to exercise any remedy available by law or contract shall not be deemed a waiver or preclude exercise of any other remedy.
- 13) **Severability.** The parties agree that if any provisions of this Guaranty may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable and the other which would render it valid and enforceable, such provision shall have the meaning which renders it valid and enforceable. The language of all provisions of this Guaranty shall be construed according to fair meaning and not strictly construed against either party. The provisions of this Guaranty are severable, and this Guaranty shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and partially valid and enforceable provisions shall be enforced to the extent that they are valid and enforceable. If any material provision of this Guaranty shall be stricken or declared invalid, the parties agree to negotiate mutually acceptable substitute provisions. In the event that the parties are unable to agree upon such provisions, Franchisor reserves the right to terminate this Guaranty.
- 14) **Construction of Language.** Any term defined in the Franchise Agreement which is not defined in this Guaranty will be ascribed the meaning given to it in the Franchise Agreement. The language of this Guaranty will be construed according to its fair meaning, and not strictly for or against either party. All words in this Guaranty refer to whatever number or gender the context requires. If more than one party or person is referred to as you, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation.
- 15) **Successors.** References to "Franchisor" or "the undersigned," or "you" include the respective parties' successors, assigns or transferees.
- 16) **No Personal Liability.** You agree that fulfillment of any and all of Franchisor's obligations written in this Guaranty or in the Franchise Agreement or based on any oral communications which may be ruled to be binding in a Court of Law shall be Franchisor's sole responsibility and

none of Franchisor's agents, representatives, nor any individuals associated with Franchisor's franchise company shall be personally liable to Franchisee or you for any reason.

Executed on \_\_\_\_\_.

**PERSONAL GUARANTORS**

\_\_\_\_\_  
\_\_\_\_\_

**GUARANTOR'S SPOUSE**

\_\_\_\_\_  
\_\_\_\_\_

**EXHIBIT B**  
**to**  
**ONE YOU LOVE HOMECARE FRANCHISING, LLC**  
**FRANCHISE AGREEMENT**

**CONDITIONAL ASSIGNMENT**  
**OF FRANCHISEE'S TELEPHONE NUMBERS AND SOCIAL MEDIA PAGES**

1. \_\_\_\_\_, doing business at \_\_\_\_\_ (“Assignor”), in exchange for valuable consideration provided by One You Love Homecare Franchising, LLC (“Assignee”), receipt of which is hereby acknowledged hereby conditionally assigns to Assignee all telephone numbers and listings utilized by Assignor in the operation of its Business at Assignor's above-referenced address. Those numbers and pages are as follows:

\_\_\_\_\_  
\_\_\_\_\_

2. The conditional agreement will become effective automatically upon termination of Assignor’s franchise. Upon the occurrence of that condition, Assignor must do all things required by the telephone company to assure the effectiveness of the assignment of telephone numbers as if the Assignee had been originally issued such telephones, telephone numbers, telephone listings and the usage thereof.

3. Assignor agrees to pay the telephone company on or before the effective date of assignment all amounts owed for the use of the telephone number(s) including, without limitation, Yellow Pages advertising. Assignor further agrees to indemnify Assignee for any sums Assignee must pay the telephone company to effectuate this agreement and agrees to fully cooperate with the telephone company and Assignee in effectuating this assignment.

**ASSIGNOR:**

BY: \_\_\_\_\_ Date: \_\_\_\_\_

TITLE: \_\_\_\_\_

**ASSIGNEE:**

**ONE YOU LOVE HOMECARE FRANCHISING, LLC:**

BY: \_\_\_\_\_ Date: \_\_\_\_\_

TITLE: \_\_\_\_\_

**EXHIBIT C**  
**to**  
**ONE YOU LOVE HOMECARE FRANCHISING, LLC**  
**FRANCHISE AGREEMENT**

**CONFIDENTIALITY AND RESTRICTIVE COVENANT AGREEMENT**  
*(for trained employees, shareholders, officers, directors,  
general partners, members and managers and General Manager of Franchisee)*

In consideration of my being a \_\_\_\_\_ of \_\_\_\_\_ (the "Franchisee"), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that: \_\_\_\_\_, doing business as \_\_\_\_\_ (the "Franchisee"), has acquired the right and franchise from One You Love Homecare Franchising, LLC (the "Company") to establish and operate a One You Love Homecare Franchised Business (the "Business" or "Franchised Business") and the right to use in the operation of the Business the Company's trade names, trademarks and service marks (the "Proprietary Marks") and the Company's unique and distinctive format and system relating to the establishment and operation of Businesses (the "System"), as they may be changed, improved and further developed from time to time in the Company's sole discretion, only at the following authorized and approved location: \_\_\_\_\_ (the "Business Premises").

1. The Company possesses certain proprietary and confidential information relating to the operation of the System, which includes certain trade secrets, the Proprietary Software (as defined in the Franchise Agreement) and copyrighted materials, methods and other techniques and know-how (the "Confidential Information").

2. Any and all information, knowledge, know-how, and techniques which the Company specifically designates as confidential shall be deemed to be Confidential Information for purposes of this Agreement.

3. As \_\_\_\_\_ of the Franchisee, the Company and Franchisee will disclose the Confidential Information to me in furnishing to me the training program and subsequent ongoing training, the One You Love Homecare Franchising, LLC Operations Manual (the "Manual") and other general assistance during the term of this Agreement.

4. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Franchised Business during the term hereof, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

5. The Confidential Information is proprietary, involves trade secrets of the Company, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by the Company as confidential. Unless the Company otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my duties as \_\_\_\_\_ of the Franchisee, and will continue not to disclose any such information even after I cease to be in that position and will not use any such information even after I cease to be in that position unless I can demonstrate that such information has become generally known or easily accessible other than by the breach of an obligation of Franchisee under the Franchise Agreement.

6. Except as otherwise approved in writing by the Company, I shall not, while in my position with the Franchisee, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation or limited liability company, own, maintain, engage in, be employed by, or have any

interest in any other business which operates or licenses any other Businesses, which offer personal care services, including companionship, assistance with bathing and grooming, assistance with medicinal intake, assistance in preparing meals, in addition to housekeeping, transportation, and bill payment assistance to seniors or to the physically or mentally impaired, except a One You Love Homecare Business operating under the System and Proprietary Marks.

7. Except as otherwise approved in writing by the Company, I will not, for a period of two years after my position with the Franchisee expires or is terminated, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation or limited liability company:

- (a) Own, maintain, engage in, be employed as an officer, director, or principal of, lend money to, extend credit to or have any interest in any other business which operates or licenses the sale of businesses which offer personal care services, including companionship, assistance with bathing and grooming, assistance with medicinal intake, assistance in preparing meals, in addition to housekeeping, transportation, and bill payment assistance to seniors or to the physically or mentally impaired: (i) at the Franchised Business premises; (ii) within the Territory; or (iii) within a radius of twenty (20) miles of the perimeter of (a) the Territory being granted hereunder or (b) any other Territory licensed by Franchisor as of the date of expiration or termination of this Agreement; or (i) within the Franchisee's territory; or (iii) within a ten (10) mile radius of (a) the Franchisee's territory; or (b) any other territory licensed by the Company as of the date of expiration or termination of this Agreement.
- (b) Solicit the Company's customers or contact any of the Company's suppliers or vendors for any competitive business purpose.

The prohibitions in this Section 8 do not apply to my interests in or activities performed in connection with a One You Love Homecare Business. This restriction does not apply to my ownership of less than a five percent (5%) beneficial interest in the outstanding securities of any publicly held corporation. I agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which the Company is a party, I expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

8. I understand and acknowledge that the Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof; and I agree to comply forthwith with any covenant as so modified.

9. The Company is a third-party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Franchisee. I am aware that my violation of this Agreement will cause the Company and the Franchisee irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or the Company may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Franchisee and the Company all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Franchisee and the Company, any claim I have against the Franchisee or the Company is a separate matter and does not entitle me to violate, or justify any violation of this Agreement.

10. This Agreement shall be construed under the laws of the \_\_\_\_\_  
\_\_\_\_\_. The only way this Agreement can be changed is in writing signed by both the Franchisee and me.

