



FRANCHISE DISCLOSURE DOCUMENT

ABS FRANCHISE SERVICES, INC.

A California corporation
8929 Complex Drive
San Diego, California 92123
619.585.9011

www.homecarefranchisepartners.com

You will operate an agency that markets and provides supplemental non-medical and companion care to clients within their homes and to clients who are in assisted living or nursing facilities, operating under the A Better Solution In Home Care Brand (or in the states of Washington and Florida, the “Caring Solutions In Home Care” Brand) and using the Program.

The total investment necessary to begin operation of an A Better Solution In Home Care Brand (or in the states of Washington and Florida, the “Caring Solutions In Home Care” Brand) franchise is \$105,550 to \$226,350. This includes \$55,000 to \$82,500 that must be paid to the franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Franchise Administration Department at 8929 Complex Drive San Diego, California 92123 (619) 585-9011.

The terms of your Franchise Agreement will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your entire contract carefully, including the attachments. Show your contract and this disclosure document to an advisor, like a lawyer or 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, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

ISSUANCE DATE: ~~APRIL~~ April 26, 2024 as amended June 12, 2024

Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in California. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in California than in your own state.
2. **Franchisor's Financial Condition.** The Franchisor's financial condition as reflected in its financial statements (see Item 21) calls into question the Franchisor's financial ability to provide services and support to you.
3. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the Franchise Agreement, even if 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.
4. **Mandatory Minimum Payments.** You must make minimum royalty and advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
5. **Sales Performance Required. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.**

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

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EXHIBITS:

- A. Financial Statements
- B. Franchise Agreement
- C. List of Current and Former Franchisees
- D. Manual Table of Contents
- E. Agents for Service of Process
- F. State Agencies
- G. Management Services Agreement
- H. State Law Addendum
- I. Receipts for Franchise Disclosure Document

referral fee for an introduction to us. If and to the extent that we receive an introduction to the same or affiliated prospects from multiple franchisees, we will decide which franchisee is entitled to receive the referral fee. We retain the right in our sole discretion to modify or terminate this referral program at any time with or without notice.

Specialized Industry Regulation

You must comply with all federal, state and local laws that apply to your operations, including state and federal health care industry standards, local health care regulations, licensing standards, workers compensation, corporate tax, sanitation, and insurance, no smoking policy, EEOC, OSHA, non-discrimination, employment and sexual harassment laws. You may also have to comply with the "Home Care Services Consumer Protection Act" in the state of California, this act provides for the licensure and regulation of home care organizations, as defined, by the State Department of Social Services and the registration of home care aides. You must obtain, maintain and own any health care or employment related permits, licenses or other indications of authority for your Agency that may be necessary for operation of your business. Some states require you to obtain a license to provide employment services. We may require you, in our sole and absolute discretion, to obtain a particular permit or license. If you are authorized to provide "skilled" services you may need to obtain additional or different permits and licenses and retain additional specially licensed or authorized personnel. You should consult with your attorney and investigate whether there will be other laws or regulations in your state that are specific to the services offered by Agencies and that may apply to the Licensed Business or its employees. You should also consider the effect of these laws and regulations and your cost of compliance.

Item 2. Business Experience

CEO, Founder & Director of Franchise Marketing and Sales - Lillia Smith-Pratt

Lillia Smith-Pratt founded ABS Franchise Services, Inc. in November, 2014. She currently serves as our CEO & Director of Franchise Marketing and Sales. From March 2000 through the present, Lillia Smith-Pratt has also served as CEO and President of A Better Solution In Home Care, Inc., a home care agency located in San Diego, California, which she founded. Ms. Smith-Pratt has also been CEO, Founder and Director of CHC since November 2010.

President Kurt Buske

Mr. Buske became our President on August 17, 2015. Prior to joining us, he was Supervisor of Bereavement and Social Services for Sharp Hospice Care in La Mesa, California from December, 2014 to June, 2015. Since May of 2019, Mr. Buske has served as the Executive Director of the San Diego Brain Injury Foundation.

Vice President of Business Development – Weston Soto

Mr. Soto joined us as Vice President of Business Development in October 2021. Prior to joining us, he was Senior Market Development Manager for Honor, a home care company in San Francisco, California from October 2018 until October 2021. Prior to that he was the Managing Director for 24-Hour Home Care, a home care company in Walnut Creek, California from August 2015 until October 2018.

Item 3. Litigation

[Day Venture Enterprises, LLC, Pamela Day and Kenneth Day vs. A Better Solution in Home Care, Inc., et al., Superior Court of the State of California – County of San Diego, Case No. 37-2024-00025405: ABS Franchise Services, Inc. \("ABS"\) entered into a Franchise Agreement with Day Venture Enterprises, LLC on October 4, 2021, for the operation of A Better Solution In Home Care franchise in Nashville, Tennessee. On July 1, 2022, CSMSS and Day Venture Enterprises, LLC entered into a Management Services Agreement for management and administrative services for the franchise. On May 31, 2024, Day Venture Enterprises, LLC and its principals Pamela and Kenneth](#)

Day (collectively, the "Days") filed a complaint in the Superior Court of California, San Diego County against ABS; A Better Solution In Home Care, Inc.; CSMSS; Lillia Smith-Pratt and Kurt Buske (collectively, the "ABS Parties") asserting claims for: (i) promissory estoppel; (ii) breach of contract; (iii) breach of written contract; (iv) false advertising; (v) fraudulent inducement; (vi) fraud; (vii) constructive fraud; (viii) violation of California Bus. & Prof. Code § 17200; and (ix) negligence. The Days allege that they were fraudulently and negligently induced by the ABS Parties to enter into their Franchise Agreement with misrepresentations and false advertisements that the A Better Solution In Home Care franchise system offered a 100% passive business model; and that ABS and CSMSS breached an oral agreement, the Franchise Agreement and the Management Services Agreement by failing to provide a 100% passive model business. The Days seek to rescind the Franchise Agreement and Management Services Agreement, unspecified monetary damages, punitive damages, and attorneys' fees and costs. The case is in the initial pleadings stage. The ABS Parties dispute the Days' allegations and intend to vigorously defend the matter.