Executed the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

EMPLOYEE

Signature: \_\_\_\_\_

ACKNOWLEDGED BY FRANCHISEE

Franchisee Name: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT D**  
**to**  
**ONE YOU LOVE HOMECARE FRANCHISING, LLC**  
**FRANCHISE AGREEMENT**

**ELECTRONIC FUNDS WITHDRAWAL AUTHORIZATION**

Bank Name: \_\_\_\_\_

ABA# : \_\_\_\_\_

Acct. No.: \_\_\_\_\_

Acct. Name: \_\_\_\_\_

Effective as of the date of the signature below, \_\_\_\_\_ hereby authorizes One You Love Homecare Franchising, LLC (“Company”) or its designee to withdraw funds from the above-referenced bank account, electronically or otherwise, to make the following payments to Company under the Franchise Agreement for the franchise located at \_\_\_\_\_: (1) all Royalty Fees, (2) all contributions to the Brand Development Fund, and (3) any other reoccurring fees paid to the Company under the Franchise Agreement. Such withdrawals will occur on a weekly, biweekly, or monthly basis, or on such other schedule as Company will specify in writing. Company is also authorized to deposit funds into the above-referenced account, electronically or otherwise. This authorization will remain in full force and effect until terminated in writing by Company. \_\_\_\_\_ will provide the Company, in conjunction with this authorization, a voided check from the above-referenced account.

**AGREED:**

**FRANCHISEE**

By: \_\_\_\_\_

Print name: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT E  
TO  
ONE YOU LOVE HOMECARE FRANCHISING LLC'S  
FRANCHISE AGREEMENT**

**CONSENT AND AGREEMENT OF LANDLORD AND COLLATERAL ASSIGNMENT**

**CONSENT AND AGREEMENT OF LANDLORD**

The undersigned Landlord hereby:

- A. Agrees that the leased Premises will only be used in connection with the operation of Franchisee's ONE YOU LOVE HOMECARE franchised business;
- B. Agrees that Franchisor has the right to enter the Premises to (a) make any modifications necessary to protect Franchisor's Proprietary Marks, or (b) otherwise exercise or enforce Franchisor's rights under the Franchise Agreement;
- C. Agrees to allow Franchisee, upon written request from Franchisor, to provide Franchisor with a current copy of the lease;
- D. Agrees to notify Franchisor in writing (at P.O. Box 60504, Philadelphia, PA 19145) of and upon the failure of Franchisee to cure any default by Franchisee under the Lease, and also provide Franchisor with the right to cure said default under the Lease within thirty (30) days of being notified (but Franchisor is under no obligation to do so);
- E. Agrees that Franchisor will have the option, but not the obligation, to assume or renew the lease and the occupancy of the business Premises, including the right to sublease to another Franchisee, for all or any part of the remaining term of the lease, upon Franchisee's default or termination hereunder or upon Franchisee's default or termination or expiration of the Franchise Agreement, and in connection with said assumption Franchisor will not be obligated to pay to the landlord past due rent, common area maintenance, and other charges attributable to more than one (1) month. The landlord shall give Franchisor thirty (30) days, upon termination of Franchisee's rights under the lease, to exercise this option; and
- F. Agrees that the lease may not be materially amended, assigned, or sublet without Franchisor's prior written approval.

Dated: \_\_\_\_\_

LANDLORD  
CORPORATE SIGNATURE:

a/an \_\_\_\_\_ corporation

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

SIGNED and SEALED this \_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_ Notary Public

**COLLATERAL ASSIGNMENT OF LEASE**

**FOR VALUE RECEIVED**, the undersigned (“Assignor”) hereby assigns and transfers to One You Love Homecare Franchising, LLC (“Assignee”), all of Assignor's right, title and interest as tenant in, to and under that certain lease, a copy of which is attached hereto as Schedule 1 (the “Lease”) respecting the premises commonly known as \_\_\_\_\_ (the “Premises”).

This Assignment is for collateral purposes only and except as specified herein, Assignee has no liability or obligation of any kind whatsoever arising from or in connection with this Assignment or the Lease unless: (i) Assignee provides express, written notice to both Assignor and the landlord of the Premises under the Lease that Assignee is assuming all of Assignor’s rights, title and interest under the Lease pursuant to this assignment; and (ii) Assignee takes possession of the Premises demised by the Lease pursuant to the terms hereof, and assumes the obligations of Assignor thereunder.

Assignor represents and warrants to Assignee that it has full power and authority to so assign the Lease and its interest therein and that Assignor has not previously assigned or transferred, and is not obligated to assign or transfer, any of its interest in the Lease or the premises demised thereby.

Upon a default and failure to cure (within the appropriate time period) by Assignor under the Lease or under the franchise agreement for a Franchised Business between Assignee and Assignor (the “Franchise Agreement”), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, or upon expiration or termination of the Franchise Agreement, Assignee has the right and is hereby empowered to take possession of the premises demised by the Lease, expel Assignor therefrom, and, in such event, Assignor will have no further right, title or interest in the Lease. Assignor hereby authorizes the Lessor to disclose to Assignee, upon its request, sales and other information furnished to the Lessor by Assignor.

Assignor agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Assignee. Throughout the term of the Franchise Agreement and any renewals thereto, Assignor agrees that it must elect and exercise all options to extend the term of or renew the Lease not less than 120 days prior to the last day that the option must be exercised, unless Assignee otherwise agrees in writing. If Assignee does not otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as aforesaid, Assignor hereby appoints Assignee as its true and lawful attorney-in-fact to exercise such extension or renewal options in the name, place and stead of Assignor for the purpose of effecting such extension or renewal.

**ASSIGNOR:**

Dated: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

SIGNED AND SEALED this  
day of \_\_\_\_\_, 20\_\_

**EXHIBIT F  
TO  
ONE YOU LOVE HOMECARE FRANCHISING, LLC'S  
FRANCHISE DISCLOSURE DOCUMENT**

**DEVELOPMENT AGREEMENT**

## **DEVELOPMENT AGREEMENT**

This Development Agreement (“Agreement”) is entered into on \_\_\_\_\_ (the “Effective Date”), by and between: (i) One You Love Homecare Franchising, LLC, a Pennsylvania limited liability company with a business address at 1620 W. Oregon Avenue, Philadelphia, PA 19145 (the “Franchisor”); and (ii) \_\_\_\_\_, a (resident of) (corporation organized in) (limited liability company organized in) \_\_\_\_\_ with a business address at \_\_\_\_\_ (the “Developer”).

### **BACKGROUND**

A. Franchisor and its principals and affiliates have expended a considerable amount of time, effort, and money to develop a system for the operation of a unique business (the “Franchised Business” or “One You Love Homecare Business”) which offers personal care and companion care services, including companionship and conversation, meal preparation, light housekeeping, transportation, and telephone answering services (the “Services”) to seniors and disabled individuals or adults otherwise needing homecare services.

B. Developer desires to enter into an agreement with Franchisor to obtain the rights to operate Franchised Businesses using the system developed by Franchisor or its affiliate(s), including standards and procedures for the provision of Services, and strategies for client management in the manner set forth in this Agreement and in the Operations Manual provided by Franchisor and modified from time to time (the “System”). The System also offers unique sales techniques, marketing and advertising programs, and procedures for the operation and management of a One You Love Homecare Business.

C. Franchisor and its franchisees use various trade names, trademarks and service marks including, without limitation, the trademark “ONE YOU LOVE HOMECARE” in connection with the System (the “Proprietary Marks”). The rights to all such Proprietary Marks as are now, or shall hereafter be, designated as part of the System shall be owned exclusively by Franchisor or its affiliate and be used for the benefit of Franchisor, its affiliate and Franchisor’s franchisees to identify to the public the source of the products and services marketed thereunder.

D. Franchisor offers franchises to qualified individuals for the right to operate a single or multiple Franchised Businesses under the System and Proprietary Marks.

E. Developer desires to obtain the exclusive right to develop the designated territory granted hereunder (“Development Area”) by opening multiple Franchised Businesses pursuant to the Mandatory Development Schedule set forth herein (the “Area Development Business”).

F. Developer understands and acknowledges the importance of Franchisor’s uniformly high standards of quality and service and the necessity of ensuring that Developer operates Developer’s Franchised Businesses in strict conformity with Franchisor’s quality control standards and specifications.

G. Franchisor hereby grants to Developer the right to operate multiple Franchised Businesses, in reliance upon all of the representations made in Developer’s application and in this Agreement.

**NOW, THEREFORE**, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

## AGREEMENT

### 1. **Development Area.**

1.1 Subject to the terms and conditions set forth herein, Franchisor grants Developer the right, and Developer undertakes the obligation, to develop and establish \_\_\_\_\_ Franchised Businesses within the Development Area defined in the Data Sheet attached hereto as Exhibit A (the “Data Sheet”), provided Developer develops and commences operations of such Franchised Businesses in strict accordance with the mandatory development schedule also set forth in the Data Sheet (the “Development Schedule”) and otherwise subject to the terms and conditions set forth herein.

1.2 Except as provided in Section 1.3 and otherwise herein, during the term of this Agreement Franchisor will not open or operate or license any third party the right to open or operate, any Franchised Business utilizing the Proprietary Marks and System within the Development Area.

1.3 Developer agrees and acknowledges that Franchisor will have the right to modify the boundaries of the Development Area upon written notice to Developer to account for any designated territory that is granted to another System franchisee or developer in connection with a premises for a Franchised Business at a location that (a) Developer secures, and (b) is close to the outer boundaries of the Development Area, to the extent necessary to avoid overlap between that designated territory and the Development Area. In the event Franchisor notifies Developer that it is modifying the Development Area as set forth in this Section, Developer agrees to work in good faith with Franchisor to enter into an addendum to this Agreement detailing the modified Development Area.

### 2. **Development Fee.**

2.1 Developer shall pay Franchisor a development fee equal to \$\_\_\_\_\_ (the “Development Fee”) for the right to develop the foregoing Franchised Businesses within the Development Area under this Agreement, which is deemed fully earned upon payment and is not refundable under any circumstances. Developer shall pay Franchisor the full Development Fee upon execution of this Agreement.

3. **Initial Franchise Agreement.** Contemporaneous with the execution of this Agreement, Developer must enter into Franchisor’s current form of Franchise Agreement for the Initial Franchised Business that Developer is required to develop within the Development Area. In the event Developer is a business entity of any kind, then Developer’s principals/owners must each execute the form of personal guaranty attached to the foregoing Franchise Agreement, as well as any additional Franchise Agreements described in Section 4 of this Agreement.

4. **Additional Franchise Agreements.** Developer agrees and acknowledges that it must: (i) enter into Franchisor’s then-current form of Franchise Agreement for each Additional Franchised Business that Developer is required to develop under this Agreement; and (ii) enter into such Franchise Agreements at such times that are required for Developer to timely meet, and strictly adhere to, its obligations under the agreed-upon Development Schedule.

5. **Development Obligations.** Developer must ensure that, at a minimum, Developer: (i) opens and commences operations of the number of new Franchised Businesses during each of the development periods defined in the Development Schedule (each, a “Development Period”); and (ii) has the minimum cumulative number of Franchised Businesses open and operating at the expiration of each such Development

Period. The parties agree and acknowledge that time is of the essence with respect to the foregoing development obligations, and that Developer's failure to comply with the Development Schedule in any manner with respect to any Development Period is grounds for immediate termination of this Agreement if not timely cured as set forth in Section 6.2 of this Agreement (and any future development rights granted hereunder).

## 6. **Term and Termination.**

6.1 This Agreement will commence as of the date it is fully executed and, unless earlier terminated by Franchisor, will expire on the earlier of: (i) the last day of the calendar month that the final Franchised Business is required to be opened and operating under the Development Schedule; or (ii) the date Developer actually opens the last Franchised Business that Developer is granted the right to open under this Agreement. Upon expiration or termination of this Agreement for any reason, Developer will only have the territorial rights granted in connection with any "Designated Territory" associated with a Franchised Business that Developer has opened and commenced operating as of the date this Agreement is terminated or expires (as such rights are granted by Franchisor under the respective Franchise Agreement(s) into which Developer has entered for such Franchised Business(es)).

6.2 Franchisor will have the right, at its option, to terminate this Agreement and all rights granted to Developer hereunder, without affording Developer any opportunity to cure such default, effective upon written notice to Developer, upon the occurrence of any of the following events: (i) if Developer ceases to actively engage in development activities in the Development Area or otherwise abandons its development business for three (3) consecutive months, or any shorter period that indicates an objective intent by Developer to discontinue development of the Franchised Businesses within the Development Area; (ii) if Developer becomes insolvent or is adjudicated bankrupt, or if any action is taken by Developer, or by others against the Developer, under any insolvency, bankruptcy or reorganization act, or if Developer makes an assignment for the benefit of creditors or a receiver is appointed by the Developer; (iii) if Developer fails to meet its development obligations under the Development Schedule for any single Development Period (including any corresponding Pre-Opening Support Fee or other payment obligations), and fails to cure such default within 30 days of receiving notice thereof; or (iv) if any Franchise Agreement that is entered into in order to fulfill Developer's development obligations under this Agreement is terminated or subject to termination by Franchisor, pursuant to the terms of that Franchise Agreement.

7. **Reservation of Rights.** Except as provided in Section 1 of this Agreement, the parties agree and acknowledge that the rights granted in this Agreement are non-exclusive and that Franchisor and its affiliates reserve all other rights not expressly granted to Developer herein.

8. **Sale or Assignment.** Developer's rights under this Agreement are personal and Developer may not sell, transfer, or assign any right granted herein without Franchisor's prior written consent, which may be withheld in its sole discretion. Notwithstanding, if Developer is an individual or a partnership, Developer has the right to assign its rights under this Agreement to a corporation or limited liability company that is wholly owned by Developer according to the same terms and conditions as provided in Developer's initial Franchise Agreement. Franchisor has the right to assign this Agreement in whole or in part in its sole discretion.

9. **Acknowledgment.** Developer acknowledges that this Agreement is not a Franchise Agreement and does not confer upon Developer any rights to use Franchisor's Proprietary Marks or System.

10. **Notices.** All notices, requests and reports to be given under this Agreement are to be in writing, and delivered either by hand, overnight mail via recognized courier such as UPS or FedEx, or certified mail, return receipt requested, prepaid, to Franchisor at the following address: P.O. Box 60504, Philadelphia, PA 19145, and to Developer at the addresses set forth above (which may be changed by written notice).

11. **Choice of Law.** This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without reference to this state's conflict of laws principles.

12. **Internal Dispute Resolution.** Developer must first bring any claim or dispute between Developer and Franchisor to Franchisor's management, after providing Franchisor with notice of and a reasonable opportunity to cure an alleged breach hereunder. Developer must exhaust this internal dispute resolution procedure before bringing a dispute before a third party. This agreement to first attempt resolution of disputes internally will survive termination or expiration of this Agreement.

13. **Mediation.** At Franchisor's option, all claims or disputes between Franchisor and Developer or its affiliates arising out of, or in any way relating to, this Agreement or any other agreement by and between Franchisor and Developer or its affiliates, or any of the parties' respective rights and obligations arising from such agreement, which are not first resolved through the internal dispute resolution procedure set forth in Section 12 above, must be submitted first to non-binding mediation, in or near Franchisor's then-current headquarters under the auspices of the American Arbitration Association ("AAA"), in accordance with AAA's Commercial Mediation Rules then in effect. Before commencing any legal action against Franchisor or its affiliates with respect to any such claim or dispute, Developer must submit a notice to Franchisor, which specifies, in detail, the precise nature and grounds of such claim or dispute. Franchisor will have a period of thirty (30) days following receipt of such notice within which to notify Developer as to whether Franchisor or its affiliates elects to exercise its option to submit such claim or dispute to mediation. Developer may not commence any action against Franchisor or its affiliates with respect to any such claim or dispute in any court unless Franchisor fails to exercise its option to submit such claim or dispute to mediation, or such mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by Franchisor. Franchisor's rights to mediation, as set forth herein, may be specifically enforced by Franchisor.

13.1 The parties will not be required to first attempt to mediate a controversy, dispute, or claim through mediation as set forth in this Section 13 if such controversy, dispute, or claim concerns an allegation that a party has violated (or threatens to violate, or poses an imminent risk of violating): (i) any federally protected intellectual property rights in the Proprietary Marks, the System, or in any confidential/proprietary information of Franchisor (as such information is defined more fully in the Franchise Agreements); (ii) any of the restrictive covenants contained in this Agreement or any other Franchise Agreements executed in connection with the Franchised Businesses opened within the Development Area; and (iii) any of Developer's payment obligations under this Agreement or any such Franchise Agreement.

13.2 This agreement to mediate will survive any termination or expiration of this Agreement. The parties agree that there will be no class action mediation and that any mediation proceeding involving Franchisor and Developer or its principals that arises out of or relates to this Agreement in any manner must be mediated in a proceeding that does not involve any other third party, including any other franchisee or licensee of Franchisor's franchise system.