~~No~~Other than this action, no litigation is required to be disclosed in this Item.

Item 4. Bankruptcy

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

Item 5. Initial Fee

Initial Fee.

You must pay an initial franchise fee of \$55,000 ("Initial Franchise Fee"). The Initial Franchise Fee is not refundable, except as outlined below. The Initial Franchise Fee is payable in one lump-sum immediately available funds upon your signing of the Franchise Agreement deemed fully earned by us upon receipt. The Initial Franchise Fee is uniformly imposed in this state.

We offer a \$2,500 discount on the initial franchise fee to individuals who identify themselves to us at any Franchise Expo where we are promoting our franchise and obtain our franchise disclosure document at that Expo. We also offer a \$10,000 discount on the initial franchise fee to individuals who are current senior-level (manager and higher) employees of ours or any existing franchisee.

We offer a \$5,000 discount on the initial fee for qualified Veterans of the U.S. Armed Forces. In order to qualify, you must, among other business requirements, have received an Honorable Discharge and must own at least 50% of the Licensed Business. You must advise us of Veteran status (and provide evidence of qualification) before signing your Franchise Agreement.

Presently, if you are purchasing a franchise for your second or subsequent Agency, the Initial Franchise Fee will be \$20,000 for each additional franchise agreement.

During our fiscal year ended December 31, 2023, franchisees paid initial fees ranging from ~~\$25,000~~50,000 to \$55,000.

On-Site Training Fee

If either at your request or our election we, we provide a portion of the initial training to you at your location, then you must, at our option, either advance us or reimburse for the travel, lodging and meal expenses of our trainer(s). We estimate that the cost of such travel, lodging and meal expenses will range from \$2,500 to \$5,000. During our fiscal year ended December 31, 2023, one of our franchisees reimbursed us for a trainer who provided additional training at the franchisee's request.

Licensing Assistance Fee

At your option and at your request, we will assist you with obtaining your state home care organization license if it is required in your jurisdiction. You must pay us an additional, nonrefundable fee of \$3,000, in advance, for this service. During our fiscal year ended December 31, 2023, three of our franchisees paid us this fee.

Management Support Services Fee

At your option, you may pay our affiliate, CSMSS to provide certain administrative, staffing, coaching and basic management and supervision services for your Agency. If you choose to do so, you must pay a nonrefundable \$20,000 initial fee to begin the services and sign the Management Services Agreement (a copy of which is attached as Exhibit G to this disclosure document). If you desire to have CSMSS continue to provide services to you, you must pay \$2,500 per month for the service. The monthly fees must be paid in advance on the first day of the month.

Refund of Initial Franchise Fee.

Should we determine, in our sole opinion, that you did not successfully complete our training program within 6 months following the date of your Franchise Agreement, we may terminate your Franchise Agreement and refund the Initial Franchise Fee less any and all costs to our company associated with your application, approval, training and general support between the time of your application and the termination of this agreement.

Item 6. Other Fees

Type of fee ¹	Amount	Due Date	Remarks
Royalty Fee	<p>5% of Gross Revenues, or the minimum weekly royalty, whichever is greater.</p> <p>The minimum weekly royalty is \$250 per week (\$1,000 per month) starting 6 months after the Commencement Date.</p> <p>The "Commencement Date" shall be the day that you may (and/or your manager) completes the training program that Franchisor has designated as its pre-launch training.</p>	<p>Payable starting immediately and monthly by Electronic Funds Transfer. Funds must be in your designated bank account in time so that we can obtain them by the 10th of each month for the previous month's Royalty Fee.</p> <p>We may designate a different period (e.g., changing from monthly to another period or back to monthly) upon notice.</p>	<p>See Note A.</p> <p>We also offer a royalty fee reduction. If you achieve \$1,000,000 in a calendar year in Gross Revenues, the royalty rate will be reduced to 4.75% for the remainder of that year. If you achieve \$1,500,000 in a calendar year in Gross Revenues, the royalty rate will be reduced to 4.5% for the remainder of that year. The minimum weekly royalty continues to apply.</p> <p>Neither the royalty fee reduction nor the minimum royalty should be considered by you to be representative of the amount that you will actually pay, and may not be used to imply any particular level of Gross Revenues that may or should be achievable by a franchisee.</p>
Marketing Fee	<p>1% of Gross Revenues or the minimum monthly marketing fee, whichever is greater. Payment of the Marketing Fee starts on the Commencement Date. The minimum monthly Marketing Fee</p>	<p>Payable monthly by Electronic Funds Transfer. Funds must be in your designated bank account in time so that we can obtain them by the 10th of each month for the</p>	<p>See Note B.</p>

Item 7. Estimated Initial Investment

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	LOW AMOUNT	HIGH AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Fee*	\$55,000	\$55,000	Lump Sum	Upon signing	Us
On-Site Training	\$0	\$5,000	Lump sum	As Arranged	Us
Travel & Living Expenses While Attending Initial Training	\$2,500	\$5,000	As Incurred	Before, During & After Training	Vendors, Us, Airlines, Hotels, Car Rental Companies, etc.
Office & Real Estate Improvements See Note H	\$7500	\$3,000 1,500	As agreed with Landlord or Mortgage Lender	As Arranged	Landlord or Mortgage Lender
Lease/Rent & Security Deposit (3 Months) See Note H	\$2,000	\$8,000	As agreed with Landlord	As Arranged	Landlord
Equipment See Note A	\$1,600	\$8,850	As Incurred	As Arranged	Vendors, Leasing Cos or Lender
Management Support Services	\$0	\$20,000	As Incurred	As Arranged	Our affiliate
Signage See Note B	\$500	\$1,500	As Arranged	As Arranged	Us, Vendors, Leasing Cos or Lender
Marketing	\$4,500	\$4,500	As Arranged; See Item 6.	As Arranged; See Item 6.	Us, Advertising Media Vendors
Professional & General Liability Insurance See Note D	\$3,000	\$7,000	At binding	At binding	Insurance Companies
Employment Practices Liability Insurance	\$1,500	\$6,500	At binding	At binding	Insurance Companies
Sexual Misconduct Insurance	\$1,500	\$6,000	At binding	At binding	Insurance Companies

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provides a web-based system for customer relations management, scheduling, referral marketing, client marketing, billing and payroll. A monthly service fee (presently \$250) and telephony fee (presently \$25/month and \$.15 per clock in/out) are required and are directly payable to Generations. These fees may increase from time to time, but not more than 10% per year, compounded.