14. **Injunctive Relief.** Developer acknowledges and agrees that irreparable harm could be caused to Franchisor by Developer's violation of certain provisions of this Agreement and, as such, in addition to any other relief available at law or equity, Franchisor shall be entitled to obtain in any court of competent jurisdiction, without bond, restraining orders or temporary or permanent injunctions in order to enforce, among other items, the provisions of this Agreement relating to: (i) Developer's use of the Proprietary Marks and Franchisor's confidential information; (ii) Developer's covenant not to compete, as well as any other violations of the restrictive covenants set forth in this Agreement or any Franchise Agreement with Franchisor; (iii) Developer's obligations on termination or expiration of this Agreement; (iv) disputes and controversies based on or arising under the Lanham Act, or otherwise involving the Proprietary Marks, as now or hereafter amended; (v) disputes and controversies involving enforcement of the Franchisor's rights with respect to

confidentiality under this Agreement; and (vi) prohibiting any act or omission by Developer or its employees that constitutes a violation of applicable law, threatens Franchisor's franchise system or threatens other franchisees of Franchisor. Developer's only remedy if such an injunction is entered will be the dissolution of the injunction, if appropriate, and Developer waives all damage claims if the injunction is wrongfully issued.

15. **Jurisdiction and Venue.** Subject to Sections 13 and 14 of this Agreement, the parties agree that any actions arising out of or related to this Agreement must be initiated and litigated to conclusion exclusively in the state court of general jurisdiction closest to Philadelphia, Pennsylvania or, if appropriate, the United States District Court for the Eastern District of Pennsylvania (unless settled by the parties after such action is initiated). Developer acknowledges that Franchisor may bring an action in any other court of competent jurisdiction to seek and obtain injunctive relief as set forth in Section 14 above. Developer hereby irrevocably consents to the personal jurisdiction of the state and federal courts described in this Section.

16. **Third Party Beneficiaries.** Franchisor's officers, directors, shareholders, agents and/or employees are express third party beneficiaries of this Agreement and the dispute resolution procedures contained herein, including without limitation, the right to specifically utilize and exhaust the mediation procedure with respect to any and all claims asserted against such person(s) by Developer or its principals.

17. **JURY TRIAL WAIVER.** THE PARTIES HEREBY AGREE TO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT. THIS WAIVER WILL APPLY TO ANY MATTER WHATSOEVER BETWEEN THE PARTIES HERETO WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THIS AGREEMENT, THE PERFORMANCE OF EITHER PARTY, AND/OR DEVELOPER'S PURCHASE FROM FRANCHISOR OF THE DEVELOPMENT RIGHTS DESCRIBED HEREIN.

18. **WAIVER OF CLASS ACTIONS.** THE PARTIES AGREE THAT ALL PROCEEDINGS ARISING OUT OF OR RELATED TO THIS AGREEMENT, OR THE SALE OF THE FRANCHISED BUSINESS, WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE BASIS, AND THAT ANY PROCEEDING BETWEEN DEVELOPER, DEVELOPER'S GUARANTORS AND FRANCHISOR OR ITS AFFILIATES/OFFICERS/EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.

19. **Waiver of Punitive Damages.** Developer waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) that Developer may have against Franchisor arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agree that in the event of a dispute, Developer's recovery will be limited to actual damages. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions will continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages.

20. **Attorneys' Fees.** If either party institutes any judicial or mediation proceeding to enforce any monetary or nonmonetary obligation or interpret the terms of this Agreement and Franchisor prevails in the action or proceeding, Developer will be liable to Franchisor for all costs, including reasonable attorneys' fees and court costs, incurred in connection with such proceeding.

21. **Nonwaiver.** Franchisor's failure to insist upon strict compliance with any provision of this Agreement will not be a waiver of Franchisor's right to do so, any law, custom, usage or rule to the contrary notwithstanding. Delay or omission by Franchisor respecting any breach or default will not affect Franchisor's rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Agreement will

be cumulative. Franchisor's election to exercise any remedy available by law or contract will not be deemed a waiver or preclude exercise of any other remedy.

22. **Severability.** The parties agree that if any provisions of this Agreement may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable and the other which would render it valid and enforceable, such provision will have the meaning, which renders it valid and enforceable. The provisions of this Agreement are severable, and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and partially valid and enforceable provisions will be enforced to the extent that they are valid and enforceable. If any material provision of this Agreement will be stricken or declared invalid, the parties agree to negotiate mutually acceptable substitute provisions. In the event that the parties are unable to agree upon such provisions, Franchisor reserves the right to terminate this Agreement.

23. **Construction of Language.** The language of this Agreement will be construed according to its fair meaning, and not strictly for or against either party. All words in this Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as Developer, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation.

24. **Successors.** References to "Franchisor" or "Developer" include the respective parties' successors, assigns or transferees, subject to the limitations of Section 8 of this Agreement.

25. **Additional Documentation.** Developer must, from time to time, subsequent to the date first set forth above, at Franchisor's request and without further consideration, execute and deliver such other documentation or agreements and take such other action as Franchisor may reasonably require in order to effectuate the transactions contemplated in this Agreement. In the event that Developer fails to comply with the provisions of this Section, Developer hereby appoints Franchisor as Developer's attorney-in-fact to execute any and all documents on Developer's behalf, as reasonably necessary to effectuate the transactions contemplated herein.

26. **No Right to Offset.** Developer may not withhold all or any part of any payment to Franchisor or any of its affiliates on the grounds of the alleged nonperformance of Franchisor or any of its affiliates or as an offset against any amount Franchisor or any of its affiliates may owe or allegedly owe Developer under this Agreement or any related agreements.

27. **Entire Agreement.** This Agreement contains the entire agreement between the parties concerning Developer's development rights within the Development Area; no promises, inducements or representations (other than those in the Franchise Disclosure Document) not contained in this Agreement have been made, nor will any be of any force or effect, or binding on the parties. Modifications of this Agreement must be in writing and signed by both parties. Franchisor reserves the right to change Franchisor's policies, procedures, standards, specifications or manuals at Franchisor's discretion. In the event of a conflict between this Agreement and any Franchise Agreement(s), the terms, conditions and intent of this Agreement will control. Nothing in this Agreement, or any related agreement, is intended to disclaim any of the representations Franchisor made to Developer in the Franchise Disclosure Document that Franchisor provided to Developer.

**IN WITNESS WHEREOF, AND INTENDING TO BE LEGALLY BOUND HEREBY, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE EXECUTED EFFECTIVE THE DATE FIRST SET FORTH ABOVE.**

**ONE YOU LOVE HOMECARE FRANCHISING, DEVELOPER:  
LLC**

\_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

**IF AN INDIVIDUAL:**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

Spouse Signature: \_\_\_\_\_

Spouse Name: \_\_\_\_\_

Date: \_\_\_\_\_

**IF LLC, CORPORATION, OR OTHER ENTITY:**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Owner Signature: \_\_\_\_\_

Owner Name: \_\_\_\_\_

Owner Signature: \_\_\_\_\_

Owner Name: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A to DEVELOPMENT AGREEMENT**

**DATA SHEET**

1. **Development Area.** The Development Area, as referred to in Section 1 of the Development Agreement, is described below (or an attached map) by geographic boundaries and will consist of the following area or areas:

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2. **Development Schedule.** The Development Schedule referred to in Section 5 of the Development Agreement is as follows:

<b>Expiration of Development Period (each, a "Development Period")</b>	<b>Date Franchise Agreement Must be Executed By</b>	<b># of New Franchised Businesses Opened Within Development Period</b>	<b>Cumulative # of Franchised Businesses that Must Be Open and Operating</b>
___ Months from Effective Date	Contemporaneous with this Agreement	1	1
___ Months from Effective Date		1	2
___ Months from Effective Date		1	3

3. **Development Fee.** The Development Fee that is due and payable to Franchisor immediately upon execution of this Agreement shall be \$\_\_\_\_\_.

***THE REST OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK  
SIGNATURES ON THE FOLLOWING PAGE***

**APPROVED AND ACCEPTED BY:**

**ONE YOU LOVE HOMECARE FRANCHISING, LLC**

\_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

**DEVELOPER**

\_\_\_\_\_  
(Individual, Partnership or Corporation Name)

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT G**  
**TO**  
**ONE YOU LOVE HOMECARE FRANCHISING, LLC's**  
**FRANCHISE DISCLOSURE DOCUMENT**

**SAMPLE TERMINATION OF FRANCHISE AGREEMENT AND RELEASE**  
**UPON TRANSFER TO AN AUTHORIZED FRANCHISEE**

This Termination of Franchise Agreement and Release (the "Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between One You Love Homecare Franchising, LLC, a Pennsylvania limited liability company with its principal business address at \_\_\_\_\_ ("Franchisor") and \_\_\_\_\_, a \_\_\_\_\_ with an address at \_\_\_\_\_ ("Transferor" or "you").

**BACKGROUND**

A. On \_\_\_\_\_, Transferor entered into a franchise agreement (the "Franchise Agreement") with Franchisor for the right to operate a franchised business at \_\_\_\_\_ (the "Franchised Business").

B. Transferor has satisfied all conditions of transfer as specified in the Franchise Agreement and now desires to sell the business to \_\_\_\_\_, who has been approved by Franchisor as an authorized transferee.

C. In order to complete Transferor's sale of the business, Transferor now desires to terminate the Franchise Agreement and all rights and obligations between the parties relating to the Franchise Agreement, and Franchisor desires to accept such termination, pursuant to the terms of this Agreement.

**AGREEMENT**

In consideration of the mutual promises and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, and intending to be legally bound, the parties agree as follows:

1. Subject to the terms and conditions contained in this Agreement, the Franchise Agreement and all rights and obligations between Franchisor and Transferor arising from or related to the Franchise Agreement are terminated, effective as of the date of this Agreement.

2. Notwithstanding anything in this Agreement to the contrary, the parties agree that Transferor shall remain bound by all of the post-term covenants and obligations contained in the Franchise Agreement including, without limitation, those relating to Confidential Information and Non-competition.

3. Transferor represents and warrants that all of Transferor's monetary obligations to Franchisor and its subsidiaries and affiliates have been satisfied in full as of the date of this Agreement.

4. Transferor, for itself and all persons and entities claiming by, through or under it, release, acquit and forever discharge Franchisor and its present and former officers, employees, shareholders, directors, agents, servants, representatives, affiliates, successors and assigns (the "Franchisor Releasees") from all obligations, claims, debts, demands, covenants, contracts, promises, agreements, liabilities, costs, attorney's fees, actions or causes of action whatsoever, whether known or unknown, which he or she, by itself, on behalf of, or in conjunction with any other person, persons, partnership or corporation, have, had or claim to have against the Franchisor Releasees arising out of or related to the offer, sale and operation of the business, and the parties' rights or obligations under the Franchise Agreement.

5. Excluding the indemnification obligations set forth in the Franchise Agreement, and Transferor's obligations as set forth in paragraph 2 of this Agreement, Franchisor, for itself and all persons and entities claiming by, through or under it, releases, acquits and forever discharges Transferor and Transferor's employees, agents, servants, representatives, affiliates, successors and assigns (the "Transferor Releasees") from all obligations, claims, debts, demands, covenants, contracts, promises, agreements, liabilities, costs, attorney's fees, actions or causes of action whatsoever, whether known or unknown, which it, by itself, on behalf of, or in conjunction with any other person, persons, partnership or corporation, have, had or claim to have against the Transferor Releasees arising out of or related to the offer, sale and operation of the business, and the parties' rights or obligations under the Franchise Agreement.

6. This Agreement constitutes the entire integrated agreement of the parties with respect to the subject matter contained in this Agreement and may not be subject to any modification without the written consent of the parties.

7. This Agreement shall be construed under the laws of the Commonwealth of Pennsylvania, which laws shall control in the event of any conflict of law.

8. This Agreement shall be for the benefit of and binding upon the parties and their respective representatives, successors, and assigns.

9. Each party acknowledges that the terms of this Agreement have been completely read and are fully understood and voluntarily accepted by each party, after having a reasonable opportunity to retain and confer with counsel. This Agreement is entered into after a full investigation by the parties, and the parties are not relying upon any statements or representations not embodied in this Agreement.

10. In the event that Franchisor retains the services of legal counsel to enforce the terms of this Agreement, it shall be entitled to recover all costs and expenses, including reasonable attorney's fees, incurred in enforcing the terms of this Agreement.

11. The parties expressly agree to the jurisdiction and venue of any court of general jurisdiction in the state closest to where Franchisor's principal business address is located, and Franchisee irrevocably submits to the jurisdiction of such courts and waives any objection Franchisee may have to either the jurisdiction of or venue in such courts. Notwithstanding the foregoing, you agree that Franchisor may enforce this Agreement and any court orders in the courts of the state or states in which you are domiciled, or the Franchise Business is located.

12. This Agreement may be executed in multiple counterparts by the various parties and the failure to have the signatures of all parties on a single Agreement shall not affect the validity or enforceability of any part of this Agreement against any party who executes any counterpart of the Agreement. Executed facsimile copies of this Agreement shall be deemed to be effective as original signatures.

*Signatures appear on the following page.*

**I HAVE READ THE ABOVE AGREEMENT AND UNDERSTAND ITS TERMS. I WOULD NOT SIGN THIS AGREEMENT IF I DID NOT UNDERSTAND AND AGREE TO BE BOUND BY ITS TERMS.**

**FRANCHISEE:**

By: \_\_\_\_\_  
(Individual, Partnership or Corporation Name)

Title: Owner \_\_\_\_\_

By: \_\_\_\_\_  
(Individual, Partnership or Corporation Name)

Title: Owner \_\_\_\_\_

**ONE YOU LOVE HOMECARE FRANCHISING, LLC**

By: \_\_\_\_\_

**EXHIBIT H  
TO  
ONE YOU LOVE HOMECARE FRANCHISING, LLC'S  
FRANCHISE DISCLOSURE DOCUMENT**

**STATE SPECIFIC ADDENDA**

## ILLINOIS ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT

Illinois law governs the Franchise Agreement and Development Agreement.

Item 5 is hereby amended by adding the following language:

Please be advised that we have secured a surety bond in the amount of \$60,850 to demonstrate our financial capability to fulfill our pre-opening obligations to franchisees/developers under the Franchise Agreement and/or Development Agreement. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial status. A copy of the Surety Bond is on file with the Office of the Attorney General.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement or development agreement that designates jurisdiction and venue in a forum outside the State of Illinois is void. However, a franchise agreement or development agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-renewal are set forth in section 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

IF YOU ARE NOT LICENSED/CERTIFIED IN ILLINOIS TO PROVIDE SERVICES OF THE NATURE DESCRIBED IN THIS DISCLOSURE DOCUMENT, YOU MUST NEGOTIATE AGREEMENTS WITH LICENSED PROFESSIONALS WHO WILL PROVIDE AND/OR SUPERVISE THE SERVICES THAT YOUR FRANCHISED BUSINESS OFFERS. RETAIN AN EXPERIENCED ATTORNEY WHO WILL LOOK OUT FOR YOUR BEST INTERESTS IN THIS BUSINESS VENTURE.

The Home Health, Home Services, and Home Nursing Agency Code is set forth in the Illinois Administrative Code at: 77 Ill. Adm. Code 245 (2015).

See: <http://www.dph.illinois.gov/topics-services/health-care-regulation/facilities/home-health> for info on Home Health state certification and licensure requirements, costs and process.

See: <http://www.idph.state.il.us/about/hfpb/conprocess.htm> and <https://www2.illinois.gov/sites/hfsrb/CONProgram/Pages/default.aspx> for information regarding the nature of, and application process for, the Illinois Certificate of Need Program.

“NATIONAL ACCOUNTS” EXIST IN THIS FRANCHISE SYSTEM. FRANCHISOR RESERVES THE RIGHT TO ESTABLISH, IDENTIFY AND SERVICE “NATIONAL ACCOUNTS” WITHIN YOUR TERRITORY. FRANCHISOR MAY OFFER YOU THE OPPORTUNITY TO SERVICE A NATIONAL ACCOUNT LOCATED WITHIN YOUR TERRITORY UNDER TERMS IT NEGOTIATES. IF YOU DECLINE TO DO SO, FRANCHISOR OR ITS AFFILIATE(S) MAY PROVIDE PRODUCTS & SERVICES TO A “NATIONAL ACCOUNT” WITH NO COMPENSATION PAID TO YOU.

**IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum on the day and year first above written.**

**FRANCHISOR**

**ONE YOU LOVE HOMECARE  
FRANCHISING, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISEE**

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## **ILLINOIS ADDENDUM TO THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT**

Illinois law governs the Franchise Agreement and Development Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement or development agreement that designates jurisdiction and venue in a forum outside the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-renewal are set forth in section 19 and 20 of the Illinois Franchise Disclosure Act.