At your option, you may pay our affiliate, CSMSS to provide certain administrative, staffing, coaching and basic management and supervision services for your Agency. If you choose to do so, you must pay an initial \$20,000 to establish the services and sign the Management Services Agreement (a copy of which is attached as Exhibit G to this disclosure document). If you continue to use our affiliate to provide the services after an initial 6-month period, you must pay \$2,500 per month to continue the service. Monthly fees are payable in advance on the first day of the month based on the prior month's billings.

Note B: Signage

All signage is subject to our approval.

Note C: Marketing

This estimate includes the Marketing Fee of one (1%) percent of Gross Revenues and the minimum local or cooperative marketing requirement of at least two (2%) percent of Gross Revenues or \$1,000 per month, if greater.

Note D: Insurance

We require you to purchase and maintain, at your expense, throughout the term of the Franchise Agreement, professional liability insurance and general liability insurance (including Personal & Advertising Injury, Products/Completed Ops Aggregate, Damage to Rented Premises, and Medical Expense). You must also purchase non-owned automobile coverage, special form property insurance, employment practices liability, workers' compensation and employer's liability insurance as required by state law. You must provide us with one or more certificates of insurance evidencing such coverages and naming us as an additional insured as to each applicable policy. Such certificate(s) of insurance shall provide that the coverages under the respective policy(ies) may not be modified (except to increase coverage) or canceled without 30 days' written notice. Every insurance policy must be with an insurance company that meets our criteria as set forth in the Operations Manual. See Item 8, Restrictions on Sources of Products and Services, Insurance, for exact insurance details. The frequency of payments for each type of insurance will be determined at the time you bind your policy and will be based on the payment terms you choose.

Note E: Business Licenses

State rules vary on home care staffing licensure. Many states require you to have both a state home care license and a local business license. Some states have additional requirements (and may require a state license to operate a home care organization) and it is your responsibility to obtain the proper licensing for your location. The estimates in the chart are based on research of average costs in a range of jurisdictions throughout the country.

Note F: Additional Funds

Additional funds are defined as those that will be required for you to run your business for a "reasonable period." In this industry an acceptable "reasonable initial period" is 3 months. Additional Funds are used to pay such expenses as wages, lease payments, rent, marketing, utilities, etc. These funds do not include a salary and/or draw for owners. These funds do not include any amounts payable to our affiliate CSMSS nor do they include management fees. The additional funds required will vary by your area; how much you follow our methods and procedures; your management skills, experience and business acumen; the relative effectiveness of your staff; local economic conditions;

the local market for your products and services; the prevailing wage rate; competition; and the sales level reached during the initial period. You must provide security deposits for utilities and rent (and possibly for other items). We cannot guarantee that you will not have additional expenses in starting an Agency. Additional operating expenses will be incurred in connection with the ongoing operation of your Agency. In compiling these estimates, we rely on the experience of the more than twenty years of experience of our founder and affiliate in the home health industry in Southern California. These amounts are the minimum recommended levels to cover your operating expenses for 3 months. ~~You should review these figures carefully with a business advisor before making any decision to purchase the franchise.~~

Note G: Opening Inventory of Supplies

Your opening inventory consists of supplies including such items as brochures, masks, gloves and labels and will cost from \$4,000 to \$7,500, which are paid directly to third party vendors. These items differ from the equipment used in your business which includes label making machines, computers and phones.

General

In compiling these estimates, we rely on the experience of the more than twenty years of experience of our founder and affiliate in the home health industry in Southern California. These amounts are the minimum recommended levels to cover your operating expenses for 3 months. ~~Additional working capital may be required if sales are low or fixed costs are high. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.~~

Note H: Office & Real Estate

We estimate any office improvements will cost between \$0 and \$1,500. The low end of the range represents if you choose to locate your office in your home. Due to the nature of the business, your Agency premises may not be located in your home for more than 1 year after opening, except with franchisor's prior written approval. In cases where you choose to operate administrative and back-office functions primarily out of your home, we require that a shared/flex/executive suites type of office arrangement or other suitable general/commercial office space is available to you for interviews and new hire orientations. The high end of the range represents any improvements made to a rented commercial space. If you choose to locate your office in a commercial space, we estimate three months' rent and a security deposit will cost from \$2,000 to \$8,000. A standard office in a commercial space is typically 150 to 750 square feet with room for two desks and access to a conference room accommodating up to 10 caregivers for new hire orientations.

Item 8. Restrictions on Sources of Products and Services

You must operate your Agency in strict conformance with our methods, standards, and specifications which we describe in our confidential operating manual and various other confidential manuals and media prepared for use by you in operating an Agency. These materials are collectively known as the Operations Manual. They are proprietary materials and may be changed at our sole discretion. The Operations Manual covers nearly all aspects of establishing and running your Agency including, but not limited to general operations, health and home care procedures, marketing and accounting and finance.

Your grant of an Agency does not include the right to offer any products or services via ecommerce, or to obtain and market your Agency through an independent website or URL, or the right to market and distribute services in any channel of distribution not specifically authorized in the Franchise Agreement.

You may only offer approved services and products ("Approved Services and Products") at your Agency. We will provide you with a list of the Approved Services and Products upon signing your Franchise Agreement. Our affiliate, CSMSS, offers management, coaching and basic supervision services to our franchisees, if they choose to engage CSMSS to do so. Except as described in this

5. Provide a Grand Opening kit complete with essential marketing materials for the launch of your business. You will receive a Grand Opening Packet with \$500 worth of collateral material including brochures and business cards. (Franchise Agreement, Section 2.07)
6. Provide assistance in ordering of business cards, letterhead and initial recruiting and marketing materials as listed in the Operations Manual. (Franchise Agreement, Section 7.19)
7. Provide copy of job descriptions for all key positions to assist in hiring. (Franchise Agreement, Section 7.18)
8. Provide a checklist of office supplies to be purchased for the Licensed Business. (Franchise Agreement, Section 7.19)
9. Provide an intranet website permitting access to our senior management through email on an ongoing basis. (Franchise Agreement, Section 1.04)
10. Design and provide an external website for you, customized to your location. (Franchise Agreement, Section 7.19)
11. Assist you in establishing a financial forecast to manage business expectations, and suggest pay scale and billing rates. (Franchise Agreement, Section 7.19)
12. Provide 5 days of training at Franchisor's headquarters for up to three members. The Manager of the Licensed Business must attend and satisfactorily complete this program. Your owner will not have to attend "owner" training during the period that you are a party to a management agreement with our affiliate. (Franchise Agreement, Section 4.01) We may offer you assistance in the regulatory process (i.e., licensing).

During the operation of the Licensed Business, we will make the following assistance available to you (citations are to sections in the Franchise Agreement):

1. Provide initial on-site training for 4 days within the first 120 days of opening but only after the staff has been hired. We may reduce this requirement if you are signing a management agreement ([Exhibit G](#); Franchise Agreement, Section 4.06)
2. Consultation and advice as needed, in our judgment, in response to your inquiries about specific administrative, operating and sales issues. We may decide how best to communicate this consultation and advice to you, whether by telephone, in writing, electronically or in person. The method chosen by us may be different than the methods used by us for other franchisees. (See Franchise Agreement Section 4.06 On-Going Consultation & Advice)
3. Provide on-site coaching (including quality assurance audits, coaching and continuing education) by senior support staff to provide an evaluation and assessment of your operation and cooperatively create an annual business development plan as follows: (i) four days (which at our option may be separated into multiple visits) at your Agency for the first year. During the second and subsequent years during the term of your franchise agreement, the coaching, quality assurance audits and continuing education may or may not be on-site at your Agency. (Franchise Agreement, Section 4.06)
4. Provide on-going analysis and recommendations regarding billing and pay scale rates. (Franchise Agreement, Section 7.19)
5. Administer the Marketing Fund and approve or reject advertising that you create for your local use. (See Franchise Agreement Sections 2.03 and 2.06.03 Marketing Fund)
6. Periodically revise the Operations Manual to incorporate new developments and changes in the Program and franchise, and provide you with a hard copy or electronic copy of all updates. (See Franchise Agreement Section 1.05 Operations Manual)

7. Provide suggestions on staffing matters, including recommended organizational charts for different levels of revenue; detailed position descriptions for all positions and interview guides for all positions. (See Franchise Agreement Sections 7.17.01 Staffing Requirements)
8. At our discretion, hold an annual conference (the "Annual Conference") at a location to be selected by us. We may require you to attend the Annual Conference. You must pay our then current registration fee for attendance. All expenses, including you and your employees' transportation to and from the Annual Conference, lodging, meals, and salaries during the Annual Conference, are your sole responsibility. (Franchise Agreement, Section 7.27)
9. Offer, in our sole discretion, additional refresher training courses which we may require you to attend if the refresher training program is mandatory for all current franchisees or if we determine in our sole discretion that your Agency is operating below the required standards. Additional refresher training is provided on an as-needed basis at the then current training fee plus travel, room and board expenses. (Franchise Agreement, Section 7.17)
10. In our discretion make goods and services available to you either directly or through approved suppliers. (See Franchise Agreement Section 6.09 Good and Services)
11. After you complete certain milestones where you are legally permitted to operate your agency, we will provide you with the following on-site coaching; 4 days (which at our option may be separated into multiple visits) at your agency. (Franchise Agreement, Section 4.06)
12. Coaches for various aspects of your Agency including personalized goal setting to ensure you are on track, a cost of goods analysis, referral source appreciation, caregiver training ideas and assistance with promotional ideas and discounts that will help you ramp up sales, as well as client care, marketing and ownership. You will be able to speak to any one of your coaches weekly for your first 6 months, and then monthly check in calls for up to 1 year at no charge. (Franchise Agreement, Section 4.06)
13. At your option, we may provide you with (or arrange to provide you with) afterhours on call staffing (currently at a cost of \$400.00 per week), and you can have your phones answered by our call center, if you need to take a break, or go on vacation. (Franchise Agreement, Section 7.29)
14. At your option and for the fees described in Item 6 (for a minimum term of one year from the date initial staff is hired by the Company or the date the Company is open for business, whichever is later), you may engage our affiliate CSMSS to provide certain general management supervisory services and administrative services. [A copy of the Management Services Agreement is attached as Exhibit G to this disclosure document.](#) You will be responsible for paying the salaries of all of your employees. Either you or CSMSS can terminate this service at any time with at least 60 days' prior written notice. If this service is terminated you will need to engage personnel that have successfully completed training. (Franchise Agreement, Section 2.04)
15. We will make recommendations as to the range of prices that you may charge for various services; however we will not restrict the prices at which you sell services.

ADVERTISING

A. Marketing Fund

You must pay a Marketing Fee in the amount of 1% of Gross Revenues or the minimum monthly marketing fee, whichever is greater. The minimum monthly marketing fee is \$250 per month six months following the date you commence operating your business, subject to a \$250 per month minimum after 6 months. Marketing Fees are in addition to your local and regional marketing obligation and any assessments made by a local marketing cooperative. We may, upon notice, require you to pay your Marketing Fees on a different periodic basis. All franchisees must contribute to the Marketing

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The Operations Manual(s), the contents of each, and certain other information we will provide to you, including certain promotions and annual reports on marketing funds expenditures, if required, are all confidential trade secrets. All information we provide to you or which you develop in the course of performing under the Franchise Agreement which is not generally available to the public and which a competitor might find valuable are trade secrets. If we designate something as a "Trade Secret", you must treat it as a Trade Secret whether or not it would otherwise meet any definition of "Trade Secret". You are responsible for protecting all trade secrets and you cannot transfer them or sell them to anyone at any time. You must require staffers(s) and other employees who have access to Trade Secrets to comply with your obligations under the Franchise Agreement to protect our Trade Secrets. We require your employees to sign a Confidentiality Agreement as part of their on-boarding paperwork. The confidentiality agreement that they sign must be similar to our Confidentiality Agreement (Addendum I). These agreements provide us equitable rights against breach of Confidentiality by you or your employees.