Section 3 of the Franchise Agreement and Section 2 of the Development Agreement are hereby amended to add the following language:

Please be advised that we have secured a surety bond in the amount of \$60,850 to demonstrate our financial capability to fulfill our pre-opening obligations to franchisees/developers under the Franchise Agreement and/or Development Agreement. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial status. A copy of the Surety Bond is on file with the Office of the Attorney General.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Notwithstanding Section 22.1 of the Franchise Agreement or Section 27 of the Development Agreement to the contrary, this Addendum shall not be merged with or into, or superseded by, the Franchise Agreement. In the event of any conflict between the Franchise Agreement, Development Agreement, and this Addendum, this Addendum shall be controlling. Except as otherwise expressly set forth herein, no other amendments or modifications of the Franchise Agreement and/or Development Agreement are intended or made by the parties.

The Franchise Agreement Development Agreement are hereby amended by the inclusion of the following:

**IF YOU ARE NOT LICENSED/CERTIFIED IN ILLINOIS TO PROVIDE SERVICES OF THE NATURE DESCRIBED IN THIS DISCLOSURE DOCUMENT, YOU MUST NEGOTIATE AGREEMENTS WITH LICENSED PROFESSIONALS WHO WILL PROVIDE AND/OR SUPERVISE THE SERVICES THAT YOUR FRANCHISED BUSINESS OFFERS. RETAIN AN EXPERIENCED ATTORNEY WHO WILL LOOK OUT FOR YOUR BEST INTERESTS IN THIS BUSINESS VENTURE.**

The Home Health, Home Services, and Home Nursing Agency Code is set forth in the Illinois Administrative Code at: 77 Ill. Adm. Code 245 (2015).

*See:* <http://www.dph.illinois.gov/topics-services/health-care-regulation/facilities/home-health> for info on Home Health state certification and licensure requirements, costs and process.

*See:* <http://www.idph.state.il.us/about/hfpb/conprocess.htm> and <https://www2.illinois.gov/sites/hfsrb/CONProgram/Pages/default.aspx> for information regarding the nature of, and application process for, the Illinois Certificate of Need Program.

**“NATIONAL ACCOUNTS” EXIST IN THIS FRANCHISE SYSTEM. FRANCHISOR RESERVES THE RIGHT TO ESTABLISH, IDENTIFY AND SERVICE “NATIONAL ACCOUNTS” WITHIN YOUR TERRITORY. FRANCHISOR MAY OFFER YOU THE OPPORTUNITY TO SERVICE A NATIONAL ACCOUNT LOCATED WITHIN YOUR TERRITORY UNDER TERMS IT NEGOTIATES. IF YOU DECLINE TO DO SO, FRANCHISOR OR ITS AFFILIATE(S) MAY PROVIDE PRODUCTS &**

SERVICES TO A "NATIONAL ACCOUNT" WITH NO COMPENSATION PAID TO YOU.

**IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum on the day and year first above written.**

**FRANCHISOR**

**FRANCHISEE**

**ONE YOU LOVE HOMECARE  
FRANCHISING, LLC**

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## MARYLAND ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT

For franchises and franchisees subject to the Maryland Franchise Registration and Disclosure Law, the following information replaces or supplements, as the case may be, the corresponding disclosures in the main body of the text of the One You Love Homecare Franchising, LLC Franchise Disclosure Document:

### Item 5.

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

### Item 17.

The provision in the Franchise Agreement and Development Agreement which provide for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

The general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

This Franchise Agreement and Development Agreement provide 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 Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

### Exhibit I (Franchisee Questionnaire)

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

**MARYLAND ADDENDUM TO THE FRANCHISE AGREEMENT  
AND DEVELOPMENT AGREEMENT**

**THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT TO WHICH THIS  
ADDENDUM IS ATTACHED AND INCORPORATED IS HEREBY AMENDED AS FOLLOWS:**

1. Despite anything to the contrary contained in the Franchise Agreement and/or Development Agreement, the general release required as a condition of the resale of an existing franchise by a franchisee shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
2. This Franchise Agreement and Development Agreement provide 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 Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.
3. The acknowledgements and representations contained in the Franchise Agreement and/or Development Agreement are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred by One You Love Homecare Franchising, LLC under the Maryland Franchise Registration and Disclosure Law.
4. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
5. The general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
6. Section 3 of the Franchise Agreement and Section 2 of the Development Agreement are hereby amended by including the following language:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

7. The following sections are hereby removed from the Franchise Agreement: Sections 19 and 23.

**The undersigned hereby acknowledge and agree that this addendum is hereby made part of and incorporated into the foregoing Franchise Agreement and/or Development Agreement.**

**FRANCHISOR**

**FRANCHISEE**

**ONE YOU LOVE HOMECARE  
FRANCHISING, LLC**

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_

## MINNESOTA ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT

For franchises and franchisees subject to the Minnesota Franchise Act, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the One You Love Homecare Franchising, LLC Franchise Disclosure Document.

### Item 13

One You Love Homecare Franchising, LLC will protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or will indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the marks to the extent required by Minnesota law.

### Item 17.

Minnesota law provides franchisees with certain termination and nonrenewal rights. As of the date of this Franchise Disclosure Document, Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement.

Minn. Stat. Sec. 80C.21 provides that any condition, stipulation or provision, including any choice of law provision, purporting to bind any person who, at the time of acquiring a franchise is a resident of Minnesota or, in the case of a partnership or corporation, organized or incorporated under the laws of Minnesota, or purporting to bind a person acquiring any franchise to be operated in Minnesota to waive compliance or which has the effect of waiving compliance with any provision of §§80C.01 to 80C.22 of the Minnesota Franchises Act, or any rule or order thereunder, is void.

Minn. Stat. §80.C.21 and Minn. Rule 2860.4400J prohibits One You Love Homecare Franchising, LLC requiring litigation to be conducted outside Minnesota. In addition, nothing in the Franchise Disclosure Document or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

To the extent you are required to execute a general release in favor of One You Love Homecare Franchising, LLC, such release shall exclude liabilities arising under the Minnesota Franchises Act, Minn. Stat. §80C.01 *et seq.* as provided by Minn. Rule 2860.4400J

**MINNESOTA ADDENDUM TO THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT**

This Amendment shall pertain to franchises sold in the State of Minnesota and shall be for the purpose of complying with Minnesota statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement shall be amended as follows:

1. Minnesota law provides franchisees with certain termination and nonrenewal rights. As of the date of this Agreement, Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Franchise Agreement.

2. One You Love Homecare Franchising, LLC will protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or will indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the marks to the extent required by Minnesota law.

3. The Franchise Agreement shall be supplemented by the following provision:

Pursuant to Minn. Stat. Sec. 80C.21, nothing in this Agreement shall, in any way abrogate or reduce any of your rights as provided in Minnesota Statutes, Chapter 80C, including but not limited to the right to submit matters to the jurisdiction of the courts of Minnesota.

4. Minn. Stat. '80.C.21 and Minn. Rule 2860.4400J prohibit One You Love Homecare Franchising, LLC from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Franchise Disclosure Document or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

5. To the extent you are required to execute a general release in favor of One You Love Homecare Franchising, LLC, such release shall exclude liabilities arising under the Minnesota Franchises Act, Minn. Stat. '80C.01 *et seq.* as provided by Minn. Rule 2860.4400J.

6. Any claims brought pursuant to the Minnesota Franchises Act, '80.C.01 *et seq.* must be brought within 3 years after the cause of action accrues. To the extent that any provision of the Franchise Agreement imposes a different limitations period, the provision of the Act shall control.

**ONE YOU LOVE HOMECARE FRANCHISING, LLC FRANCHISEE**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_

## NEW YORK ADDENDUM

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

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

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

With the exception of what is stated above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

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

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

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

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

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

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

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “**Termination by franchisee**”: You may terminate the agreement on any grounds available by law.