We have copyrighted and will continue to copyright all licensed materials including Manuals, advertising, promotional ideas and products, sales practices, letters, scripts, public relations materials which we have created for the exclusive use of our Franchisees. You may use these materials only to publicize your Licensed Business during the term of the franchise agreement, and in a manner which we authorize.

Item 15. Obligation to Participate in the Operation of the Franchised Business

You or your manager must devote his/her full time and effort to managing and operating the business, unless you sign the ~~management agreement~~, [Management Services Agreement \(a copy of which is attached as Exhibit G to this disclosure document\)](#), in which case you must actively assist the manager in the performance of its duties under the management agreement. If the manager of the agency is not you (or a principal owner of you if you are an entity), that person must satisfy our minimum standards and complete our training program. Your on-premises manager, if not you (or a principal owner of you if you are an entity) is not required to have any equity interest in the franchisee, if the franchisee is a business entity. You must reserve and exercise ultimate authority and responsibility over operation and management of the Licensed Business. If you are a corporation or other entity, each owner must personally guaranty the Franchise Agreement and one owner must be the designated manager. [Your spouse must personally guaranty the Franchise Agreement by signing the spousal consent attached as Addendum P to the Franchise Agreement and the personal guaranty attached as Addendum G.](#) You must, at all times, employ at least one staff member.

You must require each manager and employee to whom you disclose our trade secrets to be subject to the trade secrets section of the Franchise Agreement. You must require every manager and employee with access to trade secrets to sign a confidentiality agreement.

Item 16. Restrictions on What the Franchisee May Sell

You may offer for sale only products and services we approve. You must offer custodial home care services under our Marks and following our System and of a type, quality and variety consistent with our image. You must obtain your uniforms and supplies from suppliers we select or approve. We have sole discretion in determining what constitutes our image. The image is constantly evolving as markets change and evolve. You may provide only non-medical and companion care and you may not provide medical care and services.

You may not engage in sales through alternative distribution channels or the Internet without our prior written approval. We are not required to give you such approval.

We will make recommendations as to the range of prices that you may charge for various services; however we will not restrict the prices at which you sell services.

ABS FRANCHISE SERVICES, INC.

FRANCHISE DISCLOSURE DOCUMENT

[571059059-49](#)[571059059.51](#)

Item 18. Public Figures

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

Item 19. Financial Performance Representations

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

This financial performance representation discloses certain 2023 sales information and cost and expense information of the one of two affiliate-owned Agencies and is a historic representation based on the past performance of existing outlets. One affiliate owned Agency has been excluded from this financial performance representation because it was not open for the full 12 months of 2023.

This financial performance representation also discloses 2023 gross revenues (as defined below) information for the twenty (out of a total of twenty-five) franchisee-owned Agencies that had been open and in operation for 12 full calendar months as of December 31, 2023. The other five franchisee-owned Agencies had not been in operation for 12 full consecutive calendar months as of December 31, 2023.

The affiliate-owned Agency has been open and operating for over 20 years and the franchise locations in this item have been open and operating for between 1 and 8 years. The affiliate-owned Agency reflects a business operation that operates four typical contiguous franchise territories as one integrated business. ~~We do not preclude franchisees from acquiring multiple territories. Our affiliate also offers health and "skilled" services, which are services that you may be permitted to offer once you have operated your business for at least one year. Our affiliate expends a greater amount of money on marketing and has more dedicated resources than a typical franchisee owned Agency, though you could do so as well.~~

The franchisee-owned Agencies included in this financial performance representation are substantially similar to the Agencies for which we are offering franchises in this disclosure document and, as of the date of this disclosure document, the goods and services offered are substantially similar to those that are to be offered and sold by our franchisees.

Agencies operating under the management agreement model include Fresno, California; Burbank, California; Redondo/Lomita, California; Denver, Colorado; Boca Raton, Florida; Cincinnati, Ohio; West Dallas, Texas; Greenville, South Carolina. No agencies have been given permission to offer skilled services.

Franchisee-Owned Agencies (2023)	
Unit	Gross Revenue*
1.	\$2,355,306.23
2.	\$2,033,176.92
3.	\$1,382,338.24
4.	\$1,001,169.60

ABS FRANCHISE SERVICES, INC.

FRANCHISE DISCLOSURE DOCUMENT

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Certain Financial Results of Affiliate-Owned Agency (2023)	
Officer Salaries)	\$1,896,492.81
Net Ordinary Income	\$1,361,595.81
Annual Franchise Expenses Not Included in Table Above (assuming affiliate-owned agency gross revenues):	
Assumed Royalty (5% of first \$1 million; 4.75% of next \$500,000 and 4.5% thereafter)	\$310,667.86
Assumed Marketing Fee	\$67,648.41
Adjusted Net Ordinary Income (excluding Owner Distributions and Officer Salaries)	\$983,279.53

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

The gross revenues financial performance representation figures do not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from the gross revenues figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees listed in the disclosure document may be one source of this information. ~~The following is a non-exclusive list of the types of expenses one of our franchisees may incur: (1) labor costs, and taxes and benefits; (2) cost of goods sold; (3) advertising and marketing expenses; (4) maintenance, rent, utilities, trash collection, common area maintenance and other charges to occupy your office premises; (5) training costs; (6) costs of insurance, security, and supplies; (7) initial franchise fees, royalties, marketing fees and local advertising expenses; (8) debt service; (9) professional fees; and (10) taxes.~~

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

Except as provided in this Item, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Kurt Buske at 8929 Complex Drive San Diego, California 92123 (619) 585-9011, the Federal Trade Commission, and the appropriate state regulatory agencies.

ADDENDUM TO ABS FRANCHISE SERVICES, INC. DISCLOSURE DOCUMENT FOR THE STATE OF CALIFORNIA

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

Item 5, "Initial Fees" shall be amended by the addition of the following:

"Payment of all initial fees are postponed until after all of franchisor's pre-opening obligations are complete and franchisee's agency is open for business."

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following:

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning transfer, termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

YOU MUST SIGN A GENERAL RELEASE IF YOU RENEW OR TRANSFER YOUR FRANCHISE. CALIFORNIA CORPORATIONS CODE SECTION 31512 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CORPORATIONS CODE SECTIONS 31000 THROUGH 31505). BUSINESS AND PROFESSIONS CODE SECTION 20010 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE SECTIONS 20000 THROUGH 20043).

Neither ABS FRANCHISE SERVICES, INC., nor any person in Item 2 of the disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling these persons from membership in this association or exchange.

SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE TO YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

OUR WEB SITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEB SITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

~~The earnings claims figures do not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from the gross revenue or gross revenues figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your (franchised business). Franchisees or former franchisees, listed in the franchise disclosure document, may be one source of this information.~~

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.

**ADDENDUM TO ABS FRANCHISE SERVICES, INC. FRANCHISE AGREEMENT
(State of California)**

THIS ADDENDUM is entered into as of _____, 20____ between ABS Franchise Services, Inc., a California corporation ("Company"), and _____, a _____ ("Franchisee"), with reference to the following:

1. Company and Franchisee have entered into a ABS Franchise Services, Inc. Franchise Agreement dated as of _____, 20____, (the "Franchise Agreement").
2. The parties wish to modify the Franchise Agreement, upon the terms and conditions set forth herein.

NOW, THEREFORE, the parties agree that to amend the Franchise Agreement as follows:

1. Notwithstanding anything to the contrary set forth in the Franchise Agreement, and in particular Section 2.01 thereof, Franchisee shall pay the Initial Fee to Company when Company has fulfilled its initial pre-opening obligations to Franchisee and Franchisee's Agency is open for business.

2. The franchise agreement contains provisions shortening the statute of limitations to bring claims and requiring you to waive your right to punitive or exemplary damages against the franchisor, limited your recovery to actual damages for any claims related to your franchise. Under California Corporations Code section 31512, these provisions are not enforceable in California for any claims you may have under the California Franchise Investment Law.

3. 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.

Except as set forth herein, the Franchise Agreement shall be valid and enforceable between the parties in accordance with its terms. The undersigned does hereby acknowledge receipt of this addendum.

"Company"

ABS FRANCHISE SERVICES, INC.

"Franchisee"

Date of Execution
Name: _____
Its: _____

Date of Execution
[] an individual;
[] a _____ general partnership;
[] a _____ limited partnership;
[] a _____ limited liability company;
[] a _____ corporation

Name: _____

Its: _____, and individually

ADDENDUM TO ABS FRANCHISE SERVICES, INC. DISCLOSURE DOCUMENT FOR THE STATE OF ILLINOIS

Illinois law governs the Franchise Agreement.

Payment of Initial Franchise Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced business operations. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to the Franchisor's financial condition.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, arbitration may take place outside of Illinois.

Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

ILLINOIS PROHIBITS THE CORPORATE PRACTICE OF MEDICINE. UNLICENSED INDIVIDUALS AND ENTITIES ARE PROHIBITED FROM OWNING, OPERATING AND MAINTAINING AN ESTABLISHMENT FOR THE STUDY, DIAGNOSIS AND TREATMENT OF HUMAN AILMENTS AND INJURIES, WHETHER PHYSICAL OR MENTAL. See Medical Corporation Act, 805 ILCS 15/2, 5 (West 2018) and Medical Practice Act of 1987, 225 ILCS 60/ (West 2018).

IF YOU ARE NOT LICENSED/CERTIFIED IN ILLINOIS TO PROVIDE SERVICES OF THE NATURE DESCRIBED IN THIS DISCLOSURE DOCUMENT, YOU MAY NEED TO NEGOTIATE THE TERMS OF A MANAGEMENT AGREEMENT WITH LICENSED PROFESSIONALS WHO WILL PROVIDE CERTAIN 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.

There is no formal schedule for the required Initial Training program that occurs in San Diego, California. You must complete the Initial Training program before starting business operations.

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.

ADDENDUM TO ABS FRANCHISE SERVICES, INC. DISCLOSURE DOCUMENT FOR THE STATE OF MARYLAND

The following information applies to franchises and franchisees subject to Maryland statutes and regulations. Item numbers correspond to those in the main body of the disclosure document:

1. Item ~~47~~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.

2. Item 17.

The Franchise Agreement provides for termination if you are insolvent under any applicable state or federal law. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Section 101 et seq.).

3. ~~2-~~ Item 17.

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. ~~3-~~ Item 17.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

5. ~~4-~~ Item 17.

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. 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.

6. ~~5-~~No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. ~~6-~~Section 22.01 and the last sentence of Section 22.2 of the Franchise Agreement does not apply to franchisees in the state of Maryland.

**ADDENDUM TO ABS FRANCHISE SERVICES, INC. FRANCHISE AGREEMENT
(State of Maryland)**

This Addendum relates to franchises sold in Maryland and is intended to comply with Maryland statutes and regulations. In consideration of the execution of the Franchise Agreement, ABS Franchise Services, Inc. and Franchisee agree to amend the Franchise Agreement as follows:

1. 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.

~~12.~~ Release. Sections 4.01, 12.02.05, 12.02.06, Article 18, Addendum J, Addendum K and Addendum L, of the Franchise Agreement are amended to provide that any release required as a condition of assignment or renewal will not apply to liability under the Maryland Franchise Registration and Disclosure Law (the "Maryland Franchise Law").

~~23.~~ Consent to Jurisdiction. Article 19, Addendum G, Addendum L and Addendum M of the Franchise Agreement is amended to provide that, under the Maryland Franchise Law, any litigation involving claims arising under the Maryland Franchise Law that are not subject to arbitration may be brought in Federal District Court in Maryland.

~~34.~~ Statute of Limitations. Any limitation on the period of the time mediation and/or litigation claims must be brought shall not act to reduce the 3 year statute of limitations afforded a franchisee for bringing claims arising under the Maryland Franchise Law.

~~45.~~ Acknowledgments. Article 21 of the Franchise Agreement is amended by the addition of the following at the end of such Section: "The representations made herein are not intended to and will not act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

~~56.~~ Construction. In all other respects, the Franchise Agreement will be construed and enforced in accordance with its terms.