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

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

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

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

**VIRGINIA ADDENDUM  
TO THE FRANCHISE DISCLOSURE DOCUMENT**

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for One You Love Homecare Franchising, LLC for use in the Commonwealth of Virginia shall be amended as follows:

**Additional Disclosures.** The following statements are added to Item 17.H.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any 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.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

**RIDER TO STATE ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT,  
FRANCHISE AGREEMENT, AND DEVELOPMENT AGREEMENT**

**FOR THE FOLLOWING STATES ONLY: CALIFORNIA, HAWAII, ILLINOIS, INDIANA,  
MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND,  
SOUTH DAKOTA, VIRGINIA, WASHINGTON, WISCONSIN (EACH A “REGULATED STATE”  
AND COLLECTIVELY, THE “REGULATED STATES”)**

This Rider to State Addendum to the Franchise Disclosure Document and Franchise Agreement (“Rider”) is entered into by and between (i) One You Love Homecare Franchising, LLC, a limited liability company (“Franchisor”), and (ii) \_\_\_\_\_, a (individual/limited liability company/corporation) with an address at \_\_\_\_\_ (“Franchisee”).

- A. Concurrently with the execution of this Rider, Franchisor and Franchisee are entering into a franchise agreement (the “Franchise Agreement,”) and development agreement (as applicable) (“Development Agreement”), pursuant to which Franchisee will acquire the right and undertake the obligation to own and operate a franchised business (the “Franchised Business”) that may be located in, or subject to the regulations of, one of the Regulated States (the “Applicable Franchise Registration State”).
- B. Franchisor and Franchisee wish to amend the Franchise Agreement and Development Agreement (as applicable) as provided in this Rider.

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Franchise Agreement is hereby amended as follows:

1. The following language is added to the Franchise Agreement and Development Agreement (as applicable):

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

2. Except as provided in this Rider, the Franchise Agreement and Development Agreement (as applicable) remains in full force and effect in accordance with its terms. This Rider shall be effective only to the extent that the jurisdictional requirements of the franchise law of the Applicable Franchise Registration State are met independently without reference to this Rider.
3. The following sections are hereby removed from the Franchise Agreement: Sections 19 and 23.

**FRANCHISOR**

**ONE YOU LOVE HOMECARE  
FRANCHISING, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISEE**

**[NAME]**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT I  
TO  
ONE YOU LOVE HOMECARE FRANCHISING, LLC'S  
FRANCHISE DISCLOSURE DOCUMENT**

**FRANCHISEE QUESTIONNAIRE**

**DO NOT SIGN THIS QUESTIONNAIRE IF YOU ARE A MARYLAND RESIDENT OR THE  
BUSINESS IS TO BE LOCATED IN MARYLAND.**

**NOTICE FOR PROSPECTIVE FRANCHISEES WHO RESIDE IN, OR WHO INTEND TO  
OPERATE THE FRANCHISED BUSINESS IN, ANY OF THE FOLLOWING STATES: CA, HI, IL,  
IN, MD, MI, MN, NY, ND, RI, SD, VA, WA, WI (EACH A REGULATED STATE):**

FOR PROSPECTIVE FRANCHISEES THAT RESIDE IN OR ARE SEEKING TO OPERATE THE  
FRANCHISED BUSINESS IN ANY REGULATED STATE, SUCH PROSPECTIVE FRANCHISEE IS  
NOT REQUIRED TO COMPLETE THIS QUESTIONNAIRE OR TO RESPOND TO ANY OF THE  
QUESTIONS CONTAINED IN THIS QUESTIONNAIRE.

As you know, One You Love Homecare Franchising, LLC (“we”, “us”), and you are preparing to enter into a Franchise Agreement for the right to open and operate one (1) or more One You Love Homecare franchises (each, a “Franchised Business”). The purpose of this Questionnaire is to: (i) determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading; (ii) be certain that you have been properly represented in this transaction; and (iii) be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. You must sign and date this certification the same day you sign the Franchise Agreement, and pay us the appropriate franchise fee. Please review each of the following questions carefully and provide honest responses to each question. If you answer “No” to any of the questions below, please explain your answer on the back of this sheet.

- Yes \_\_\_ No \_\_\_ 1. Have you received and personally reviewed the Franchise Agreement/Development Agreement, as well as each exhibit or schedule attached to these agreements that you intend to enter into with us?
- Yes \_\_\_ No \_\_\_ 2. Have you received and personally reviewed the Franchise Disclosure Document we provided?
- Yes \_\_\_ No \_\_\_ 3. Did you sign a receipt for the Disclosure Document indicating the date you received it?
- Yes \_\_\_ No \_\_\_ 4. Do you understand all the information contained in the Disclosure Document and the Franchise Agreement you intend to enter into with us?
- Yes \_\_\_ No \_\_\_ 5. Have you reviewed the Disclosure Document and Franchise Agreement with a lawyer, accountant or other professional advisor and discussed the benefits and risks of operating the Franchised Business(es) with these professional advisor(s)?
- Yes \_\_\_ No \_\_\_ 6. Do you understand the success or failure of your Franchised Business(es) will depend in large part upon your skills, abilities and efforts and those of the persons you employ, as well as many factors beyond your control such as demographics of your Premises, competition, interest rates, the economy, inflation, labor and supply costs, lease terms and the marketplace?

- Yes\_\_\_ No \_\_\_ 7. Do you understand we have only granted you certain, limited territorial rights under the Franchise Agreement, and that we have reserved certain rights under the Franchise Agreement?
- Yes\_\_\_ No \_\_\_ 8. Do you understand we and our affiliates retain the exclusive unrestricted right to engage, directly or through others, in the providing of services under the ONE YOU LOVE HOMECARE mark or any other mark at any location outside your Designated Territory under the Franchise Agreement without regard to the proximity of these activities to you're the premises of your Franchised Business(es)?
- Yes\_\_\_ No \_\_\_ 9. Do you understand all disputes or claims you may have arising out of or relating to the Franchise Agreement must be mediated, at our option, at our principal offices in Pennsylvania?
- Yes\_\_\_ No \_\_\_ 10. Do you understand the Franchise Agreement/Development Agreement provides that you can only collect compensatory damages on any claim under or relating to the Franchise Agreement/Development Agreement and are not entitled to any punitive, consequential or other special damages?
- Yes\_\_\_ No \_\_\_ 11. Do you understand the sole entity or person against whom you may bring a claim under the Franchise Agreement/Development Agreement is us?
- Yes\_\_\_ No \_\_\_ 12. Do you understand that the Franchisee (or one of its principals if Franchisee is an organization), as well as any Designated Managers (as defined in the Franchise Agreement), must successfully complete the appropriate initial training program(s) before we will allow the Franchised Business to open or consent to a transfer of that Franchised Business?
- Yes\_\_\_ No \_\_\_ 13. Do you understand that we require you to successfully complete certain initial training program(s) and if you do not successfully complete the applicable training program(s) to our satisfaction, we may terminate your Franchise Agreement/Development Agreement?
- Yes\_\_\_ No \_\_\_ 14. Do you understand that we do not have to sell you a franchise or additional franchises or consent to your purchase of existing franchises?
- Yes\_\_\_ No \_\_\_ 15. Do you understand that we will send written notices, as required by your Franchise Agreement/Development Agreement, to either your Franchised Business or home address until you designate a different address by sending written notice to us?
- Yes\_\_\_ No \_\_\_ 16. Do you understand that we will not approve your purchase of a franchise, or we may immediately terminate your Franchise Agreement/Development Agreement, if we are prohibited from doing business with you under any anti-terrorism law enacted by the United States Government?
- Yes\_\_\_ No \_\_\_ 17. Is it true that no broker, employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a Franchised Business that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document?

Yes \_\_\_ No \_\_\_ 18. Is it true that no broker, employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Franchised Business will generate, that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document?

Yes \_\_\_ No \_\_\_ 19. Is it true that no broker, employee or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement concerning advertising, marketing, media support, marketing penetration, training, support service or assistance that is contrary to, or different from, the information contained in the Disclosure Document?

Yes \_\_\_ No \_\_\_ 20. Is it true that no broker, employee or other person providing services to you on our behalf has solicited or accepted any loan, gratuity, bribe, gift or any other payment in money, property or services from you in connection with a Franchised Business purchase with exception of those payments or loans provided in the Disclosure Document?

**YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.**

\_\_\_\_\_  
Signature of Franchise Applicant

\_\_\_\_\_  
Signature of Franchise Applicant

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**GIVE A COMPLETE EXPLANATION OF ANY NEGATIVE RESPONSES ON BACK OF THIS PAGE (REFER TO QUESTION NUMBER)**

**EXHIBIT J**  
**TO**  
**ONE YOU LOVE HOMECARE FRANCHISING, LLC**  
**FRANCHISE DISCLOSURE DOCUMENT**

**LIST OF OPEN FRANCHISEES AS OF DECEMBER 31, 2023**

<b>State</b>	<b>First Name</b>	<b>Last Name</b>	<b>Address</b>	<b>City</b>	<b>Zip Code</b>	<b>Phone Number</b>
FL	Wolfgang & Gabrielle	Liebertz	11325 SW 1 <sup>st</sup> Street	Coral Springs	33071	(561) 459-5553
FL	Matt	Wilson	18640 Misty Lake Drive	Jupiter	33458	(561) 741-1560
IL	Chris	Watson	3606 North Magnolia Avenue, Unit 1	Chicago	60613	(312) 659-0220
IL	Chris	Watson	3606 North Magnolia Avenue, Unit 1	Chicago	60613	(312) 659-0220
MD	Kevin Andrew	Tator Bing	509 Little John Hill	Annapolis	21405	(410) 271-1783
MD	Kevin Andrew	Tator Bing	509 Little John Hill	Annapolis	21405	(410) 271-1783
NJ	Blair and Carol	Morgen	49 Autumn Lane	Burlington	08016	(732) 231-5550
NC	George and Cynthia	Miller	1011 S. Hamilton Road, Suite 321	Chapel Hill	27517	(919) 892-3400
NC	George and Cynthia	Miller	1011 S. Hamilton Road, Suite 321	Chapel Hill	27517	(919) 892-3400
PA	Tim	Dormer	325 Sentry Parkway, Bldg. 5	King of Prussia	19422	(800) 264-0480
TN	Robert	Amon	1801 Granville Road	Franklin	37064	(810) 304-0010
TN	Kim Shane	McDaniel Forrest	3195 Kenney Drive	Germantown	38139	(901) 494-3631
TX	Zahra Vahid	Kadivar Nejad	871 W 41 <sup>st</sup> Street	Houston	77018	(225) 241-1750
TX	Katrina Leitah Luis	Churion Churion Churion	12501 Broadway Street, Apt. 16101	Pearland	77584	(713) 899-0829
TX	Greg	Soule	5900 Corinth	Parker	75002	(817) 807-8584

			Chapel Road			
TX	Greg	Soule	5900 Corinth Chapel Road	Parker	75002	(817) 807-8584
UT	Blake	Griffiths	328 N 1030 W	Orem	84057	(801) 842-5395

**LIST OF FRANCHISEES THAT HAVE LEFT THE SYSTEM IN THE PAST FISCAL YEAR OR  
THAT HAVE FAILED TO COMMUNICATE WITH US IN THE 10 WEEKS PRECEDING THE  
ISSUE DATE OF THIS DISCLOSURE DOCUMENT**

<b><u>State</u></b>	<b><u>First Name</u></b>	<b><u>Last Name</u></b>	<b><u>Address</u></b>	<b><u>City</u></b>	<b><u>Zip Code</u></b>	<b><u>Phone Number</u></b>	<b><u>Reason</u></b>
NC	Krystal and Richard	Wolfe	4001 Sorrell Brothers Court	Raleigh	27603	(919) 892-3400	Transfer
UT	David	Whitlock	5867 W Oakview Drive	Highland	84003	(801) 362-4899	Never Opened, Transferred License

**LIST OF FRANCHISEES THAT SIGNED FRANCHISE AGREEMENTS, BUT THE LOCATION  
WAS NOT YET OPEN AS OF DECEMBER 31, 2023**

<u>State</u>	<u>First Name</u>	<u>Last Name</u>	<u>Address</u>	<u>City</u>	<u>Zip Code</u>
CO	Debbie	Baca	12171 S Critchell Lane	Littleton	80127
CO	Debbie	Baca	12171 S Critchell Lane	Littleton	80127
GA	Matt and Yurleidi	Bubar	311 Liberty Drive	Acworth	30102
NJ	Blair and Carol	Morgen	49 Autumn Lane	Burlington	08016
NJ	Blair and Carol	Morgen	49 Autumn Lane	Burlington	08016
PA	Tim	Dormer	135 Preamble Drive	Marlton	08053
PA	Tim	Dormer	135 Preamble Drive	Marlton	08053

**EXHIBIT K  
TO  
ONE YOU LOVE HOMECARE FRANCHISING, LLC'S  
FRANCHISE DISCLOSURE DOCUMENT**

**STATE EFFECTIVE DATES**

### **State Effective Dates**

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

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

<b>State</b>	<b>Effective Date</b>
Illinois	Pending Registration
Maryland	Pending Registration
Minnesota	Pending Registration
New York	Pending Registration
Virginia	Pending Registration

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

**EXHIBIT L  
TO  
ONE YOU LOVE HOMECARE FRANCHISING, LLC'S  
FRANCHISE DISCLOSURE DOCUMENT**

**RECEIPTS**

**RECEIPT**

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully. If One You Love Homecare Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, One You Love Homecare Franchising, LLC or an affiliate in connection with the proposed franchise sale.

**New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreements or payment of any consideration that relates the franchise relationship.**

**Michigan, Oregon, and Wisconsin require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement, or the payment of any consideration, whichever occurs first.**

If One You Love Homecare Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state administrator identified in Exhibit A of this Franchise Disclosure Document. A list of franchisor’s agents registered to receive service of process is listed as Exhibit B to this Franchise Disclosure Document.

I have received a Franchise Disclosure Document with an Issuance Date of March 22, 2024.

Effective Dates for this Franchise Disclosure Document in the registration states are listed on the Effective Date Page following the State Cover Page. This Franchise Disclosure Document included the following Exhibits:

- Exhibit A – List of State Administrators
- Exhibit B – List of Agents for Service of Process
- Exhibit C – Table of Contents of Operations Manual
- Exhibit D – Financial Statements
- Exhibit E – Franchise Agreement
  - Exhibit A – Personal Guaranty
  - Exhibit B– Conditional Assignment of Franchisee’s Telephone Numbers
  - Exhibit C – Confidentiality and Restrictive Covenant Agreement
  - Exhibit D - Consent and Agreement of Landlord and Collateral Assignment of Lease
  - Exhibit E – Electronic Funds Withdrawal Authorization
- Exhibit F- Development Agreement
- Exhibit G – Sample Termination and Release Agreement
- Exhibit H – State Specific Addenda
- Exhibit I – Franchisee Questionnaire
- Exhibit J – List of Franchisees and Franchisees That Have Left the System
- Exhibit K - State Effective Dates
- Exhibit L – Receipts

A list of the names, principal business addresses, and telephone numbers of each franchise seller offering this franchise is as follows: \_\_\_\_\_

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Date	Signature	Printed Name
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Date	Signature	Printed Name
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**[Sign and keep this copy]**

## 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 One You Love Homecare Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, One You Love Homecare Franchising, LLC or an affiliate in connection with the proposed franchise sale.

**New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreements or payment of any consideration that relates the franchise relationship.**

**Michigan, Oregon, and Wisconsin require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement, or the payment of any consideration, whichever occurs first.**

If One You Love Homecare Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state administrator identified in Exhibit A of this Franchise Disclosure Document. A list of franchisor's agents registered to receive service of process is listed as Exhibit B to this Franchise Disclosure Document.

I have received a Franchise Disclosure Document with an Issuance Date of March 22, 2024.

Effective Dates for this Franchise Disclosure Document in the registration states are listed on the Effective Date Page following the State Cover Page. This Franchise Disclosure Document included the following Exhibits:

- Exhibit A – List of State Administrators
- Exhibit B – List of Agents for Service of Process
- Exhibit C – Table of Contents of Operations Manual
- Exhibit D – Financial Statements
- Exhibit E – Franchise Agreement
  - Exhibit A – Personal Guaranty
  - Exhibit B – Conditional Assignment of Franchisee's Telephone Numbers
  - Exhibit C – Confidentiality and Restrictive Covenant Agreement
  - Exhibit E - Consent and Agreement of Landlord and Collateral Assignment of Lease
  - Exhibit D – Electronic Funds Withdrawal Authorization
- Exhibit F - Area Development Agreement
- Exhibit G – Sample Termination and Release Agreement
- Exhibit H – State Specific Addenda
- Exhibit I – Franchisee Questionnaire
- Exhibit J – List of Franchisees and Franchisees That Have Left the System
- Exhibit K - State Effective Dates
- Exhibit L – Receipts

A list of the names, principal business addresses, and telephone numbers of each franchise seller offering this franchise is as follows: \_\_\_\_\_

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Date	Signature	Printed Name
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Date	Signature	Printed Name
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**[Sign and return this page to us]**