~~7-7.~~ 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.

~~8-8.~~ Section 22.01 and the last sentence of Section 22.2 of the Franchise Agreement does not apply to franchisees in the state of Maryland.

Except as set forth herein, the Franchise Agreement shall be valid and enforceable between the parties in accordance with its terms. The undersigned does hereby acknowledge receipt of this addendum.

"Company"

Date of signing: _____

ABS FRANCHISE SERVICES, INC.,
a California corporation

"Franchisee"

By: _____
Name: _____
Its: _____

_____,
[] an individual
[] a general partnership;

a limited partnership;
 a limited liability company;
 a corporation;
By: _____

Name: _____
Its: _____
Date of signing: _____

ADDENDUM TO ABS FRANCHISE SERVICES, INC. DISCLOSURE DOCUMENT FOR THE STATE OF MINNESOTA

1. Cover Page, Risk Factors 1 and 2 are amended by the addition of the following language:

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or 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.

You must make minimum royalty and marketing fee payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment

2. Item 6, "Charges for unpaid checks, drafts or electronic payments" shall be amended by the addition of the following paragraph:

NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on a NSF check. This applied to everyone in Minnesota who accepts checks except banks.

3. Item 13 of the Franchise Disclosure Document and Section 1.04.03 of the Franchise Agreement are amended to state that we will protect you against claims of infringement or unfair competition regarding your use of the Marks when your right to use the Marks requires protection.

4. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following paragraphs:

Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or 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.

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement.

5. Item 17, "Governing Law, Jurisdiction and Venue, and Choice of Forum" shall be amended by the addition of the following paragraph:

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce any of franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

6. Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a general release. The Franchise Disclosure Document and Franchise Agreement are modified accordingly, to the extent required by Minnesota law.



Franchise Agreement

Franchise Agreement No.: _____

DATED: _____ (“Effective Date”)

BETWEEN: **ABS FRANCHISE SERVICES, INC.** (“Franchisor”)

AND: _____ (“Franchisee”)

TERRITORY:

RECITALS

WHEREAS Franchisor has developed a distinctive system for identifying, operating and marketing businesses offering and selling non-medical care to elderly, infirm and disabled persons needing companion and custodial care, operating under the Marks and using the System (hereinafter the "System");

WHEREAS Franchisor owns the trade names and trademarks "A Better Solution In Home Care," "Caring Solutions In Home Care" and related logos and marks and trade dress as more fully described in this Agreement (hereinafter the "Marks");

WHEREAS, as between Franchisor and Franchisee, Franchisor is the sole and exclusive owner of all goodwill associated with and to become associated with the Marks, the value of which Franchisee acknowledges;

WHEREAS Franchisee recognizes the advantages and value of the System and Marks and desires to obtain a license for a "A Better Solution In Home Care" or, in the states of Florida and Washington, a "Caring Solutions In Home Care" business to be located only at the location specified in Addendum A hereto, or at such other location within the Territory as Franchisor may approve in writing;

WHEREAS Franchisee recognizes the necessity and value of maintaining high standards and uniformity of appearance, image, products, services and customer relations in conformity with the System as Franchisor may reasonably modify it from time to time; and

~~WHEREAS Franchisee is aware of the risks, business and otherwise, associated with owning the Agency (defined below) and has independently evaluated those risks without relying upon any representations from Franchisor or~~

~~Franchisor's agents regarding revenues, profits or probability of success, excepting only those representations and accompanying cautions contained in Franchisor's Franchise Disclosure Document—revenues, profits or probability of success being affected primarily by factors beyond Franchisor's control, including Franchisee's skill, personality, diligence and dedication and general regional or local economic or demographic conditions; and~~

WHEREAS, Franchisor, in reliance upon Franchisee's representations, is willing to provide certain training and other services and to grant a license, but only on the terms of this Agreement, which terms Franchisee understands and accepts and both parties acknowledge to be reasonable and material;

NOW THEREFORE, for and in consideration of the mutual covenants herein set forth, and other good and valuable consideration, the receipt and sufficiency of which each party hereby acknowledges, and each party fully intending to be legally bound hereby, Franchisor and Franchisee mutually agree as follows:

Article 1 - License and System

1.01 Grant of License.

1.01.01 Subject to the terms and conditions of this Agreement, Franchisor grants to Franchisee a non-exclusive license to operate one (1) Agency using the System and Marks for a period of ten (10) years (the "Term") from and after the Effective Date of this Agreement, said Agency to be located only at the location specified in Addendum A hereto, or at such other location within the Territory as Franchisor may approve in writing and operated only within the Territory. Franchisee, based upon Franchisee's own research and knowledge, shall select a location within 90 days after signing this Agreement and that location shall be accurately stated in Addendum A. Notwithstanding anything herein to the contrary, if the Agency is to be located upon real property subject to a master lease under which Franchisor or a related company is the primary lessee, this Agreement shall terminate without further notice upon the earlier termination or expiration of the current term of any applicable master lease for the Premises. Franchisor is under no obligation to extend or exercise any option to extend any master lease. If a master lease is involved, a copy of the master lease is attached as Addendum H to this Agreement. If there is no master lease, this Agreement shall terminate upon expiration or termination of Franchisee's lease (a) upon Franchisee's written election; or (b) upon Franchisor's election if Franchisee does not obtain an acceptable lease at an approved location at least 90 days before expiration of Franchisee's lease. Franchisee shall not move Franchisee's Premises without Franchisor's prior written approval. Franchisee may not, without Franchisor's prior written consent, operate the Agency, in whole or in part, from Franchisee's residence.

1.02 Location And Territory.

1.02.01 Except as specifically permitted by this Agreement, the Agency shall be the only "A Better Solution In Home Care" or, in the states of Florida and Washington the only "Caring Solutions In Home Care" agency, the physical premises of which are within the geographical territory described in Addendum B hereto (the "Territory"). Franchisor will not locate or open a competitive business providing non-medical staff to care for elderly, infirm, and disabled persons needing companion and custodial care in the Territory, either company-owned, franchised or operated by an affiliate, during the term of this Agreement, so long as Franchisee is not in breach of this Agreement. However, there shall be no geographic restrictions upon where customers may come from for any "A Better Solution In Home Care" or, in the states of Florida and Washington a "Caring Solutions In Home Care" agency, company-owned or franchised, but patients and clients may only be located within the Territory. Franchisee shall not distribute or publish advertising or otherwise market outside Franchisee's Territory except in compliance with this Agreement and the Manual.

1.02.02 Exclusions from Territory. The following, and any substantially similar locations, shall be excluded from Franchisee's Territory: Home shows, trade fairs, exhibitions and online sales of related products or services. As to such excluded locations, Franchisor shall have the right, directly or indirectly, to sell and distribute goods and services, including those normally offered by Franchisee and using the Marks, without compensation to Franchisee or any other franchisee(s). Franchisor may, directly, indirectly, or through a franchisee or licensee offer products and services under the same or a different trade name or trademark, including within Franchisee's Territory through alternative distribution methods, including through catalogs, mail order, independent retail outlets, and through electronic media, including television, radio, the "Internet" and through other new or emerging commercial technological media. Franchisor shall have no obligation to share any revenues from alternative distribution activities with Franchisee. Without limiting the foregoing, Franchisee shall not, without Franchisor's prior written approval, which approval may be withheld for any reason whatsoever, use the Marks or any part of the Marks or anything similar to the Marks as part of a domain name or in any other manner in connection with any commerce on the Internet or similar media. Franchisee shall not use the Marks in or market through alternative distribution methods without Franchisor's prior written approval, which approval may be withheld for any reason whatsoever.

State Effective Dates

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

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

State	Effective Date
California	Pending
Hawaii	Not Registered
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending June 24, 2024 as amended
New York	Not Registered
North Dakota	Not Registered
Rhode Island	Not Registered
South Dakota	Not Registered
Virginia	June 5, 2024 as amended
Washington	Pending
Wisconsin	May 2, 2024 as amended

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.

RECEIPT (Franchisee Copy)

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 ABS Franchise Services, Inc. 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, the franchisor 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 agreement or the payment of any consideration that relates to the franchise relationship.

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

If ABS Franchise Services, Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington DC 20580 and the state agencies listed in Exhibit F.

The Franchisor is ABS Franchise Services, Inc. 8929 Complex Drive San Diego, California 92123, 619-585-9011.

Issuance Date: April 26, 2024 [as amended June 12, 2024](#)

The franchise seller for this offering is:

- Lillia Smith-Pratt, 8929 Complex Drive San Diego, California 92123, 619-585-9011.
- Kurt Buske, 8929 Complex Drive San Diego, California 92123, 619-585-9011.

Franchisor authorizes the persons or entities identified in Exhibit E to receive service of process for Franchisor.

I have received a Franchise Disclosure Document dated April 26, 2024 [as amended June 12, 2024](#). This disclosure document included the following Exhibits:

Exhibit A - Financial Statements	Addendum K, Consent, Waiver and Release for Training
Exhibit B - Franchise Agreement, with:	Addendum L, Release from Continuing Obligations
Addendum A, Location of Agency;	Addendum M, Confidentiality Agreement—Additional Information
Addendum B, Territory;	Addendum N, Franchisee Ownership and Management Information
Addendum C, Required Equipment;	Addendum O, Authorization to Initiate Debit Entries for Franchise Fees
Addendum D, Items Pursuant to Specifications	Addendum P, Spousal Consent
Addendum E, Lease Conditional Assignment Agreement	Exhibit C - List of Current and Former franchisees
Addendum F, Assignment of Telephone Numbers	Exhibit D - Manual Table of Contents
Addendum G, Personal Guaranty	Exhibit E – Franchisor’s Agent(s) for Service of Process
Addendum H, Master Lease (if applicable)	EXHIBIT F – State Agencies
Addendum I, Trade Secrets and Confidentiality Agreement	EXHIBIT G – Management Services Agreement
Addendum J, Mutual Termination and Release Agreement	EXHIBIT H - State Law Addenda
	EXHIBIT I – Receipt

DATED: _____

SIGNATURE

NAME (Please print)

WITNESS:

Address:

RECEIPT (Franchisor Copy)

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 ABS Franchise Services, Inc. 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, the franchisor 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 agreement or the payment of any consideration that relates to the franchise relationship.

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

If ABS Franchise Services, Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington DC 20580 and the state agencies listed in Exhibit F.

The Franchisor is ABS Franchise Services, Inc. 8929 Complex Drive San Diego, California 92123, 619-585-9011.

Issuance Date: April 26, 2024 [as amended June 12, 2024](#)

The franchise seller for this offering is:

- Lillia Smith-Pratt, 8929 Complex Drive San Diego, California 92123, 619-585-9011.
- Kurt Buske, 8929 Complex Drive San Diego, California 92123, 619-585-9011.

Franchisor authorizes the persons or entities identified in Exhibit E to receive service of process for Franchisor.

I have received a Franchise Disclosure Document dated April 26, 2024 [as amended June 12, 2024](#). This disclosure document included the following Exhibits:

Exhibit A - Financial Statements	Addendum K, Consent, Waiver and Release for Training
Exhibit B - Franchise Agreement, with:	
Addendum A, Location of Agency;	Addendum L, Release from Continuing Obligations
Addendum B, Territory;	Addendum M, Confidentiality Agreement—Additional Information
Addendum C, Required Equipment;	Addendum N, Franchisee Ownership and Management Information
Addendum D, Items Pursuant to Specifications	Addendum O, Authorization to Initiate Debit Entries for Franchise Fees
Addendum E, Lease Conditional Assignment Agreement	Addendum P, Spousal Consent
Addendum F, Assignment of Telephone Numbers	Exhibit C - List of Current and Former franchisees
Addendum G, Personal Guaranty	Exhibit D - Manual Table of Contents
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Addendum I, Trade Secrets and Confidentiality Agreement	EXHIBIT F – State Agencies
Addendum J, Mutual Termination and Release Agreement	EXHIBIT G – Management Services Agreement
	EXHIBIT H - State Law Addenda
	EXHIBIT I – Receipt

DATED: _____

SIGNATURE

NAME (Please print)

WITNESS:

Address: