



FRANCHISE DISCLOSURE DOCUMENT



Assisting Hands Home Care, LLC

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Assisting Hands Home Care area representatives solicit, screen, recruit, develop, service and support third-party franchisees who operate Assisting Hands businesses within a specified ("AR Business(es)").

The total investment necessary to begin operation of an Assisting Hands Home Care area representative franchise is between \$177,300 and \$590,150. This includes between \$156,700 and \$503,200 that must be paid to the franchisor or its affiliate(s). Area Representatives must also purchase a pilot Assisting Hands business which is offered through a separate franchise disclosure document.

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 a 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 Lane Kofoed at 5700 E. Franklin Road, Suite #105, Nampa, Idaho 83687, (208) 321-5510.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, 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 agencies about them.

Issuance Date: April 20, 202318, 2024



How to Use This Franchise Disclosure Document

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

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

What You Need to Know About Franchising Generally

<u>Continuing responsibility to pay fees</u>. 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.

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About This Franchise

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

- 1. <u>Out-of-State Dispute Resolution</u>. The area representative agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Idaho. 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 Idaho than in your own state.
- 2. <u>Spousal Liability</u>. Your spouse must sign a document that makes your spouse liable for all financial obligations under the area representative 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. <u>Mandatory Minimum Payments</u>. You will be required to develop a minimum number of franchises in your development territory. If you fail to do so, you will be charged a weekly fee of \$250 per deficient franchise. Alternatively, we may, in our sole discretion, terminate your area representative agreement.
- 4. <u>Financial Condition</u>. The Franchisor's financial condition as reflected in the financial statements (see Item 21) calls into question the Franchisor's financial ability to provide services and support to you.

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

NOTICE REQUIRED BY STATE OF MICHIGAN

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

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

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

- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.
- (h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).
- (i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

The fact there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, 670 Williams Building, Lansing, Michigan 48913, telephone (517) 373-7117.

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.

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

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

To simplify the language in this Franchise Disclosure Document, "AHHC," "we," "our," or "us" means Assisting Hands Home Care, LLC, the franchisor. "You," "your," and "Area Representative" means the person who buys the franchise from Assisting Hands Home Care, LLC and its owners if you are a business entity.

The Franchisor

AHHC is an Arizona limited liability company organized on March 9, 2006. We operate under the name Assisting Hands Home Care, LLC, "Assisting Hands," "Assisting Hands Home Care," and no other name. Our principal business address is 5700 E. Franklin Road, Suite #105, Nampa, Idaho 83687. We began offering franchises for area representative franchises and single unit franchises in 2006. Currently, we offer unit franchises for businesses ("Assisting Hands Businesses") that offer non-medical, and for those franchisees that qualify, medical in-home support for those in need of assistance, temporary staffing services, and other related services and products (i.e., for franchisees who are not area representatives) under a separate Franchise Disclosure Document ("Unit FDD"). As of December 31, 20222023 we had 170185 Assisting Hands Business franchises. We do not conduct, and have never conducted, an area representative business of the type described in this Franchise Disclosure Document, but our affiliate operates Assisting Hands Businesses as described below. We do not conduct or franchise, and have never conducted or franchised, any business other than franchising Assisting Hands Businesses and AR Businesses. We do not have a parent entity or predecessor.

Our agent for service of process in Arizona is Corporation Service Company, 2338 W. Royal Road, Suite J, Phoenix, Arizona 85021. Our agents for service of process for other states are identified by state in Exhibit A. If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed above in which we have appointed an agent for service of process. There may also be additional agents appointed in some of the states listed.

Affiliate

We have one affiliate, Wada, Inc., ("Wada") which operates four Assisting Hands Businesses. Wada has operated an Assisting Hands Business located in Nampa, Idaho since 2006, an Assisting Hands Business located in Salmon, Idaho since 2018, and Assisting Hands Businesses located in Boise, Idaho and Fruitland, Idaho since 2008. The Nampa, Idaho location operated by Wada shares our principal business address at 5700 E. Franklin Road, Suite #105, Nampa, Idaho 83687. Wada does not, and has never conducted any business other than operating Assisting Hands Businesses. Wada has not ever offered franchises in this or any other line of business. Our subsidiary, Assisting Hands International, Inc. ("AHI") was formed in February 2020 and is in the business of pursuing the offer and sale of Assisting Hands franchises and licenses internationally. AHI has not ever offered franchises in any other line of business and does not conduct a business of the type described in this Franchise Disclosure Document.

The Franchise

The AR Business is the business of recruiting, developing and servicing Assisting Hands Business franchises. The Assisting Hands Business you operate is referred to as your "<u>Pilot Business</u>." As an area representative, you will operate both an Assisting Hands Business as well as an AR Business. Disclosures



regarding the Pilot Business you will operate are contained within a separate Unit FDD and you must sign a franchise agreement.

As an area representative, you will also be responsible for performing a variety of franchise sales, servicing and support functions. These services include soliciting, screening, recruiting, developing, establishing, servicing and supporting Assisting Hands Business franchises. We will delegate our franchise support obligations under the franchise agreements we sign with franchisees in your "Development Territory" (defined in Item 12) to you. We typically require area representatives to have operated an Assisting Hands Business for at least 11 months prior to purchasing an AR Franchise but we may shorten or extend this requirement in our sole discretion based on each individual candidate.

We will pay you the following commissions for revenues we receive from third-party franchisees that purchase Assisting Hands Business franchises in your Development Territory: 50% of the net initial franchise fees ("AR IFF Share") and 50% of the royalty fee (i.e., 50% of the 4%-5% royalty fee we receive from franchisees) ("AR Royalty Share"). The "net" initial franchise fee means the total amount of the initial franchise fee that we collect less any amounts we must pay to third-party brokers, in-house commissioned salespeople, online lead generation service companies or other referral sources, relating to the sale. You understand that you are essentially acting as our "referral agent" within your Development Territory. With our prior approval, you may engage other brokers, lead generation companies or referral sources to solicit and refer prospects to you. However, you are solely responsible for all brokerage and other fees owed to brokers, lead generation companies and referral sources that you engage. These fees will be paid out of the AR Royalty Share that we pay to you. If you purchase a Development Territory where an Assisting Hands Business is already under development or operating, you will not receive an AR Royalty Share for that Assisting Hands Business but you will be required to service and support those Assisting Hands Businesses.

You must sign our standard form of Area Representative Agreement, the form of which is attached to this Franchise Disclosure Document as Exhibit B ("Area Representative Agreement"). As an area representative, you will solicit and screen prospective franchisees to ensure they meet our minimum qualifications and requirements. You will refer any qualified prospect to us and we will decide whether to enter into a franchise agreement with the prospect. You are not authorized to sign franchise agreements or other binding agreements with franchisees. You are responsible for complying with all franchise laws relating to your solicitation of franchisees, including providing a copy of our current Franchise Disclosure Document in the time and manner required by applicable law (unless we choose to control the disclosure process ourselves). Most area representatives will set up an office ("AR Office") within their Pilot Business for purposes of conducting their area representative business. Some area representatives may wish to establish a separate office for this purpose. We may require you to open a separate office for your AR Business if your AR Business grows to the point where you are unable to successfully service it from your Pilot Business.

If we sign a franchise agreement for an Assisting Hands Business in your Development Territory, you must provide the franchisee with all pre-opening support and ongoing assistance that we require, including in the areas of site selection, lease negotiation, constructing, on-site training, grand opening assistance, and complying with our standards, specifications, policies and procedures. After the franchisee opens, you will provide the franchisee with all ongoing support and assistance that we require, including in the areas of sales and marketing support, general guidance and advice, and assistance with various operational and quality control issues. You will also help us administer the franchise system in your Development Territory by monitoring and inspecting the operations of Assisting Hands Businesses, assisting us with enforcing the terms of franchise agreements against franchisees that are in breach of their obligations, and assisting franchisees who seek to close or transfer their franchises.

You may begin recruiting and servicing franchisees following your successful completion of the area representative training program. If we sell a franchise in your Development Territory after you sign the Area Representative Agreement but before you begin recruiting or servicing franchisees, you will still receive the AR Royalty Share for that franchise.

You must develop the minimum number of Assisting Hands Businesses in your Development Territory with a specified development schedule ("<u>Development Schedule</u>"). Any Pilot Business that you directly own and operate will be counted in determining whether you are meeting your minimum development obligations. You must operate your Pilot Business as a condition to serving as an area representative and may not assign your Pilot Business or Area Representative Agreement without the other.

Area Representatives are granted a license to use certain logos, service marks and trademarks, including the service mark "Assisting Hands Home Care" and associated logo (the "Marks") in the operation of your AR Business. Assisting Hands Businesses are operated under our proprietary Assisting Hands system ("System"). The System and Marks may be changed or modified by us throughout your ownership of the AR Business.

The Market and Competition

As an area representative, you will compete with other similar franchises, business brokers, personal consultants, and businesses offering in-home care franchises, businesses, and business opportunities. You will market the Assisting Hands Business franchise opportunities available in your Development Territory to the general public, home care specialists, business entrepreneurs, and other qualified candidates. The market for the sale of franchises is competitive and well developed. Our services are not seasonal in nature.

Industry-Specific Regulations

You must comply with state and federal franchise sales and disclosure laws. You must also comply with all general laws which apply to your duties to help locate prospective franchisees and provide ongoing support services to franchisees in your Development Territory. The Federal Trade Commission's Rule on Franchising and Business Opportunity Ventures requires you to deliver certain disclosure documents in a prescribed form to prospective franchisees before they purchase an Assisting Hands franchise in your Development Territory. Depending on your state, there may also be regulations requiring you to provide audited financial statements, to register your disclosure documents with, and/or obtain a license from, a state agency or authority to operate as a franchise broker or solicit prospective franchisees. Some state franchise laws may govern your relationship with franchisees in your Development Territory. Investigate whether other regulations and requirements apply in the area in which you are interested in locating your AR Business, and consider both their effect and cost of compliance. You are responsible for investigating, understanding, and complying with all applicable laws, regulations, and requirements applicable to you and your AR Business. You should consult with a legal advisor about whether these and/or other requirements apply to your AR Business. You must also comply with all federal and state licensing and other regulatory requirements relating to the operation of your Pilot Business, which are described more fully in the Unit FDD. Some of these laws apply to businesses generally.

Item 1 of the Unit FDD describes the Assisting Hands Business franchise opportunity and provides more detail on the industry-specific regulations and the market and competition your Pilot Business will face.



ITEM 2 BUSINESS EXPERIENCE

Chief Executive Officer and President: Lane Kofoed, MAcc

Lane Kofoed serves as our Chief Executive Officer in Nampa, Idaho and has done so since January 2011. He also serves as our President in Nampa, Idaho and has done so since January 2010. Additionally, he is currently an owner of Park Lane Development, LLC of Boise, Idaho and has been since May 2005.

Senior Vice President and Director of Training and Support Services: Gail Stout

Gail Stout serves as our Senior Vice President in Rockledge, Florida and has done so since January 2022. Previously, Ms. Stout was our Vice President from January 2019 until December 2021. She has also served as our Director of Training and Support Services in Rockledge, Florida since August 2013.

Co-Founder and Board Member: Cline Waddell, MBA

Cline Waddell is our Co-Founder in Nampa, Idaho and has been since May 2006. He is a Board Member and has been since August 2014. He served as our Chief Financial Officer in Nampa, Idaho from May 2006 to October 2014. He was the owner and manager of an Assisting Home Care franchise in Boise, Idaho from April 2006 to October 2014.

Co-Founder and Board Member: Gail Silverstein, Ph.D.

Dr. Silverstein is our Co-Founder and Board Member in Mesa, Arizona and has been since May 2006. She was also an Area Representative for AHHC in Phoenix, Arizona from December 2008 to April 2021.

Chief Financial Officer: Tyler Moss, MAcc

Tyler Moss is our Chief Financial Officer in Nampa, Idaho and has been since January 2022. Previously, he was our Director of Finance and Accounting in Nampa, Idaho from January 2021 to December 2021. Prior to that, he served as our Accounting Manager in Nampa, Idaho from November 2016 until December 2020.

Chief Operating Officer: Andrew Dahle, MBA

Andrew Dahle is our Chief Operating Officer in Nampa, Idaho and has been since January 2022. Previously, he served as of Director of Franchising and Technology in Nampa, Idaho from January 2021 to December 2021. Prior to that, he served as our Franchise Manager in Nampa, Idaho from November 2016 until December 2020. Prior to this, he served as Executive Assistant to Lane Kofoed in Nampa, Idaho from August 2016 to October 2016.

Vice President: Deanna Keppel

Deanna Keppel is our Vice President in Chicago, Illinois and has been since January 2022. Previously, she served as our Director of Franchise Support Services in Chicago, Illinois from June 2016 to December 2021. Prior to this, she served as Director of Operations at Assisting Hands Naperville & Hinsdale in Naperville, Illinois from January 2009 to June 2016.



Director of Support Services: Marresa Musgrove

Marresa Musgrove is our Director of Support Services in Statesboro, Georgia and has been since January 2023. Previously, she was our Manager of Support Services from January 2022 to December 2022 and our Support Services Advisor in Raleigh, North Carolina from January 2019 to December 2021. Prior to this, she served as a Home Care Director at Care Advantage in Raleigh, North Carolina from January 2018 to December 2018. Prior to this, she served as Director of Home Care at LiveWell in Raleigh, North Carolina from January 2015 to January 2018.

Director of Franchise Development: Daniel Durney

Daniel Durney is our Director of Franchise Development in Mesa, Arizona and has been since March 2019. Prior to this, he worked as a consultant with FranMaster in Mesa, Arizona from November 2012 to March 2019.

ITEM 3 LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4 BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5 INITIAL FEES

Development Fee

You must pay a development fee ("<u>Development Fee</u>") ranging from \$156,500 to \$503,000 when you sign the Area Representative Agreement. The Development Fee includes the initial franchise fee for one Pilot Business. The amount of the Development Fee will depend upon the population statistics of your Development Territory and the projected number of Assisting Hands Business franchises to be established. We will supply you with a map of the proposed Development Territory which will contain a projection of the potential Assisting Hands Business franchises that can be developed. The actual number of Assisting Hands Business franchises that can be developed may vary from this projection. The mathematical formula is proprietary and we will disclose only the results of the calculation. The Development Fee is due in full at the time you sign the Area Representative Agreement and is deemed fully earned by us once paid and is not refundable under any circumstances. The range of the Development Fee is uniform to all area representatives. We may finance a portion of the Development Fee as described in Item 10.

During our fiscal year ended December 31, 20222023, collected Development Fees ranging between \$150157,000 and \$300365,000.

Convention Fee

Beginning on the first day of the month following completion of the initial training program, you must pay us our then-current convention fee (currently \$200 per month), which shall be credited towards our then-current total annual convention fee. Training typically takes place one month prior to opening



your AR Business, therefore, you can expect to pay one month of the Convention Fee the month around the time you open your AR Business. The convention fee is non-refundable.

Fee Deferral

Some states have imposed a fee deferral. Please refer to the State Addendum in $\underline{\text{Exhibit } F}$ to the Franchise Disclosure Document.

ITEM 6 OTHER FEES

Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Convention Fee	Currently \$2,400 per year billed in monthly installments of \$200. If the fee has not been paid in full because you did not pay the fee for the entire preceding 12-month period, the unpaid balance will be due in your final monthly installment	Due on 1st day of each month	Payable to us to help defray the cost of your attendance at any annual convention that we choose to hold. At least one person must attend the annual convention per Office. This fee is due regardless of whether or not you attend our annual convention in any given year. If you are unable to attend the annual convention, up to \$600 (\$50 per month paid actually by you for that convention during the preceding 12 months) will be refunded to you in a lump sum the month following the convention. You must pay your own travel costs. The final balance owed and monthly fee amount depends on the number of persons who attend. Additional guests may attend the convention at our then-current fee. You do not need to pay us the convention fee if you already pay it to us separately under a franchise agreement.
Supplier and Product Evaluation Fee	Costs of inspection (estimated to be approximately \$100 to \$500)	As incurred	Payable if we inspect a new product, service, or proposed supplier nominated by you.
Payment Service Fees	Up to 4% of total charge	As incurred	If payment is made to us or our affiliates by credit card for any fee required, we may charge a service charge of up to 4% of the total charge.
Technology Fee	Not currently charged. We may charge up to \$1,000 per month	Due on the 1st day of each month	If charged, this fee will cover certain technologies used in the operation of your AR Business. We reserve the right to license, sublicense, and create software and technology that Assisting Hands franchisees and area representatives must pay for and use. If we charge this fee, you will begin paying it with your first month of operations.

Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Insurance	You must reimburse our costs, plus a 20% administrative fee	On demand	If you fail to obtain insurance, we may obtain insurance for you, and you must reimburse us for the cost of insurance obtained plus 20% of the premium as an administrative cost of obtaining the insurance.
Interest	Lesser of 18% per annum or the highest commercial contract interest rate permitted by law	As incurred	Payable if any payment due to us or our affiliates is not made by the due date. Interest accrues from the original due date until payment is received in full.
Insufficient Funds Fee	\$100 per occurrence	As incurred	Payable if any check or EFT payment is not successful due to insufficient funds, stop payment, or any similar event.
Late Report Fee	\$100 per violation and \$100 per week	Your bank account will be debited for failure to submit any requested report within five days of request	Payable if you fail to submit any required report or financial statement when due. Fines collected are paid to us, or if established, the area representative advertising fund. You will continue to incur this fee until you submit the required report.
Audit Expenses	Cost of audit and inspection and any related accounting and legal expenses (we estimate this cost to be between \$1,000 and \$12,000), plus interest	On demand	Payable if the inspection or audit is necessary because of your failure to furnish any reports, supporting records, or other information or financial statements as required by the Area Representative Agreement.
Indemnification	All amounts (including attorney fees) incurred by us or otherwise required to be paid	As incurred	You must indemnify and reimburse us for any expenses or losses that we or our representatives incur related in any way to the AR Business.
Management Fee	\$250Our then-current fee (currently \$500 per day ₅), plus costs and expenses	As incurred	Payable if we manage the AR Business because you are in breach of the Area Representative Agreement.
Legal Costs and Professional Fees	Will vary under circumstances	As incurred	You must reimburse us for any legal or accounting fees that we incur as a result of any breach or termination of your Area Representative Agreement. You must reimburse us if we are required to incur any expenses in enforcing our rights against you under the Area Representative Agreement, or payable for any fees we incur for any transfer that is not completed.
Development Default Fee ⁽²⁾	\$250 per week per Assisting Hands Business that you are deficient in developing under the Development Schedule	On demand	You will pay us this fee if you fail to fulfill your obligations under the Development Schedule.



Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Area Representative Fund Contribution ⁽³⁾	Up to 2% of Gross Commissions ⁽³⁾	On demand	This fee will be used for a system-wide area representative advertising fund. We do not currently charge this fee.
Local Advertising Payment	The difference between the amount you spent on local advertising each month and your required AR local advertising requirement	On demand	You are required to spend a minimum of \$500 per month on the solicitation of new Assisting Hands Businesses for your Development Territory. You will not be required to spend this amount during the first six months of the term of the Area Representative Agreement. If you fail to spend this amount per month, we may require that you pay us or our affiliates the difference between the amount you spent and the required advertising expenditure, and we will spend it on your behalf.
Local and Regional Advertising Cooperatives	Established by cooperative members, not to exceed 5% of Gross Commissions	Established by cooperative members	We currently do not have a local or regional advertising cooperative but reserve the right to require one to be established in the future. The area of each local and regional advertising cooperative will be defined by us, based on our assessment of the area, and will include all Assisting Hands AR Businesses and Assisting Hands AR Businesses we own within the designated area. Area Representatives in each cooperative will contribute an amount to the cooperative for each AR Business that the Area Representative owns that exists within the cooperative's area. AR Businesses we own that exist within the cooperative on the same basis as Area Representatives. In no event will the contribution exceed 5% of each member's Gross Commissions. We anticipate that all Assisting Hands AR Businesses we own within the designated area will have one vote. Item 11 contains more information about advertising cooperatives.
Additional Training Requested by You	Our then-current fee (currently \$500 per day), plus all travel, lodging and living expenses for our personnel	As incurred	Payable if you request, and we agree to provide, additional training at any AR Office (defined in Item 7) that we require you to open. Training requirements are discussed in Item 11.



Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Support Services Fee	Our then-current fee (currently \$500 per day), plus all travel, lodging and living expenses for our personnel	As incurred	Payable if we provide any training or other support services to franchisees that you must provide as an Area Representative.
AR Business Renewal Fee	The greater of \$15,000 or \$1,000 multiplied by the number of Assisting Hands Businesses operating in your Development Territory, including all Pilot Businesses and Assisting Hands Businesses owned by you	At the time you sign the new area representative agreement	Payable if you enter into a successor area representative agreement.
Transfer Fee	The greater of \$25,000 or 10% of the Development Fee	\$5,000 non-refundable deposit at time of transfer application submittal and the remaining balance of fee at time of approved transfer	Payable only in connection with the transfer of your area representative franchise, a controlling interest in the AR Business, or Area Representative Agreement.
Liquidated Damages ⁽⁵⁾	If the AR Business has opened for business, the greater of: (i) \$30,000; or (ii) the product of \$5,000 multiplied by the number of Assisting Hands Businesses then operating in your Development Territory, plus our attorney fees and costs; or \$10,000 if the AR Business has not opened at the time of the termination	Within 15 days of termination of the Area Representative Agreement	Payable if your Area Representative Agreement is terminated before your term expires.
Broker Fees	Our actual cost of the brokerage commissions, finder's fees and similar charges	As incurred	If you transfer your AR Business to a third party or purchaser, you must reimburse all of our actual costs for commissions, finder's fees and similar charges.

Notes:

1. <u>Fees.</u> All fees paid to us or our affiliates are uniform and non-refundable under any circumstances once paid. All fees are imposed and collected by us. Fees paid to vendors or other suppliers may be refundable depending on the vendors and suppliers. We require you to pay fees and other amounts due to us via electronic funds transfer ("<u>EFT</u>") or other similar means. You are required to complete the EFT authorization (in the form attached to this Franchise Disclosure Document in <u>Exhibit H</u>) for direct debits from your business bank operating account. We have the right to periodically specify (in the confidential operations manual or otherwise in writing) different payees

and/or payment methods, such as, but not limited to, weekly/biweekly/monthly payment, payment by auto-draft, credit card, and payment by check. Other fees associated with operating your Pilot Business are disclosed in Item 6 of the Unit FDD. All fees are current as of the Issuance Date of this Franchise Disclosure Document. Certain fees that we have indicated may increase over the term of the Franchise Agreement. Also, any fee expressed as a fixed dollar amount is subject to adjustment based on changes to the Consumer Price Index ("CPI") in the United States. We may periodically review and increase these fees based on changes to the CPI (in addition to any other increase), but only if the increase to the CPI is more than 5% higher than the corresponding CPI in effect on: (a) the effective date of your Franchise Agreement (for the initial fee adjustments); or (b) the date we implemented the last fee adjustment (for subsequent fee adjustments). We will notify you of any CPI adjustment at least 60 days before the fee adjustment becomes effective. We will implement no more than one CPI-related fee adjustment during any calendar year.

- 2. <u>Development Default Fee.</u> The purpose of the development default fee is to compensate us for lost revenues resulting from your failure to fulfill your obligations under the development schedule. Your failure to meet the development schedule is a material breach of the Area Representative Agreement. We may, in our sole discretion, collect the development default fee and grant you an extension of the development schedule or terminate the Area Representative Agreement.
- 3. <u>Gross Commissions</u>. "<u>Gross Commissions</u>" mean the total of all revenue and receipts derived from the operation of the AR Business, including all amounts received by you as compensation under the Area Representative Agreement.
- 4. <u>Liquidated Damages</u>. You must pay liquidated damages plus any costs and attorney fees incurred by us if you improperly attempt to terminate or close your AR Business before your term expires, or if we terminate your AR Business as a result of an uncured or incurable default by you of the Area Representative Agreement.

ITEM 7 ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

	Am	ount	Method of		To Whom
Type of Expenditure	Low	High	Payment	When Due	Payment is to be Paid
Development Fee ⁽¹⁾	\$156,500	\$503,000	Lump sum	When you sign the Area Representative Agreement	Us
Utility and Security Deposits ⁽²⁾	\$500	\$4,000	As incurred	Before opening	Landlord and/or utility companies
3 Month's Lease Payments ⁽³⁾	\$1,500	\$6,000	Lump sum	Monthly (with security deposit paid before opening)	Landlord
Leasehold Improvements ⁽⁴⁾	\$0	\$7,000	As incurred	Before opening	Landlord or construction contractors
Office Furnishings ⁽⁵⁾	\$1,500	\$6,000	As incurred	Before opening	Suppliers



	Am	ount	Method of		To Whom
Type of Expenditure	Low	High	Payment	When Due	Payment is to be Paid
Business Licenses and Permits	\$150	\$500	As incurred	Before opening	Government agencies
Initial Training Expenses ⁽⁶⁾	\$2,000	\$4,000	As incurred	As incurred	Providers of travel, lodging, and food services
Telecommunications Services and Advertising ⁽⁷⁾	\$1,500	\$3,000	As incurred	As incurred	Third parties
Professional Fees ⁽⁸⁾	\$2,000	\$5,000	As incurred	Before opening	Third parties
Insurance ⁽⁹⁾	\$500	\$1,000	As incurred	Before opening	Insurer
Convention Fee ⁽¹⁰⁾	\$200	\$200	As incurred	Before opening	Us
Additional Funds-3 Months ⁽¹¹⁾	\$10,950	\$50,450	As incurred	As incurred	Third parties
TOTAL ESTIMATED INITIAL INVESTMENT ⁽¹²⁾⁽¹³⁾	\$177,300	\$590,150			

Notes:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your AR Business. We may finance your Development Fee, but not any other fees or expenses payable to us (Item 10 has more information regarding this financing). The availability and terms of financing depend on your creditworthiness. All expenses payable to third parties are non-refundable, except as you may arrange for utility deposits and other payments.

- 1. Development Fee. See Item 5 for additional information about your Development Fee.
- 2. <u>Utility and Security Deposits</u>. This estimate includes security deposits required by the landlord and utility companies, but not your telecommunications service.
- 3. <u>3 Months' Lease Payments</u>. The low estimate assumes you operate your AR Business from your Pilot Business (See Item 7 of the Unit FDD for additional details on the estimated investment for the Pilot Business), while the high end assumes you will lease a separate office, and includes three month's lease payments. At this time, we do not have any standards or specifications for offices used by area representatives, except that if we require you to open an AR Office due to growth of the AR Business, the site must be at least 1,000 square feet, be located in a standard business area, and present a professional appearance.
- 4. <u>Leasehold Improvements</u>. This estimate does not include any construction allowances that may be offered by your landlord. Building and construction costs will vary depending upon the condition of the premises for your AR Office, the size of the premises, and local construction costs.



- 5. <u>Office Furnishings</u>. This estimate includes workstations, chairs, shelving, supplies, and other items. You may be able to lease these items through an office furniture rental company at a reduced rate. It is your choice as to whether you purchase or lease these items and from whom to purchase or lease them.
- 6. <u>Initial Training Expenses</u>. We provide training at our national office in Nampa, Idaho, our training center in Miami, Florida, or at another location designated by us. You must pay for airfare, meals, transportation costs, lodging, and incidental expenses for all initial training program attendees. Initial training is provided at no charge for up to three people, one of whom must be a "<u>Principal Owner</u>" (see Item 15) and any "<u>General Manager</u>," (see Item 15).
- 7. <u>Telecommunication Services and Advertising.</u> This estimate includes the cost for utility deposits for the AR Office. This estimate also includes the security deposits and service fees for your telecommunications system and telephone directory advertising fees.
- 8. <u>Professional Fees</u>. This estimate includes legal fees, accounting fees, and other professional fees you may incur to incorporate your business, perform all necessary tax filings, and perform other tasks such as establishing a general ledger, tax reports, and payroll deposits. Rates for professionals can vary significantly based on area and experience.
- 9. <u>Insurance</u>. You must obtain and maintain, at your own expense, the insurance coverage we require, and satisfy other insurance-related obligations. Please note that if you have had prior issues or claims from previous operations unrelated to the operation of an AR Business, your rates may be significantly higher than those estimated above.
- 10. <u>Convention Fee</u>. This estimate assumes you will pay one monthly convention fee prior to opening.
- 11. Additional Funds 3 months. This estimate includes your initial start-up expenses during the first three months of operation (other than the initial marketing expenditure identified below, which is for the first six months of operation). These expenses include unforeseen costs, employment costs including hiring expenditures, and payroll costs during the first three months of operation, but not any draw or salary for you. Also included are first three months of the \$200 per month convention fee paid after opening. Additionally, we have included an estimate of \$7,500 to \$25,000 for an "Initial Marketing Expenditure" for the first six months of operation for advertising, marketing and promotional materials to market the Assisting Hands Business opportunities in your Development Territory. These figures are estimates, and we cannot guarantee you will not have additional expenses starting the business. Our estimates are based on our experience in the sale of area representative franchises and unit franchises since 2006.
- 12. This is an estimate of your initial startup expenses for one AR Business. You should review these figures carefully with a business advisor before making any decision to purchase the AR Business.
- 13. <u>Pilot Business</u>. You will be required to purchase a Pilot Business. The estimated initial expenses for establishing and operating your Pilot Business are disclosed in Item 7 of the Unit FDD.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must operate your AR Business according to our System and specifications. This includes purchasing or leasing all goods, services, supplies, fixtures, equipment, inventory, computer hardware and



software should these purchases be required in the future (See Item 11), and real estate related to establishing and operating the AR Business under our specifications, which may include purchasing these items from: (i) our designees, (ii) approved suppliers, and/or (iii) us or our affiliates. You must not deviate from these methods, standards and specifications without our prior written consent, or otherwise operate in any manner which reflects adversely on our Marks or the System.

Our confidential area representative operations and support training guide and sales manual (collectively "AR Manuals") states our specifications, standards and guidelines for all products and services we require you to obtain in establishing and operating your AR Business and approved vendors for these products and services. "Manuals" shall include both the AR Manuals and the "Confidential Operations Manual," which is described in the Unit FDD and is used in the operation of the Pilot Business. We will notify you of new or modified specifications, standards and guidelines through periodic amendments or supplements to the Manuals or through other written communication (including electronic communication such as email or through a system-wide intranet).

You must purchase, install, maintain in sufficient supply and use,—only fixtures, furnishings, equipment, signs and supplies that conform to the standards and specifications described in the Manuals or otherwise in writing. Neither we nor any affiliates have received any revenue, rebates or other material consideration based on the required purchases or leases for our fiscal year ended December 31, 20222023.

We are not currently an approved supplier of any goods or services provided to franchisees. We, and our affiliates, reserve the right to become approved suppliers of any products. There are no approved or designated suppliers in which any of our officers owns an interest. We currently do not receive any consideration from franchisee purchases. Although it is not currently our practice to do so, we may receive rebates, payments or other material benefits from suppliers based on franchisee purchases and we have no obligation to pass them on to our franchisees or use them in any particular manner.

You must obtain the insurance coverage required under the Area Representative Agreement. The types and amounts of insurance coverage you must obtain and maintain include: (i) comprehensive public, professional, product and motor vehicle liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the operation of any AR Office under one or more policies of insurance containing minimum liability coverage amounts of \$1,000,000 per occurrence/\$3,000,000 aggregate as set forth in the AR Manuals; (ii) general casualty insurance, including theft, cash theft, fire and extended coverage, vandalism and malicious mischief insurance, for the replacement value of the AR Office and its contents, and any other assets of the Area Representative franchise; (iii) worker's compensation and employer's liability insurance as required by law, with limits equal to or in excess of those required by statute; (iv) business interruption insurance for a period adequate to reestablish normal business operations, but not less than six months; (v) errors & omissions insurance in an amount not less than \$1,000,000 per occurrence; (vi) any other insurance required by applicable law, rule, regulation, ordinance or licensing requirements; and (vii) employment practices liability insurance. The insurance company must be authorized to do business in the state where your AR Business is located and must be approved by us. It must also be rated "A" or better by A.M. Best & Company, Inc. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage at any time. All insurance policies must name us and any affiliates we designate as additional named insured parties and you must provide a certificate of coverage to us.

We will provide you with a list of our designated and approved suppliers in the Manuals. If you want to use or sell a product or service that we have not yet evaluated, or if you want to purchase or lease a product or service from a supplier or provider that we have not yet approved (for services and products

that require supplier approval), you must notify us and submit to us the information, specifications and samples we request. We will use commercially reasonable efforts to notify you within 30 days after receiving all requested information and materials whether you are authorized to purchase or lease the product or service from that supplier or provider. We reserve the right to charge a fee to evaluate the proposed product, service or supplier with costs of inspection being approximately \$100 to \$500. We apply the following general criteria in approving a proposed supplier: (1) ability to purchase the product in bulk; (2) quality of services; (3) production and delivery capability; (4) proximity to other Assisting Hands franchisees to ensure timely deliveries of the product or services; (5) the dependability of the supplier; and (6) other factors. The supplier may also be required to sign a supplier agreement with us. We may periodically re-inspect approved suppliers' facilities and products and we reserve the right to revoke our approval of any supplier, product or service that does not continue to meet our specifications. We will send written notice of any revocation of an approved supplier, product or service. We do not provide material benefits to you based solely on your use of designated or approved sources.

We estimate that approximately 50% of purchases required to open your AR Business and 50% of purchases required to operate your AR Business will be from us or from other approved suppliers or under our specifications. We and our affiliates may receive rebates from some suppliers based on your purchase of services and products.

Please refer to Item 8 of the Unit FDD for an estimate of the percentage of purchases from us or other approved suppliers and under our specifications that are required to open and operate the Pilot Business.

We may negotiate purchase arrangements with suppliers and distributors for the benefit of our franchisees and we may receive rebates or volume discounts from our purchase of equipment and supplies that we resell to you. We currently do not have any purchasing or distribution cooperatives.

ITEM 9 FRANCHISEE'S OBLIGATIONS

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

	Obligation	Section in Area Representative Agreement	Item in Franchise Disclosure Document
a.	Site selection and acquisition/lease	Section 10.15	Items 7, 8, and 11
b.	Pre-opening purchases/leases	Sections 3.2, 3.3, 3.4, and 3.5	Items 7, 8, and 11
c.	Site development and other pre-opening requirements	Sections 3.2, 3.3, 3.4, and 3.5	Items 7, 8, and 11
d.	Initial and ongoing training	Sections 4, 5.2, and 5.3	Items 5, 6, 7, and 11
e.	Opening	Sections 3.2 and 3.5	Items 7 and 11
f.	Fees	Sections 2.4, 3.3, 4.2, 5.2, 5.3, 5.4, 6.1, 6.2, 6.4, 6.5, 6.6, 10.1, 10.6, 10.8, 10.13, 11.1, 12, 13.2, 14.5, 15, and 16.7	Items 5, 6, 7, 8, and 11
g.	Compliance with standards and policies/AR manuals	Sections 2.4, 3.2, 3.4, 3.5, 5.3, 5.4, 5.5, 7, 9, and 10	Items 8, 11, and 12
h.	Trademarks and proprietary information	Sections 7 and 9	Items 13 and 14



	Obligation	Section in Area Representative Agreement	Item in Franchise Disclosure Document
i.	Restrictions on products/services offered	Sections 10.2 and 10.8	Item 16
j.	Warranty and customer service requirements	Sections 10.9 and 10.12	None
k.	Territorial development and sales quotas	Sections 2.3 and 10.3	Item 12
1.	Ongoing product/service purchases	Sections 3.3, 5.3, 10.2, 10.8, 10.13, and 11.1	Items 8 and 11
m.	Maintenance, appearance, and remodeling requirements	Sections 10.1 and 10.10	Items 8 and 11
n.	Insurance	Section 10.13	Items 6, 7, and 8
0.	Advertising	Sections 6.4 and 11	Items 6, 7, and 11
p.	Indemnification	Section 8.3	Items 6 and 13
q.	Owner's participation/ management and staffing	Sections 4.2 and 10.7	Items 11 and 16
r.	Records and reports	Section 12	Item 6
s.	Inspections and audits	Section 13	Item 6
t.	Transfer	Section 14	Items 6 and 17
u.	Renewal	Section 2.4	Item 17
v.	Post-termination obligations	Section 16	Item 17
w.	Non-competition covenants	Sections 9.3, 14.5, 16.5, and 17.1	Item 17
x.	Dispute resolution	Sections 17.8, 17.9, and 17.10	Item 17
y.	Other - provide referral services/solicitation of prospective franchisees	Sections 1, 3.5, 10.3, 10.4, and 10.5	Items 1 and 11
Z.	Other - provide support services/train franchisees in Development Territory	Sections 1 and 10.6	Items 1, 6, and 11
aa.	Other - liquidated damages	Section 15	Item 6

Please refer to the Unit FDD for a list of your principal obligations under the Pilot Business franchise agreement.

ITEM 10 FINANCING

We do not regularly offer financing for our franchisees. However, under certain situations, we may choose to extend financing for the Development Fee. The terms of repayment of the financing, such as the number of monthly payments to be made, are negotiated on an individual basis depending on the circumstances of the purchase, the Development Quota (as defined in Item 12), and the total amount to be financed by us. A copy of the form of "Promissory Note" and the accompanying "Security Agreement" used by us for this type of financing is attached in Exhibit H to this Franchise Disclosure Document. You may prepay any portion of the Promissory Note at any time without any penalty.

Typically, a down payment of between 60% and 70% of the Development Fee is made and the Promissory Note for the remainder is signed. The Security Agreement requires that a security in the AR Business and all assets of the AR Business be pledged. The Promissory Note requires the accrual of interest at an agreed upon rate of 10% calculated monthly on the unpaid balance as of the last day of each month.



The Promissory Note must be signed by you and personally guaranteed by your owners (if you are a legal entity). You must also pay all costs of collecting the amounts due under the Promissory Note, including attorney fees and court costs. A default under the Promissory Note would be a default under the Pilot Business franchise agreement and Area Representative Agreement and may result in the termination of your Pilot Business franchise agreement and Area Representative Agreement and the accelerated obligation to pay the entire outstanding principal balance and interest of the Promissory Note. It is not our practice to sell, assign, or discount the Promissory Note to a third party. The Promissory Note requires you to waive presentment, demand for payment, protest for nonpayment, notice of dishonor, diligence in collection, and all other indulgences.

We do not arrange any other type of financing from any other source.

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

Except as listed below, AHHC is not required to provide you with any assistance.

Pre-Opening Obligations

Before the opening of your AR Business, we (or our affiliate or designee) will provide the following assistance and services to you:

- 1. Designate your Development Territory (Area Representative Agreement Section 2.3).
- 2. Provide an area representative initial training program ("<u>AR Training Program</u>") (Area Representative Agreement Section 4.1).
- 3. Lend to you one copy of our confidential and proprietary AR Manuals, which contains uniform procedures for the operation of your AR Business and the standards and specifications for Assisting Hands Business franchise sales and promotional materials (Area Representative Agreement Section 5.4). The AR Manuals contain approximately 93 pages in the sales manual and 18 pages in the operations and support training guide. The table of contents for the AR Manuals are attached to this Franchise Disclosure Document as Exhibit G.
- 4. Review and approve or disapprove your advertising, marketing, and promotional materials (Area Representative Agreement Section 11.1)
- 5. Provide any additional assistance or guidance we deem appropriate regarding the opening of your AR Business (Area Representative Agreement Section 3.5).

We do not provide the above services to renewal area representatives and may not provide all of the above services to area representative franchisees that purchase existing AR Businesses.

Site Selection

We have no minimum requirements or specifications for your AR Office except that it must be located in a standard business area and must present a professional appearance and if it is an AR Office that we require you to open, the proposed site must be at least 1,000 square feet. We also do not require that



you purchase any specific office furniture, equipment or supplies for your AR Office at this time. We reserve the right to impose these or other requirements or specifications in the future. Your AR Office must be located within your Development Territory. If you elect to establish an AR Office on your own, we will not select a site for your AR Office or identify an area within which you must establish your AR Office, and you do not need our approval of the location of your AR Office. If we require you to open an AR Office based on the growth of the AR Business, you must locate a site within 90 days after receiving notice from us, and obtain our approval. We may, but are not required to, assist you in selecting your AR Office site. You will submit the proposed site for our approval. We will approve or disapprove your proposed AR Office site location within 30 days of receiving all of the information and materials that we request from you. We generally do not own the premises and lease it to you. Unless otherwise agreed by us in writing, you must commence operation of your AR Office within six months of receiving notice from us of your obligation to open an AR Office or we may terminate the Area Representative Agreement (Area Representative Agreement – Sections 5.1 and 10.15).

Schedule for Opening

The typical length of time between signing the Area Representative Agreement or the payment of any fees and the opening of the AR Business is approximately two to three months. You must complete the AR Training Program and commence operation of your AR Business within six months of signing the Area Representative Agreement. Some factors which may affect this timing are your ability to secure any necessary financing, whether you must prepare and file any documentation, whether you must register as a franchise broker in any state in which your Development Territory is located, the timing of our renewal of our Unit FDD, and completion of required training.

Continuing Obligations

During the term of the Area Representative Agreement, we (or our affiliate or designee) will provide the following assistance and services to you:

- 1. Provide advice regarding the AR Business' operation based on reports or inspections. Advice will be given during our regular business hours and via written materials, electronic media, telephone, at our national office in Nampa, Idaho, or other locations we designate, including at your AR Office or Pilot Business (Area Representative Agreement Section 5.3).
- 2. Provide access to franchise sales advertising and promotional materials, the franchise agreement, and Franchise Disclosure Document, as developed and updated by us (Area Representative Agreement Sections 5.3, 5.5, 5.6, 10.5).
- 3. Establish operating standards and specifications for the operation of your AR Business in the AR Manuals. We may change or update these procedures, standards, and specifications at our discretion. You must strictly follow these procedures, standards, and specifications in the AR Manuals and in the Area Representative Agreement. Failure to do so is grounds for termination of your Area Representative Agreement (Area Representative Agreement Section 15).
- 4. Provide access to our website and access to communication regarding the System, the AR Manuals, the Confidential Operations Manual, and other issues affecting the Development Territory (Area Representative Agreement Sections 5.3, 5.4, 5.5, 5.6).
- 5. Provide guidance relating to marketing and advertising for prospective franchisees and use of the Marks (Area Representative Agreement Sections 5.3, 5.4, 5.5, 5.6)).



- 6. Pay you the AR IFF Share and AR Royalty Share. Each payment will be paid to you in our normal weekly payment schedule within 30 days after the franchisee's payment funds clear our bank account (Area Representative Agreement Section 6.3).
- 7. Review and approve or disapprove your advertising, marketing, and promotional materials (Area Representative Agreement Section 11.1).
- 8. Review and approve or disapprove of any disclosure document, disclosures, or other documentation that you may be required to prepare, amend, or file to fulfill your responsibilities to solicit, recruit, and screen prospective franchisees (Area Representative Agreement Section 10.5).

Some area representatives will require different amounts of assistance, and our assistance is not intended to be divided equally among all area representatives. We may make any determination as to the manner and extent of necessary support for each specific area representative.

Optional Assistance

During the term of the Area Representative Agreement, we (or our affiliate or designee) may, but are not required to, provide the following assistance and services to you:

- 1. Provide on-site training or assistance that you request at a mutually convenient time. (Area Representative Agreement Section 5.2)
 - 2. Provide periodic refresher or additional training programs for area representatives.
- 3. Hold periodic national area representative conferences to discuss business and operational issues affecting area representatives. (Area Representative Agreement Section 5.2)
- 4. Establish an area representative advisory council to provide us with suggestions to improve the Assisting Hands franchise system and the method of operation of area representatives.
 - 5. Establish an area representative advertising fund.
- 6. Establish minimum and maximum resale prices for use with multi-area marketing programs and special price promotions as allowed by law.

Advertising

Area Representative Fund

We reserve the right to create an area representative fund ("<u>AR Fund</u>") for marketing, developing and promoting the AR System, the Marks and AR Businesses. We currently do not charge, but reserve the right to require that you make a contribution ("<u>AR Fund Contribution</u>") of up to 2% of your Gross Commissions to our AR Fund. The AR Fund will be administered by us, or our affiliate or designees, at our discretion, and we may use a professional advertising agency or media buyer to assist us. The AR Fund will be in a separate bank account, commercial account or savings account.

We have complete discretion on how the AR Fund will be utilized. We will use the AR Fund contributions principally for advertising that is a solicitation for the sale of franchises. We may use the AR



Fund for local, regional or national marketing, advertising, sales promotion and promotional materials, public and consumer relations, website development and search engine optimization, the development of technology for the System and any other marketing or purpose related to the solicitation of new Assisting Hands Business franchises. We may reimburse ourselves, our authorized representatives or our affiliates from the AR Fund for administrative costs, independent audits, reasonable accounting, bookkeeping, reporting and legal expenses, taxes and all other direct or indirect expenses associated with the programs funded by the AR Fund. We do not guarantee that advertising expenditures from the AR Fund will benefit you or any other franchisee directly, on a pro rata basis, or at all. We are not obligated to spend any amount on advertising in the geographical area where you are or will be located.

We assume no fiduciary duty to you or other direct or indirect liability or obligation to collect amounts due to the AR Fund or to maintain, direct or administer the AR Fund. Any unused funds in any calendar year will be applied to the following year's funds, and we reserve the right to contribute to or loan additional funds to the AR Fund on any terms we deem reasonable.

The AR Fund will not be audited. We will provide an annual unaudited accounting for the AR Fund that shows how the AR Fund proceeds have been spent for the previous year upon written request. We did not collect any AR Fund Contributions during our last fiscal year ended December 31, 20222023.

Area Representative Local Advertising

You are required to make an Initial Marketing Expenditure for initial marketing and advertising in the amount or at a level that we specify in <u>Attachment A</u> to the Area Representative Agreement.

You must spend a minimum of \$500 per month on the solicitation of new franchisees for your Development Territory ("AR Local Advertising Requirement") beginning with the seventh month after you sign the Area Representative Agreement. You must submit an accounting of the amounts spent on franchise development at least quarterly, unless otherwise specified by us. If you fail to spend the AR Local Advertising Requirement, we may require that you pay the monthly amount directly to us so that we may conduct the advertising on your behalf. You will be solely responsible and liable to ensure that all advertising, marketing, and promotional materials and activities you prepare comply with applicable federal, state, and local laws, and the conditions of any agreements or orders to which you may be subject. You may prepare your own advertising and marketing programs and materials, but must obtain our prior written approval of all such programs and materials (including without limitation all related graphics, copy, and scripts). You are responsible for registering any advertisements if your state requires it. We will provide written notice to you of our approval or disapproval of your proposed advertising program or materials within 30 days of their submission by you and will not unreasonably withhold our approval. If you do not receive our written approval or disapproval within the aforementioned 30-day period, the materials submitted will be deemed disapproved. You agree not to use any materials we have disapproved. If you use unauthorized advertising materials, you must pay a fee of \$500 per occurrence to us or the AR Fund. Except as described above, we are not obligated to spend any amount on advertising in the geographical area where your AR Business is or will be located. Your Pilot Business must comply with the advertising programs and requirements for Assisting Hands Businesses, which are described in more detail in Item 11 of the Unit FDD.

Area Representative Advisory Councils

We currently do not have, but may form an Advisory Council ("Council") to advise us on advertising policies. The purpose of the Council is to provide input regarding the AR Fund and to assist franchisees and us in communicating about advertising strategies. The Council will be governed by bylaws.



We will select the Council's members, and we may change or dissolve the Council at any time in our sole discretion. We anticipate that a Council would serve in an advisory capacity, but may grant to the Council any operational or decision-making powers that we deem appropriate. You agree to participate in, and, if required become a member of any advisory councils or similar organizations we may form or organize for area representative franchises.

-Area Representative Local and Regional Advertising Cooperatives

We currently do not have, but we may establish, local and/or regional advertising cooperatives. The area of each local and regional advertising cooperative will be defined by us, based on our assessment of the area, and will include all franchised AR Businesses and AR Businesses we own within the designated area. Area representatives in each cooperative will contribute an amount to the cooperative for each AR Business that the area representative owns that exists within the cooperative's area. AR Businesses we own that exist within the cooperative's area will contribute to the cooperative on the same basis as area representatives. Members of the cooperative will be responsible for administering the cooperative, including determining the amount of contributions from each member. In no event will the contribution exceed 5% of each member's Gross Revenues. We anticipate that all franchised AR Businesses and AR Businesses we own within the designated area will have one vote. We may require that each cooperative operate with governing documents, including any membership agreement that we may require, which will be made available in advance for your review. Each cooperative must prepare annual unaudited financial statements and such statements will be provided for review to each member of the cooperative. We reserve the right to form, change, dissolve, or merge any advertising cooperative formed in the future. If we elect to form such cooperatives, or if such cooperatives already exist near your territory, you must participate in compliance with the provisions of the AR Manuals, which we may periodically modify in our discretion.

Websites

We have established a website for AR Businesses ("<u>System Website</u>"). We intend that any franchisee website will be accessed only through our System Website.

If you wish to advertise online, you must follow our online policy which is contained in our Manuals. Our online policy may change as technology and the internet changes. Under our online policy, we may retain the sole right to market on the internet, including all use of websites, domain names and advertising. We may restrict your use of social media. We may not allow you to independently market on the internet, or use any domain name, address, locator, link, metatag, or search technique with words or symbols similar to the Marks.

As long as we maintain a System Website and have established the AR Fund, we will have the right to use the AR Fund's assets to develop, maintain and update the System Website. We may update and modify the System Website from time to time. You must promptly notify us whenever any information on your listing changes or is not accurate. We have final approval rights of all information on the System Website. We may implement and periodically modify System Standards relating to the System Website.

We are only required to reference your AR Business on the System Website while you are in full compliance with your Area Development Agreement and all System standards.

Computer System

We do not require that area representatives use any specialized computer system for the AR Business. However, we may impose this requirement in the future. If we do require area representatives



use a specialized computer system in the future, we will have the right to independently access your electronic information and data through our proprietary data management and intranet system and to collect and use your electronic information and data in any manner we promote developing the System and the sale of Franchises. This may include posting financial information of each area representative on an intranet website or using this information to make a financial performance representation in our Franchise Disclosure Document. There is no contractual limitation on our right to receive or use information through our proprietary data management and intranet system. Please refer to Item 11 of the Unit FDD for information regarding computer system requirements related to the Pilot Business.

Training

Initial Training

You (if you are an individual) or at least one of your Principal Owners, defined in Item 15 (if you are a legal entity) and your General Manager, also defined in Item 15 (if applicable) must attend and successfully complete to our satisfaction our AR Training Program. Our AR Training Program takes place at our national office in Nampa, Idaho, our training headquarters in Miami, Florida or at another location we designate. The AR Training Program comprises three to four days of instruction in general franchise sales/marketing techniques, orientation to the System, legal compliance issues, business operations, and strategies for training and supporting Assisting Hands franchise owners. You (if you are an individual) or least one of your Principal Owners (if you are a legal entity) and your General Manager if you have one will also be required to attend and complete the initial training program for Assisting Hands Businesses outlined in Item 11 of the Unit FDD and you will be required to bring two additional people to ensure you will have adequate support for both the Pilot Business and the AR Business.

Only you and any General Manager may participate in our AR Training Program without charge. You must pay all transportation, lodging and living expenses incurred by you and a General Manager when you attend the training program. Training typically takes place one month prior to opening your AR Business. You and your General Manager must complete the AR Training Program not less than seven days before your AR Business opens for business. Unless we give you written permission, you and your General Manager must complete the AR Training Program before you open your AR Business, place your first advertisement for the sale of franchises or conduct your first sales call with a prospective franchisee. You and your General Manager must also complete the initial training program for Assisting Hands Businesses to our satisfaction.

You or your General Manager must attend, at your expense, every seminar, convention, continuing development program, or regional or national meeting presented by us to discuss common objectives for the System, such as advertising programs, new methods and programs in operations, training, management, sales, advertising and sales promotion to the extent any programs, meetings and seminars are offered by us.

We plan to provide the training listed in the table below. The hours presented for each subject are estimates and may change. We currently do not have a set training schedule but will conduct training on an as-needed basis.

AREA REPRESENTATIVE TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Welcome and Introduction/ Area Representative Responsibilities	0.5	0	Our national office in Nampa, Idaho, our training center in Miami, Florida, or another location that we designate
Legal Issues and the Franchise Sales Process	0.5	0	Our national office in Nampa, Idaho, our training center in Miami, Florida, or another location that we designate
Developing a Compliance System	1.0	0	Our national office in Nampa, Idaho, our training center in Miami, Florida, or another location that we designate
Demographics and Site Selection	0.5	0	Our national office in Nampa, Idaho, our training center in Miami, Florida, or another location that we designate
Profile of Franchise Buyers	2.0	0	Our national office in Nampa, Idaho, our training center in Miami, Florida, or another location that we designate
Marketing the Assisting Hands Franchise	1.5	0	Our national office in Nampa, Idaho, our training center in Miami, Florida, or another location that we designate
Selling the Assisting Hands Franchise	2.0	0	Our national office in Nampa, Idaho, our training center in Miami, Florida, or another location that we designate
The Franchisee Interview	0.5	0	Our national office in Nampa, Idaho, our training center in Miami, Florida, or another location that we designate
Evaluating Franchise Candidates	0.5	0	Our national office in Nampa, Idaho, our training center in Miami, Florida, or another location that we designate
Completing the Franchise Sale	4.0	0	Our national office in Nampa, Idaho, our training center in Miami, Florida, or another location that we designate
Opening your First Assisting Hands Business	1.0	0	Our national office in Nampa, Idaho, our training center in Miami, Florida, or another location that we designate
Total Hours:	14	0	

Notes:

- 1. Most of these subjects are integrated throughout the classroom training program (comprising approximately 14 hours of classroom training over three to four days). Training will be scheduled at our location during a week appointed by us. We reserve the right to vary the length and content of the AR Training Program based upon the experience and skill level of the individual attending the AR Training Program.
- 2. Lane Kofoed, our President and CEO, and Deanna Keppel, our Vice President, oversee our training program for AR Businesses. Mr. Kofoed has been our President since January 2010 and our Chief



Executive Officer since January 2011. Prior to that, Mr. Kofoed served as the Chief Operations Officer at Assisting Hands Home Care, LLC of Arizona from June 2009 to January 2011. Ms. Keppel has been our Vice President since January 2022. Prior to that, she was our Director of Franchise Support Services from June 2016 to December 2021 and our Director of Operations at Assisting Hands Naperville from January 2009 to June 2016.

3. The AR Manuals and other handouts comprise the instructional materials used in our AR Training Program.

Ongoing Training

From time to time, we may provide periodic refresher or advanced training programs, as well as regularly scheduled conference calls, for area representatives. Attendance at some of these programs or calls may be optional while others may be required as set forth in the AR Manuals. We may charge you a daily attendance fee in an amount set by us for each attendee of yours who attends any mandatory or optional training program or owners meeting. You may also request that we provide on-site training from time to time, although we are not obligated to do so.

You will provide ongoing support to Assisting Hands Businesses that may include working through our pre-opening checklist; helping with state licensure; guidance with recruiting and retention guidelines and best practices; properly using marketing materials, including trademarks and logos; allowing Assisting Hands Businesses to shadow daily functions, including sales, marketing visits, staffing and scheduling cases; completing supervisory visits; payroll; invoices; and coordinating a caregiver training class. Other ongoing support you will provide may include general mentoring and leadership meant to inspire and include Assisting Hands Businesses. You will also hold conference calls to communicate new training initiatives, new marketing materials and open a discussion to best local practices. You will also provide hands-on assistance.

Pilot Business

Please refer to Item 11 of the Unit FDD for information regarding our pre-opening and continuing obligations, site selection assistance, advertising, computer system and training requirements related to the Pilot Business.

ITEM 12 TERRITORY

You will be granted a Development Territory in which to operate your AR Business. The Development Territory will be delineated by zip codes, counties or states, or a map. The specific size and location will depend on population demographics, your capacity to recruit prospective franchisees and provide support services in that Development Territory, and the number of Assisting Hands Businesses we believe the Development Territory can sustain. You and we will mutually agree on your Development Territory when you sign the Area Representative Agreement. There is no specific minimum or maximum area that we must include in your Development Territory. During the term of your Area Representative Agreement, we will not grant area representative rights to any other person for any portion of your Development Territory, subject to our reservation of rights below. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

You may not advertise or solicit the sale of Assisting Hands Businesses outside of your Development Territory without receiving express written permission from us, which we may deny in our sole discretion. This prohibition extends to all advertising formats including the internet, other channels of distribution, telemarketing, or other direct marketing means. Any inquiries from prospective franchisees residing, or intending to operate an Assisting Hands Business at a location outside the boundaries of your Development Territory, must be referred to us. The Area Representative Agreement does not grant you sub-franchise rights or the right to relocate the Development Territory.

To retain your Development Territory, you must satisfy a development quota ("Development Quota") in each calendar year based on the total number of Assisting Hands Businesses sold and Assisting Hands Businesses open and operating in your Development Territory during each calendar year. Your Development Quota will be established at the time you sign the Area Representative Agreement (See Attachment A of the Area Representative Agreement). You will be required to pay a weekly development default fee if you fail to meet your Development Quota. The development default fee shall be due until you have met your Development Quota. The development default fee and cure period does not reduce the Development Schedule for the next development period or extend the time period for you to comply with the Development Schedule for the next development period. If you fail to meet your Development Quota in any calendar year, we may: (i) terminate the Area Representative Agreement; (ii) extend the development period; (iii) reduce the size of the Development Territory; and/or (iv) eliminate your exclusive rights to perform referral services and/or support services in the Development Territory, which means that you will not receive commissions for revenues for Assisting Hands Businesses located within your Development Territory. These Development Quotas are not and should not be considered financial performance representations for your AR Business. We do not furnish or authorize our sales persons to furnish any oral or written information concerning the actual or potential sales, costs, income, or profits of an AR Business. Actual results vary from one AR Business to another, and we cannot estimate the results of any AR Business.

During the term of your Area Representative Agreement, we will not grant area representative rights to any other person for any portion of your Development Territory as long as you are in compliance with the Area Representative Agreement. We, and any affiliate of ours, retain all rights not expressly granted to you. These rights include the right to: (i) operate, or grant to others the right to operate Assisting Hands Businesses and AR Businesses located outside your Development Territory on such terms and conditions we deem appropriate; (ii) directly solicit, sell, screen, recruit, develop, establish, service and/or support unit franchises that are located within your Development Territory; (iii) engage the services of a third-party franchise broker, franchise sales company, in-house commissioned salespeople and/or utilize any lead generation service that we desire in order to solicit, sell, screen, recruit and/or establish unit franchises that are located within your Development Territory; and (iv) engage in any transaction, including to purchase or be purchased by, merge or combine with, to convert to the System or be converted to a new system with any business whether franchised or corporately owned, including a business that competes directly with your AR Business.

If you have successfully completed the AR Training Program and you are in compliance with your Area Representative Agreement, we will turn all leads for your Development Territory over to you. In the event we solicit the sale of a unit franchise within your Development Territory during the term of your Area Representative Agreement (whether directly or indirectly through a third-party broker, franchise sales company, in-house commissioned salesperson or lead generation service) and turn that lead over to you to screen, recruit, develop, establish, service and/or support, we will still pay you a commission equal to 50% of the net initial franchise fee that we collect from that sale. If you have successfully completed the AR Training Program and you are in compliance with your Area Representative Agreement and we service a franchisee within your Development Territory during the term of your Area Representative Agreement, we

will still pay the AR Royalty Share. However, if you purchase a Development Territory where an Assisting Hands Business is already under development or operating, you will not receive an AR Royalty for that Assisting Hands Business.

We also reserve the right to: (i) sell or license the sale of products or services under the Marks, within and outside of your Development Territory, through electronic communications or the use of the internet; and (ii) operate other outlets or franchises or enter into other lines of business offering similar or dissimilar products or services under trademarks or service marks other than the Marks, including derivative marks, both within or outside the Development Territory. Currently, neither we nor any affiliate of ours intends to operate or franchise another business under a different trademark that sells products or services similar to the products or services offered by area representatives. However, we reserve the right to do so in the future.

If you wish to purchase an additional AR Business, you must apply to us, and we may, at our discretion, offer an additional AR Business to you. We consider a variety of factors when determining whether to grant additional AR Businesses. Among the factors we consider, besides the then-current requirements for a new AR Business, is whether the area representative is in compliance with the requirements under their current area representative agreement.

You do not receive the right to acquire additional AR Businesses. You are not given a right of first refusal on the sale of existing Assisting Hands Businesses or AR Businesses.

The franchise agreement for your Pilot Business grants you a protected territory. Please refer to the Unit FDD for information regarding the territory for your Pilot Business.

ITEM 13 TRADEMARKS

The Area Representative Agreement grants you the non-exclusive right and license to use the System, which includes the use of the Marks. You may also use other future trademarks, service marks, and logos we approve to identify your area representative franchise.

AHHC has registrations with the United States Patent and Trademark Office ("<u>USPTO</u>") for the following Marks:

Registered Mark	Registration Number	Registration Date	Register
Assisting Hands Home Care	3,310,929	October 16, 2007	Principal
WHEN YOU CAN'T DO IT ALL GIVE ASSISTING HANDS A CALL	3,667,591	August 11, 2009	Principal



Registered Mark	Registration Number	Registration Date	Register
YOUR HOME OUR CARE	3,954,609	May 3, 2011	Principal
FAMILY OF FRANCHISE OWNERS	4,221,179	October 9, 2012	Principal
QUALITY HOME CARE YOU CAN TRUST	4,551,958	June 17, 2014	Principal
ASSISTING HANDS	4,564,305	July 8, 2014	Principal
WHEN FRIENDS AND FAMILY CAN'T DO IT ALL, GIVE ASSISTING HANDS A CALL	4,851,226	November 10, 2015	Principal
FOFO	4,851,228	November 10, 2015	Principal
ENSURE CONNECT	6,179,189	October 20, 2020	Principal

AHHC claims common law rights in the following trademarks:

Mark	Serial No.	Filing Date	Status
HAPPY, HEALTHY AND HOME!	N/ANot applicable	N/ANot applicable	Common Law
COMPLETE CARE MANAGEMENT	N/A <u>Not</u> applicable	N/ANot applicable	Common Law

We do not have a federal registration for any of the common law Marks above. These Marks do not have the same legal benefits and rights as federally registered trademarks. If our right to use these Marks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

All required affidavits and renewals have been filed for the registered Marks. There are no effective adverse material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation involving the Marks. No agreement significantly limits our right to use or license the Marks in a manner material to your franchise. We do not know of either superior prior rights or infringing uses that could materially affect your use of the Marks in any state.

You must follow our guidelines and requirements when using the Marks. You cannot use our name or Marks as part of a corporate name or with modifying words, designs, or symbols unless you receive our



prior written consent. You must indicate to the public in any contract, advertisement, and with a conspicuous sign in your AR Office that you are an independently owned and operated licensed franchisee of Assisting Hands Home Care, LLC. You may not use the Marks in the sale of unauthorized services or products or in any manner we do not authorize. You may not use the Marks in any advertising for the transfer, sale, or other disposition of the AR Business, or any interest in the AR Business. All rights and goodwill from the use of the Marks accrue to us. If it becomes advisable at any time, in our sole discretion, for us and/or you to modify or discontinue using any Mark and/or use one or more additional or substitute trademarks or service marks, you must comply with our directions within a reasonable time after receiving notice. We will not reimburse you for your direct expenses of changing signage, for any loss of revenue, or other indirect expenses due to any modified or discontinued Mark, or for your expenses of promoting a modified or substituted trademark or service mark.

You must notify us immediately when you learn about an infringing or challenging use of the Marks. If you are in compliance with the Area Representative Agreement, we will defend you against any claim brought against you by a third party alleging your use of the Marks in accordance with the Area Representative Agreement infringes upon that party's intellectual property rights. We will indemnify you against, and reimburse you for damages and expenses for which you are held liable in any trademark infringement proceeding arising out of your use of any Mark for any claim you are named as a party, so long as you have timely notified us of the claim and have otherwise complied with your Area Representative Agreement. We may require your assistance, but we will exclusively control any proceeding or litigation relating to our Marks. We have no obligation to pursue any infringing users of our Marks. If we learn of an infringing user, we will take the action appropriate, but we are not required to take any action if we do not feel it is warranted. You must not directly or indirectly contest our right to the Marks. We may acquire, develop, and use additional marks not listed here, and may make those marks available for your use and for use by other franchisees.

ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents or pending patent applications are material to the franchise. Although we have not filed an application for copyright registration for the Manuals, our website or our marketing materials, we do claim a common law copyright to these items.

You are required to maintain the confidentiality of all of our proprietary information and use it only in strict accordance with the terms of the franchise agreement, Area Representative Agreement and the Manuals. You must promptly tell us when you learn about unauthorized use of our proprietary information. We are not obligated to act, but will respond to this information as we deem appropriate. You are not permitted to control any proceeding or litigation alleging the unauthorized use of any of our proprietary information. We have no obligation to indemnify you for any expenses or damages arising from any proceeding or litigation involving our proprietary information.

We will allow you to use our proprietary information relating to the marketing and servicing of Assisting Hands Business during the term of your Area Representative Agreement, including the information contained in the AR Manuals. There are no infringements of our copyrighted materials or proprietary information that are known by us at this time.

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

The AR Business and Pilot Business shall be managed by you, or if you are an entity, by one of your owners who is a person whose business skill, financial capability and personal character we rely on ("<u>Principal Owner</u>"). We must approve of the owner that will serve as the Principal Owner.

Under certain circumstances, we may allow you to appoint a general manager ("General Manager") to run the day-to-day operation of your AR Business and Pilot Business. General Managers must own at least a 10% equity interest in the AR Business and Pilot Business, require at least seven years of general business experience with at least two years of required management experience in one or more of the following roles: human resources manager, accounting/finance manager, project manager or operations manager. Experience in health care and home care is recommended, but not required. Any new Principal Owner and General Manager must successfully complete the AR Training Program and initial training program for the Pilot Business before becoming involved with the supervision, management, or operation of the AR Business (See Item 11). You may hire a General Manager to assume responsibility for the daily supervision and operation of your AR Business and Pilot Business, but only if: 1) we approve the General Manager in our commercially reasonable discretion; 2) the General Manager holds all licenses necessary to manage the AR Business and Pilot Business and meets all of our other minimum qualifications and requirements for General Managers; 3) the General Manager successfully completes the AR Training Program and initial training program for the Pilot Business at your own expense (See Item 11); and 4) the Principal Owner agrees to assume responsibility for the supervision and operation of your AR Business and Pilot Business if the General Manager is unable to perform his or her duties due to death, disability, termination of employment, or for any other reason, until such time that you obtain a suitable replacement General Manager. Neither you, nor anyone owning an equity interest in the AR Business, may have an interest in or business relationship with any business competing with your AR Business or Pilot Business.

Any General Manager and, if you are an entity, any officer that does not own equity in the area representative entity, must sign a System Protection Agreement, the form of which is attached to this Franchise Disclosure Document in Exhibit H. All of your employees, independent contractors, agents or representatives that may have access to our confidential information must sign a Confidentiality Agreement (unless they already signed a System Protection Agreement), the current form of which is attached to this Franchise Disclosure Document in Exhibit H. If the Area Representative is an entity, each direct and indirect owner (i.e., each person holding a direct or indirect ownership interest in you) must sign our standard Franchise Owner Agreement guarantying the obligations of the area representative, in the form of which is attached to the Area Representative Agreement as Attachment C. We also require that the spouses of the AR Business owners sign the Franchise Owner Agreement.

Please refer to the Unit FDD for information regarding your obligation to participate in the actual operation of the Pilot Business.

ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must sell or offer for sale only those services and products authorized by us and which meet our standards and specifications. You must follow our policies, procedures, methods, and techniques. You must sell or offer for sale all types of services and products specified by us. We may change or add to our required services and products at our discretion with prior notice to you. There are no limitations on our rights to make changes to the required services and products offered by you. If we change or add to our



required services and products, the changes or additions will remain in permanent effect, unless we specify otherwise. The amount you must pay for the changes or additions will depend upon the nature and type of changes or additions. You must discontinue selling and offering for sale any services or products that we disapprove. We reserve the right to establish minimum and maximum resale prices for use with multi-area marketing programs and special price promotions as allowed by law.

You may not sell products through other channels of distribution such as wholesale, internet or mail order sales. You may not establish an account or participate in any social networking sites, blogs, crowdfunding campaigns or mention or discuss the Assisting Hands Business, us or our affiliates without our prior written consent and as subject to our online policy. Our online policy may completely prohibit you from any use of the Marks in social networking sites or other online use. You may not provide any goods or services related to the operation of your AR Business that we have not approved. You are required to provide franchisees with all support that we require.

ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE AREA REPRESENTATIVE RELATIONSHIP

This table lists certain important provisions of the Area Representative Agreement and related agreements for your AR Business. You should read these provisions in the agreements attached to this Franchise Disclosure Document.

	Provision	Sections in Area Representative Agreement	Summary
a.	Length of the Area Representative term	Section 2.4	Ten years.
b.	Renewal or extension of the term	Section 2.4	If you are in good standing and you meet other requirements, you may enter into two consecutive successor area representative agreements. Each renewal term will be ten years, for a total maximum term of 30 years.
c.	Requirements for area representative to renew or extend	Section 2.4	The term "renewal" refers to extending our area representative relationship at the end of your initial term and any other renewal or extension of the initial term. Your successor area representative rights permit you to remain as an area representative after the initial term of your Area Representative Agreement expires. You must: not be in default; maintain possession of any AR Office premises, and either refurbish and redecorate in compliance with our then-current requirements, or obtain and develop suitable substitute premises; correct any deficiencies identified in our written notice to you before expiration; sign our then-current area representative agreement and any ancillary documents for the successor term, and this successor area representative



Provision		Sections in Area Representative Agreement	Summary
			agreement may have materially different terms and conditions (including, e.g., higher commissions and payments) from the Area Representative Agreement that covered your original term; pay a renewal fee, and sign a general release of any and all claims against us, our affiliates, and our and their officers, directors, employees and agents.
d.	Termination by franchisee	Section 15	You may terminate the Area Representative Agreement if you are in compliance with it and we are in material breach and fail to cure that breach within 30 days of receiving written notice, subject to applicable state law.
e.	Termination by franchisor without cause	No provision	Not applicable.
f.	Termination by franchisor with cause	Section 15	We can terminate without any payment to you if you default for the reasons stated in the Area Representative Agreement.
g.	"Cause" defined – curable defaults	Section 15	You have ten days to cure monetary defaults; 20 days to cure the default of any other provision of the Area Representative Agreement, franchise agreement for your Pilot Business, or specification, standard, or operating procedure not otherwise listed as a default not subject to cure.

	Provision	Sections in Area Representative Agreement	Summary
h.	"Cause" defined – non curable defaults	Section 15	You fail to timely develop or open the Pilot Business or AR Office; you abandon, surrender, transfer control of, or do not actively operate your AR Business, support the franchises in the Development Territory, or lose the right to occupy the location of the Pilot Business or AR Office; you are not able to obtain any permits, licenses, or accreditations necessary for the operation of the Pilot Business or the AR Office or if any permits, licenses, or accreditations are suspended, revoked, or terminated; you or any Principal Owner make an unauthorized transfer or assignment of the AR Business or its assets; you are adjudged bankrupt, become insolvent, or make an assignment for the benefit of creditors; you use, sell, or distribute unauthorized products; you or your Principal Owner(s) are convicted of a felony or convicted or plead no contest to any crime or offense that adversely affects the reputation of the AR Business and goodwill of our Marks; you violate any health or safety law, ordinance, or regulation, or operate the AR Business in a way that causes health or safety hazards; or you fail on three or more occasions within any 12-month period to comply with the Area Representative Agreement, regardless of whether cured.
i.	Franchisee's obligations on termination/ non-renewal	Section 16	You must pay all amounts owed to us or our affiliates; refrain from using our Marks; return to us or destroy (as we specify) all customer lists, System information, forms, and materials bearing our Marks or concerning the franchise; de-identify the AR Business premises; return the AR Manuals and cease using confidential information; and abide by the post-term non-compete provisions outlined in the Area Representative Agreement.
j.	Assignment of contract by franchisor	Section 14.3	No restrictions on our right to assign.
k.	"Transfer" by franchisee – defined	Section 14.4	Includes voluntary, involuntary, direct, or indirect assignment, sale, gift, exchange, grant of a security interest, or change of ownership in the Area Representative Agreement or interest in the AR Business.



Provision	Sections in Area Representative Agreement	Summary
Franchisor's approval of transfer by franchisee	Section 14.4	We have the right to approve all transfers by you; any transfer to immediate relatives (parents, children, siblings) is automatically approved with no transfer fee.
m. Conditions for franchisor's approval of transfer by franchisee	Section 14.5	New area representative must also take assignment of your Pilot Business, must have sufficient business experience and financial resources to operate the AR Business, as determined by the sole discretion of the franchisor; you must pay all amounts due us and our affiliates; new area representative and its director must successfully complete our initial training program and AR Training Program; your landlord must consent to transfer of your lease; you must pay the transfer fee (See Item 6); you and your Principal Owners must sign a general release of us, our affiliates and our and their owners, officers, directors, employees and agents (See Exhibit H); new area representative must agree to bring the AR Office up to current standards; you must have offered us the opportunity to exercise our right of first refusal; you must reimburse our expenses, including broker fees; new area representative must assume all obligations under your Area Representative Agreement or (at our option) sign a new area representative agreement on our then-current form; you and your Principal Owners must sign a non-competition agreement not to engage in a competitive business for one year within 15 miles of the Development Territory or another Assisting Hands franchise. We also may approve the material terms of the transfer and require that Area Representative subordinate any installment payments to the new area representative's obligation to pay us and guaranty the new owner's obligations to us.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 14.7	We have the right to match any bona fide, arms-length offer for your AR Business within 30 days.
o. Franchisor's option to purchase franchisee's business	No provision	Not applicable.

Provision	Sections in Area Representative Agreement	Summary
p. Death or disability of franchisee	Section 14.6	Area Representative Agreement must be transferred or assigned within 12 months of death or disability of all owners, or the Area Representative Agreement may be terminated.
q. Non-competition covenants during the term of the Franchise	Section 9.3	No involvement in competing business anywhere, subject to applicable state law.
r. Non-competition covenants after the Franchise is terminated or expires	Section 16.5	You and your Principal Owners may not have an interest in any competitive business within 50 miles of the Development Territory, or within 50 miles of any Assisting Hands franchise or AR Business for one year, subject to applicable state law.
s. Modification of the Agreement	Section 20	No modifications to Area Representative Agreement unless agreed to in writing, but the AR Manuals is subject to change.
t. Integration/merger clause	Section 20	Only the terms of the Area Representative Agreement and other related agreements are binding (subject to applicable state law). Any representations or promises outside of this Franchise Disclosure Document and Area Representative Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 17.8	Except for certain claims, all disputes must be mediated and arbitrated in the city of or closest to our principal place of business (currently Nampa, Idaho), subject to applicable state law.
v. Choice of forum	Section 17.10	Litigation, arbitration and mediation must be in Nampa, Idaho (or in the state or federal court closest to our principal place of business (currently Nampa, Idaho), subject to applicable state law.
w. Choice of law	Section 17.10	Idaho law applies, subject to applicable state law.

Please refer to the Unit FDD for a list of important provisions of the franchise agreement.

ITEM 18 PUBLIC FIGURES

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



ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to disclose 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 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, <u>20232022</u>, we had a total of <u>1722</u> franchised AR Businesses <u>("Franchised one company-owned AR Locations")</u> and <u>170 Assisting Hands Business and 193 Assisting Hands Business franchises and four AR Outlets that are owned by principals of the franchisor.</u> Of the <u>170193</u> Assisting Hands Business franchises, <u>117120</u> were supported by <u>Franchised AR Locations</u>. <u>Businesses</u>.

The information in the tables below is a historical financial performance representation of the 13 Franchised AR Locations Businesses that (i) were in operation for 12 months or longer as of December 31, for each calendar year 2022 and (ii) supported at least one Assisting Hands Business franchise ("Reporting Group") for the entire 2022 calendar year ("Reporting Period"). We have excluded three Franchised AR Locations that did not have Assisting Hands included the affiliate-owned AR Business franchises in their Development Territory to support during the Reporting Period and one Franchised AR Location that opened in 2022 and was not open for 12 months or longer as of December 31, 2022. The Reporting Group supported 96 Assisting Hands Business franchises (not including Pilot Businesses) during the Reporting Period.

Reporting Period	Reporting Group
<u>2020</u>	8 Franchised AR Locations
<u>2021</u> <u>2022</u>	8 Franchised AR Locations
<u>2022</u>	13 Franchised AR Locations
<u>2023</u>	17 Franchised AR Locations

We have obtained these numbers from internal records and systems. The numbers below have not been audited, but we have no reason to doubt their accuracy.

Table 1

Average Royalty* Received Per Supported Assisting Hands Franchised AR Business For the Reporting Group During the Reporting Period

Reporting Period	Average <u>AR</u> Royalty Per <u>Assisting</u> <u>HandsAR</u> Business	Median <u>AR</u> Royalty Per Assisting Handsper AR Business	High <u>AR</u> Royalty	Low <u>AR</u> Royalty	% and # met or exceeded avg
2020	\$32,560	\$21,237	\$138,166	\$4,072	27% / 9
2021	\$33,695	\$24,063	\$146,125	\$3,637	37% / 15
2022	\$33,368	\$25,356	\$171,304	\$2 **	27% / 15

^{*}For purposes of this Item 19, "Royalty" refers only to the shared portion of royalty fee received, which is a 50% split of the total royalty fee paid by Assisting Hands franchisees. See Note 1.

Table 2
Average Royalty* Received Per Franchised AR Location
For the Reporting Group During the Reporting Period

Reporting Period	Average Royalty Per AR Business	Median Royalty per AR Business	High Royalty	Low Royalty	% and # met or exceeded avg
2020	\$134,312	\$102,365	\$358,756	\$11,662	50% / 4
2021	\$153,501	\$54,584	\$384,069	\$6,712	44% / 4
2022	\$168,277	\$113,561	\$413,273	\$11,686	40% / 4

*For purposes of this Item 19, "Royalty" refers only to the shared portion of royalty fee received, which is a 50% split of the total royalty fee paid by Assisting Hands franchisees. See Note 1.

	 j	<i>)</i>				
2023	3	<u>\$129,765</u>	<u>\$54,352</u>	<u>\$495,462</u>	<u>\$470</u>	<u>29% / 5</u>

Notes:

- 1. For purposes of this Item 19, the term "<u>AR Royalty</u>" means the amounts we pay to AR Businesses for commissions for revenues we receive from third-party franchisees that purchase Assisting Hands Business franchises in a Development Territory. This is calculated as 50% of the royalty fee we receive from franchisees.
- 2. The financial performance representations above do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales 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.
 - 3. The Reporting Group for 2023 includes two AR Businesses owned by employees of the franchisor.
- 4. Area Representatives territory size varies depending on the geographic location. The financial performance information in this Item 19 presents per AR Business averages regardless of territory size. AR Businesses with larger territories may receive higher AR Royalties than AR Businesses with smaller



^{**}This Franchised AR Location operated for the entire Reporting Period, but only had one Assisting Hands Business franchise to support for the last week of the 2022 calendar year.

territories. The Table below provides territory information on each of the 17 AR Businesses in the 2023 Reporting Group.

Area Representative Territory	Number of Businesses	Number of Offices	Year Opened	Total population	Total Population 65+
<u>Arizona</u>	<u>8</u>	<u>4</u>	<u>2021</u>	7,397,303	<u>1,395,672</u>
Atlanta, Georgia	<u>4</u>	<u>2</u>	<u>2019</u>	10,971,023	1,653,220
Austin, Texas	1	1	2020	5,074,397	649,572
Boston, Massachusetts	<u>6</u>	2	2018	6,879,053	1,251,573
Chicago, Illinois	<u>14</u>	<u>10</u>	2008	9,496,161	1,532,683
Maryland/Northern VA	<u>13</u>	<u>6</u>	<u>2015</u>	5,794,176	887,109
Dallas, Texas	<u>5</u>	<u>3</u>	2015	8,096,551	980,458
Fort Myers, Florida	<u>20</u>	<u>8</u>	2007	6,810,153	1,721,954
Houston, Texas	<u>3</u>	<u>2</u>	2008	8,500,489	1,085,893
Las Vegas, Nevada	1	1	<u>2019</u>	2,236,890	<u>341,494</u>
Miami, Florida	<u>21</u>	<u>8</u>	<u>2016</u>	9,883,588	<u>1,886,565</u>
Milwaukee, Wisconsin	<u>4</u>	2	<u>2017</u>	3,642,507	630,226
North California	1	1	2022	8,133,468	1,287,348
North Florida	<u>7</u>	4	<u>2020</u>	5,556,693	1,195,024
Orange County, California	<u>2</u>	2	2020	3,583,744	575,310
Raleigh, North Carolina	<u>1</u>	1	2022	7,394,243	1,272,934
<u>Utah</u>	1	1	2022	3,428,660	405,741

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

Some outlets have <u>soldgenerated</u> this amount. Your individual results may differ. There is no assurance that you'll sell as much.

Other than the preceding financial performance representation, Assisting Hands Home Care, LLC 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 Lane Kofoed at 5700 E. Franklin Road, Suite #105, Nampa, Idaho 83687, 208-321-5510, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Outlet Summary For Years 20202021 to 20232022

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised*	<u>2021</u> 2020	12 <u>15</u>	15 <u>16</u>	+ <u>31</u>
	2021 2022	15 <u>16</u>	16 20	+14
	2022 2023	16 20	17 22	<u>1+2</u>
Company-Owned	<u>2021</u> 2020	2	<u>21</u>	0 -1
	2021 2022	<u>21</u>	1	-1 0
	2022 2023	1	4 <u>1</u>	+3 <u>0</u>
Total Outlets	<u>2021</u> 2020	14 <u>17</u>	17	+3 0
	<u>2022</u> 2021	17	17 21	<u>0+4</u>
	2022 2023	17 21	21 23	+4 <u>2</u>

^{*}One of these outlets is owned by principals of the franchisor.

Table No. 2

<u>Transfers of Outlets from Area Representatives to New Owners</u> (other than the Franchisor) For Years 20202021 to 20232022

State	Year	Number of Transfers
Totals	<u>2021</u> 2020	0
	<u>2022</u> 2021	0
	2022 <u>2023</u>	0



Table No. 3

Status of Franchised Outlets For Years 20202021 to 20232022

State	Year	Outlets at Start of the Year	Outlets Opened	Termina- tions	Non- Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of the Year
Arizona	<u>2021</u> 2020	0	<u>01</u>	0	0	0	0	<u>01</u>
	<u>2022</u> 2021	<u>01</u>	<u> 10</u>	0	0	0	0	1
	2022 <u>2023</u>	1	0	0	0	0	0	1
California	<u>2021</u> 2020	<u>01</u>	<u> 10</u>	0	0	0	0	1
	2021 2022	1	0	0	0	0	0	1
	2022 <u>2023</u>	1	<u>01</u>	0	0	0	0	<u> 12</u>
Connecticut	<u>2021</u> 2020	1	0	0	0	0	0	1
	2022 2021	1	0	0	0	0	0	1
	2022 2023	1	0	0	0	0	0	1
Florida	<u>2021</u> 2020	<u>23</u>	<u> 10</u>	0	0	0	0	3
	2021 2022	3	0	0	0	0	0	3
	2022 2023	3	0	0	0	0	0	3
Georgia	<u>2021</u> 2020	1	0	0	0	0	0	1
	<u>2022</u> 2021	1	0	0	0	0	0	1
	2022 2023	1	0	0	0	0	0	1
Illinois	<u>2021</u> 2020	1	0	0	0	0	0	1
	<u>2022</u> 2021	1	0	0	0	0	0	1
	2022 2023	1	0	0	0	0	0	1
Indiana	<u>2021</u> 2020	0	0	0	0	0	0	0
	<u>2022</u> 2021	0	<u>01</u>	0	0	0	0	<u>01</u>
	2022 2023	<u>01</u>	<u> 10</u>	0	0	0	0	1
Maryland	<u>2021</u> 2020	1	0	0	0	0	0	1
	<u>2022</u> 2021	1	0	0	0	0	0	1
	<u>2023</u> 2022	1	0	0	0	0	0	1
Massachusetts	<u>2021</u> 2020	1	0	0	0	0	0	1
	<u>2022</u> 2021	1	0	0	0	0	0	1
	<u>2023</u> 2022	1	0	0	0	0	0	1



State	Year	Outlets at Start of the Year	Outlets Opened	Termina- tions	Non- Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of the Year
Nevada	<u>2021</u> 2020	<u>01</u>	<u> 10</u>	0	0	0	0	1
	<u>2022</u> 2021	1	0	0	0	0	0	1
	<u>2023</u> 2022	1	0	0	0	0	0	1
New	<u>2021</u> 2020	<u> 10</u>	0	0	0	0	0	<u> 10</u>
<u>Jersey</u> Tennessee	<u>2022</u> 2021	<u> 10</u>	0	0	0	0	0	<u> 10</u>
	2022 <u>2023</u>	<u> 10</u>	<u>01</u>	0	0	0	0	1
<u>Tennessee</u> Texas	<u>2021</u> 2020	<u>21</u>	<u> 10</u>	0	0	0	0	<u>31</u>
	2022 2021	<u>31</u>	0	0	0	0	0	<u>31</u>
	2022 <u>2023</u>	<u>31</u>	0	0	0	0	0	<u>31</u>
Virginia Texas	<u>2021</u> 2020	4 <u>3</u>	0	4 <u>0</u>	0	0	0	<u>03</u>
	<u>2022</u> 2021	<u>03</u>	0	0	0	0	0	<u>03</u>
	2022 <u>2023</u>	<u>03</u>	0	0	0	0	0	<u> </u>
Wisconsin	<u>2021</u> 2020	1	0	0	0	0	0	1
	<u>2022</u> 2021	1	0	0	0	0	0	1
	2022 <u>2023</u>	1	0	0	0	0	0	1
Totals	<u>2021</u> 2020	12 15	4 <u>1</u>	<u> 10</u>	0	0	0	<u> 1516</u>
	<u>2022</u> 2021	15 <u>16</u>	1	0	0	0	0	16 <u>17</u>
	2022 2023	16 <u>17</u>	<u> 12</u>	0	0	0	0	17 <u>19</u>

Table No. 4
Status of Company-Owned Outlets
For Years 20202021 to 20222023

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Arizona	<u>2021</u> 2020	1	0	0	0	<u>01</u>	<u> 10</u>
	2022 2021	<u> 10</u>	0	0	0	<u> 40</u>	0
	2022 2023	0	0	0	0	0	0
Idaho	2020 2021	1	0	0	0	0	1
	2022 2021	1	0	0	0	0	1
	2022 2023	1	0	0	0	0	1



State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Michigan	2020 2021	0	0	0	0	0	0
	<u>2022</u> 2021	0	<u>01</u>	0	0	0	<u>01</u>
	2022 <u>2023</u>	<u>01</u>	4 <u>0</u>	0	0	0	1
North Carolina	2020 <u>2021</u>	0	0	0	0	0	0
	<u>2022</u> 2021	0	<u>01</u>	0	0	0	θ <u>1</u>
	2022 <u>2023</u>	<u>01</u>	<u> 40</u>	0	0	0	1
Utah	2020 2021	0	0	0	0	0	0
	<u>2022</u> 2021	0	<u>01</u>	0	0	0	<u>01</u>
	2022 <u>2023</u>	<u>01</u>	4 <u>0</u>	0	0	0	1
Totals*	<u>20202021</u>	2	0	0	0	<u>01</u>	<u>21</u>
	<u>2022</u> 2021	<u>21</u>	<u> </u>	0	0	<u> 10</u>	14
***	2022 2023	14	<u>30</u>	0	0	0	4

^{*}Outlets are owned by principals of the franchisor.

<u>Table No. 5</u> <u>Projected Openings as of December 31, 20222023</u>

State	Area Representative Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets In The Next Fiscal Year	Projected New Company-Owned Outlets In the Next Fiscal Year
<u>California</u> Colorado	<u> 40</u>	1	0
Totals	<u> 40</u>	1	0

Area Representatives operate the AR Business out of the AR Office. For purposes of Item 20, we refer to "Outlets" as an AR Business.

The names, addresses, and telephone numbers of our current area representatives are attached to this Franchise Disclosure Document as Exhibit D. The name, last known address, and telephone number of every current area representative who has had an Assisting Hands area representative franchise terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under our area representative agreement during the one-year period ending December 31, 20222023, or who has not communicated with us within ten weeks of the Issuance Date of this Franchise Disclosure Document is listed in Exhibit D. In some instances, current and former area representatives may sign provisions restricting their ability to speak openly about their experiences with the Assisting Hands System. You may wish to speak with current and former area representatives, but know that not all such area representatives can communicate with you. During the last three fiscal years, we have had area representatives sign confidentiality provisions that would restrict their ability to speak openly about their experiences with the Assisting Hands System. If you buy an Assisting Hands area representative franchise, your contact information may be disclosed to other buyers when you leave the franchise System.

As of the Issuance Date of this Franchise Disclosure Document, there are no franchise organizations sponsored or endorsed by us and no independent franchisee organizations have asked to be included in this Franchise Disclosure Document. We do not have any trademark specific franchisee organizations.

ITEM 21 FINANCIAL STATEMENTS

Exhibit E contains the financial statements required to be included with this Franchise Disclosure Document: audited financial statements for the periods ending December 31, 20222023, December 31, 20222021 and December 31, 20202021. Our fiscal year end is December 31st.

ITEM 22 CONTRACTS

The following exhibits contain proposed agreements regarding the franchise and AR Business:

Exhibit B Area Representative Agreement
Exhibit F State Addenda and Agreement Riders

Exhibit H Contracts for use with the Assisting Hands Franchise

See the Unit FDD for contracts relating to the Pilot Business.

ITEM 23 RECEIPTS

The last pages of this Franchise Disclosure Document, <u>Exhibit J</u>, are a detachable document, in duplicate. Please detach, sign, date, and return one copy of the Receipt to us, acknowledging you received this Franchise Disclosure Document. Please keep the second copy for your records.

EXHIBIT A

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS



STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

CALIFORNIA

<u>State Administrator and Agent for Service of Process:</u>

Commissioner Department of Financial Protection and Innovation 320 W. 4th Street, #750 Los Angeles, CA 90013 (213) 576-7500 (866) 275-2677

HAWAII

Commissioner of Securities of the State of Hawaii 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722

Agent for Service of Process:

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

Illinois Attorney General Chief, Franchise Division 500 S. Second Street Springfield, IL 62706 (217) 782-4465

INDIANA

Secretary of State Securities Division Room E-018 302 W. Washington Street Indianapolis, IN 46204 (317) 232-6681

MARYLAND

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

MARYLAND CONTINUED

Agent for Service of Process:

Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020

MICHIGAN

Michigan Department of Attorney General Consumer Protection Division 525 W. Ottawa Street Lansing, MI 48913 (517) 373-7117

MINNESOTA

Department of Commerce Commissioner of Commerce 85 Seventh Place East, Suite 280 St. Paul, MN 55101-3165 (651) 539-1600

NEW YORK

Administrator:

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

Agent for Service of Process:

Secretary of State 99 Washington Avenue Albany, NY 12231

NORTH DAKOTA

Administrator:

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

Agent for Service of Process:

Securities Commissioner 600 East Boulevard Avenue State Capitol, Fourteenth Floor, Dept. 414 Bismarck, ND 58505-0510

RHODE ISLAND

Department of Business Regulation 1511 Pontiac Avenue, Bldg. 68-2 Cranston, RI 02920 (401) 462-9527

SOUTH DAKOTA

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

VIRGINIA

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

Agent for Service of Process:

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

WASHINGTON

State Administrator:

Washington Department of Financial Institutions
Securities Division
P.O. Box 903341200
Olympia, WA 9850798504-1200
(360) 902-8760

Agent for Service for Process:

Director of Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, WA 98501

WISCONSIN

Department of Financial Institutions Division of Securities 201 W. Washington Avenue Madison, WI 53703 (608) 266-3364

Rev. 01272309072



EXHIBIT B

AREA REPRESENTATIVE AGREEMENT

EXHIBIT B



ASSISTING HANDS HOME CARE, LLC AREA REPRESENTATIVE AGREEMENT

AREA REPRESENTATIVE
DATE OF AGREEMENT
AREA REPRESENTATIVE NUMBER
AREA REPRESENTATIVE BUSINESS ADDRESS



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ATTACHMENTS:

Attachment A	Area Representative Data Sheet
Attachment B	Ownership Interests in Area Representative

Attachment C Franchise Owner Agreement



ASSISTING HANDS HOME CARE, LLC

AREA REPRESENTATIVE AGREEMENT

THIS AREA REPRESENTATIVE AGREEMENT ("Area Representative Agreement") is entered into to be effective as of the "Effective Date" set forth in Attachment A to this Area Representative Agreement, by and between Assisting Hands Home Care, LLC, an Arizona limited liability corporation ("we," "us," or "our"), and the area representative set forth in Attachment A to this Area Representative Agreement ("you" or "your").

1. **INTRODUCTION.**

This Area Representative Agreement includes several attachments, all of which are legally binding and are an integral part of the complete Area Representative Agreement, including the Franchise Owner Agreement, attached as Attachment C ("Franchise Owner Agreement"). If you are a corporation, partnership, limited liability company or other form of business entity ("Entity"), then we have agreed to grant you the rights described in this Area Representative Agreement based on the business skill, financial capability and personal character of your direct and indirect owners (the "Owners"). You represent that Attachment B to this Area Representative Agreement completely and accurately describes all of your Owners and their interests in you as of the Effective Date. You and your Owners agree to sign and deliver to us revised versions of Attachment B periodically to reflect any permitted changes in the information that Attachment B now contains.

Through the expenditure of considerable time, effort, and money, we and our affiliates have devised a system (the "Assisting Hands System") for the establishment and operation of a business model that specializes in providing in-home, non-medical personal assistance, and offers other related services and products ("Assisting Hands Business"). We identify the Assisting Hands System by the use of certain trademarks, service marks and other commercial symbols, including the mark "ASSISTING HANDS" and certain associated designs, artwork and logos, which we may change or add to from time to time (the "Marks").

From time to time we grant to persons who meet our qualifications ("Franchisees") franchises to own and operate an Assisting Hands Business in accordance with the Assisting Hands System in a specified geographic territory ("Assisting Hands Franchises").

In conjunction with signing this Area Representative Agreement, you and we have also signed a separate franchise agreement (the "Pilot Franchise Agreement") granting you a franchise for the operation of an Assisting Hands Business (the "Pilot Business").

To further expand and develop the establishment of Assisting Hands Franchises, we also sell to certain persons who meet our standards and qualifications and are willing to undertake special efforts ("Area Representatives") the right, within a defined geographic area (the "Development Territory"), to (i) recruit, solicit, screen, and recommend prospective franchisees (the "Prospective Franchisees") to open and operate Assisting Hands Franchises located in the Development Territory (the "Referral Services"); (ii) fulfill our ongoing duties to provide training, assistance and support services to Assisting Hands Franchises located in the Development Territory (the "Support Services"); and (iii) establish and operate one "Pilot Business" that operates as both a regular Assisting Hands Business and as a training facility (collectively, the "Area Representative Franchise").



Through the expenditure of considerable time, effort, and money, we and our affiliates have devised a system (the "Area Representative System," and together with the Assisting Hands System, the "System") for the establishment and operation of a business model that provides Referral Services and Support Services, and operates a Pilot Business ("Area Representative Business"). We use the Marks to identify the Area Representative System.

2. **GRANT OF AREA REPRESENTATIVE FRANCHISE.**

- 2.1 <u>Grant of Franchise</u>. For the Term (defined in Section 2.4, below), and subject to your full compliance with the terms and conditions of this Area Representative Agreement, we hereby grant to you, and you hereby accept, an Area Representative Franchise for the Development Territory. You agree to devote your full time and attention, and to utilize your best efforts, to enhancing the sale and operation of the Assisting Hands Franchises located in your Development Territory, and fulfilling your other obligations under this Area Representative Agreement.
- 2.2 <u>License</u>. We also grant to you during the Term the non-exclusive right and license to use the Marks and receive the other benefits of the Area Representative System, subject to the terms of this Area Representative Agreement, in connection with your fulfillment of your duties under this Area Representative Agreement.
- 2.3 **Development Territory**. You acknowledge that the Area Representative Franchise granted by this Area Representative Agreement gives you the right to operate an Area Representative Business only in the geographic area of the Development Territory described in Attachment A. You and we will mutually agree on your Development Territory on or before the signing of this Area Representative Agreement. Neither we nor any of our affiliates will open or operate an Area Representative Franchise, or grant an Area Representative Franchise to another Area Representative, in your Development Territory; provided that (i) you are in full compliance with the terms of this Area Representative Agreement (and any franchise agreement and/or any other agreement between you and us and/or any affiliate of ours); and (ii) this Area Representative Agreement has not been terminated. You are not granted an exclusive territory. Except as otherwise provided, we retain all rights not expressly granted to you. These rights include the right to (i) operate, or grant to others the right to operate, Assisting Hands Businesses and Area Representative Businesses located outside your Development Territory on such terms and conditions we deem appropriate; (ii) directly solicit, sell, screen, recruit, develop, establish, service and/or support Assisting Hands Businesses that are located within your Development Territory; (iii) engage the services of a third-party franchise broker, franchise sales company, in-house commissioned salespeople and/or utilize any lead generation service that we desire in order to solicit, sell, screen, recruit and/or establish Assisting Hands Businesses that are located within your Development Territory; (iv) engage in any transaction, including to purchase or be purchased by, merge or combine with, to convert to the System or be converted to a new system with any business whether franchised or corporately owned, including a business that competes directly with your Area Representative Franchise; and (v) sell and license the sale of products and services under the Marks, within and outside of the Development Territory, through electronic communications or the use of the Internet; and (vi) to operate other outlets or franchise or enter into other lines of business offering similar or dissimilar products or services under trademarks or service marks other than the Marks, including derivative marks, both within or outside of the Development Territory. If you have successfully completed the Initial Training and you are in compliance with this Area Representative Agreement, we will turn all leads for your Development Territory over to you. In the event we solicit the sale of a Assisting Hands Franchise within your Development Territory during the term of this Area Representative Agreement (whether directly



or indirectly through a third-party broker, franchise sales company, in-house commissioned salesperson or lead generation service) and turn that lead over to you to screen, recruit, develop, establish, service and support, we will still pay you fifty percent (50%) of the initial franchise fee that we collect from that sale. Similarly, if you have successfully completed the Initial Training and are in compliance with this Area Representative Agreement and we service a Franchisee within your Development Territory during the term of your Area Representative Agreement, we will still pay you fifty percent (50%) of each royalty payment paid to us by the Franchisee who purchased an Assisting Hands Franchise in your Development Territory. However, if you purchase a Development Territory where an Assisting Hands Business is already under development or operating, you will not receive an AR Royalty for that Assisting Hands Business, however, you are required to service and support those Assisting Hands Franchises. In order to retain your Development Territory, you must satisfy the development quota described in Section 10.3 below.

2.4 <u>Term; Renewal of Area Representative Franchise</u>.

- (a) <u>Initial Term</u>. Unless terminated earlier as permitted under this Area Representative Agreement, the initial term of this Area Representative Agreement shall begin on the Effective Date and shall extend for a period of ten consecutive years (the "Term"), subject to the renewal rights described below.
- (b) <u>Area Representative's Right to Renew</u>. Subject to the requirements described below, upon expiration of this Area Representative Agreement, we will grant you the right to renew your Area Representative Agreement for two additional consecutive terms of ten years each, provided that:
 - (i) you have substantially complied with all provisions of this Area Representative Agreement and all other agreements between us (and/or our affiliates); and
 - (ii) this Area Representative Agreement or any successor agreement has not been terminated; and
 - (iii) you comply with the requirements to renew described below, including that you sign our then current form of Area Representative Agreement and ancillary documents applicable to Area Representatives as we may require for each renewal period which may contain terms that are materially different than your current Area Representative Agreement (including, for example, lower payments to you for your services or higher fees and other payments to us).
- Notice of Deficiencies and Other Requirements. You must notify us of your intent to renew the initial Term at least nine months before the expiration of the Area Representative Agreement. At least six months before the expiration of the initial Term of your Area Representative Franchise, we agree to give you written notice of any deficiencies in your operation or in the historical performance of the Area Representative Franchise that could cause us not to renew your Area Representative Franchise. If we will permit you to renew your Area Representative Franchise, then our notice will state what actions, if any, you must take to correct the deficiencies in your operation of your Area Representative Franchise (including the operation of your Pilot Business), and will specify the time period in which those deficiencies must be corrected or other requirements satisfied. Renewal of your Area Representative Franchise will be conditioned on your continued compliance with all the terms and conditions of this Area Representative Agreement up to the date of expiration of the expiring Term. If we send you a notice of non-renewal, the notice will state the reasons for our refusal to renew.



- (d) Successor Agreement; Releases. To renew your Area Representative Franchise, we, you and your Owners must execute the form of Area Representative Agreement, Pilot Franchise Agreement (for renewal of your Pilot Business), and any ancillary agreements we are then customarily using in the grant or renewal of franchises for the operation of Area Representative Franchises (with appropriate modifications to reflect the fact that the agreement relates to the grant of a renewal franchise), which may be materially different than the current form of franchise agreement, except that no Development Fee (defined in Section 6.1, below) or initial franchise fee for your Pilot Business will be payable upon renewal. However, at the time you sign the new area representative agreement, you must pay to us a renewal fee in an amount of the greater of \$15,000 or \$1,000 for each Assisting Hands Franchise operating in your Development Territory, including all Pilot Businesses and any Assisting Hands Franchise(s) owned by you, as of the date of expiration of the then-expiring Term. You and your Owners and your and their spouses must also execute general releases, as we may then require, in a form satisfactory to us, of any and all known and unknown claims against us and our affiliates we may have, and our and their respective, owners officers, directors, employees, and agents. We will also require you to update and remodel your Pilot Business and any office space you have for your Area Representative Business to be in compliance with specifications and standards then applicable to new or renewed Assisting Hands Businesses and Area Representative Businesses, respectively.
- (e) <u>Interim Period</u>. If you do not sign a successor area representative agreement prior to the expiration of this Area Representative Agreement and continue to accept the benefits of this Area Representative Agreement after the expiration of this Area Representative Agreement, then at our option, this Area Representative Agreement may be treated either as (i) expired as of the date of expiration with you then operating without an Area Representative franchise to do so and in violation of our rights; or (ii) continued on a month-to-month basis ("Interim Period") until one party provides the other with written notice of such party's intent to terminate the Interim Period, in which case the Interim Period will terminate 30 days after receipt of the notice to terminate the Interim Period. In the latter case, all your obligations shall remain in full force and effect during the Interim Period as if this Area Representative Agreement had not expired, and all obligations and restrictions imposed on you upon expiration of this Area Representative Agreement shall be deemed to take effect upon termination of the Interim Period.
- 2.5 **Franchise Owner Agreement**. In exchange for our foregoing grant of an Area Representative Franchise to you, each person holding a direct or indirect ownership interest in you, if you are an Entity, and their respective spouses, must sign a Franchise Owner Agreement (the "Franchise Owner Agreement") in the form attached as <u>Attachment C</u> to this Area Representative Agreement, and must deliver the signed Franchise Owner Agreement to us concurrently with your signing of this Area Representative Agreement, or if the ownership interest is acquired after the Effective Date, within ten days after obtaining the interest as an owner in Area Representative.

3. DEVELOPMENT AND OPENING OF THE FRANCHISE.

3.1 <u>Pilot Business</u>. During any Term of this Area Representative Agreement, you must at all times own and operate a Pilot Business located in your Development Territory. Accordingly, upon signing this Area Representative Agreement, you must also execute a Pilot Franchise Agreement in the form attached to our single-unit Franchise Disclosure Document ("<u>Single Unit FDD</u>") currently used by us to offer and sell Assisting Hands Franchises and shall thereafter establish and operate your Pilot Business in accordance with the Pilot Franchise Agreement. The Pilot Business shall function as a business offering such services and products as may be required in accordance with your Pilot Franchise Agreement and as a training facility

where you will provide training related and other Support Services as required under this Area Representative Agreement. We may allow you to open and operate more than one Pilot Business in connection with this Area Representative Agreement, each additional Pilot Business will only be granted by a separate franchise agreement that you and we must execute. You have no right to an additional Pilot Business beyond the one we are granting you in connection with this Area Representative Agreement and our granting of one or more additional Pilot Businesses shall be determined in our sole discretion. You will be required to pay the full royalty to us for any Pilot Business that you own (you will not receive any compensation under this Area Representative Agreement for any Pilot Business or Assisting Hands Franchise owned by you or your affiliates).

- Development of the Area Representative Franchise. You agree to do the following at your own expense and within a reasonable time after you have signed this Area Representative Agreement, but in no event more than 180 days after the Effective Date: (i) develop a demographic analysis of your Development Territory; (ii) secure all financing required to fully develop your Area Representative Franchise, including your Pilot Business; (iii) obtain all required building, utility, sign, health, sanitation and business permits and licenses and any other required permits and licenses required for the operation of the Area Representative Franchise; (iv) comply with all obligations for the Pilot Business, as required under the Pilot Franchise Agreement; (v) purchase and install at your Area Representative Business all required equipment, fixtures, furniture, furnishings and signs; (vi) complete the training requirements described in this Area Representative Agreement; (vii) purchase an opening inventory of products and other supplies and materials required for the operation of your Area Representative Business, including all marketing materials for your initial marketing, advertising, and promotional campaign; (viii) provide proof, in a form satisfactory to us, that you are legally authorized, and have obtained all licenses necessary to operate your Area Representative Franchise as provided under this Area Representative Agreement, and that your organizational structure is consistent with all legal requirements; (ix) complete and/or satisfy any other acts necessary to open your Area Representative Franchise for business; (x) obtain our approval to open your Area Representative Franchise for business; and (xi) open the Area Representative Franchise for business.
- 3.3 Computer System. You agree to use in the development and operation of your Area Representative Franchise, and in your Pilot Business, any hardware, software, and technology, including our approved care management and scheduling software (collectively, the "Computer System") that we may specify or modify at any time and from time to time, in accordance with this Area Representative Agreement or the Area Representative Manual (as defined in Section 5.3 below). As part of the Computer System, we may require you to obtain specified computer hardware and/or software, including, without limitation, licenses to use proprietary software developed by us or by others. We reserve the right to create proprietary software or technology that must be used as part of the Computer System, in which case we may require that you enter into a license agreement with us and pay us reasonable initial and ongoing licensing, support and maintenance fees. You will be required to pay our approved vendors or suppliers, for the use of the software and other services. Your costs may increase in the event we offer updated or additional software or technology, or in the event that our approved vendors or suppliers increase their prices. There is no limitation on the frequency and cost of your obligation to maintain, update or upgrade your Computer System. Within 90 days after you receive notice from us, you agree to obtain the components of the Computer System that we designate and require. You further acknowledge and agree that we and our affiliates have the right to charge a reasonable systems fee for software or systems installation services; modifications and enhancements specifically made for us or our affiliates that are licensed to you; future technology services, websites, applications and platforms; and other maintenance and support services related



to the Computer System that we or our affiliates furnish to you. You will have sole responsibility for: (1) the acquisition, operation, maintenance, and upgrading of your Computer System; (2) the manner in which your Computer System interfaces with our computer system and those of third parties; and (3) any and all consequences that may arise if your Computer System is not properly operated, maintained, backed up and upgraded.

- 3.4 Equipment, Furniture, Fixtures, Furnishings and Signs. You agree to use in the development and operation of your Area Representative Franchise and Pilot Business only those brands, types, and/or models of equipment, furniture, fixtures, furnishings, and signs we have approved or that meet our specifications in the Area Representative Manual and Confidential Operations Manual.
- Area Representative Franchise Opening. You agree not to open your Area Representative Franchise for business until: (i) all of your obligations with respect to your Area Representative Business have been fulfilled; (ii) you (or your Principal Owner, as described in Section 4.1), your General Manager (as described in Section 4.1) and any of your other employees, as we may require, have completed our pre-opening initial training to our satisfaction; (iii) the Development Fee and all other amounts due to us have been paid; (iv) you have complied with any disclosure and/or registration obligations you may have under this Area Representative Agreement in order to offer Referral Services to Prospective Franchisees; (v) you have furnished us with copies of all required insurance policies, or have provided us with appropriate alternative evidence of insurance coverage and payment of premiums as we have requested; and (vi) we have approved any marketing, advertising, and promotional materials you desire to use in marketing the franchise sales opportunities available through the Area Representative Franchise, as permitted under this Area Representative Agreement. In addition to our other pre-opening duties under this Area Representative Agreement, we will provide you with such additional guidance and assistance as we deem appropriate in connection with the opening of your Area Representative Franchise during regular business hours.

4. <u>INITIAL TRAINING.</u>

4.1 Area Representative Franchise Initial Training Program. Not less than seven days before your Area Representative Franchise opens for business, you or your Principal Owner (if you are an Entity) and your General Manager (if any) must attend our initial training program for your Area Representative Franchise (the "AR Training Program") at the time and place we designate and must complete the AR Training Program to our satisfaction. "General Manager" means the individual with primary day-to-day responsibilities for the Area Representative Franchise's operations and may or may not be you (if you are an individual) or the Principal Owner (if you are an Entity). Your General Manager is required to have at least a ten percent (10%) equity interest in the Area Representative Franchise (if you are an Entity). "Principal Owner" means the Owner that we have approved that agrees to assume responsibility for the supervision and operation of your AR Business and Pilot Business if the General Manager is unable to perform his or her duties, until such time as you obtain a suitable replacement General Manager. The Principal Owner is the Owner who is principally responsible for communicating with us about the Area Representative Business. AR Training Program shall be in addition to the required initial training program for your Pilot Business. We reserve the right to vary the length and content of the AR Training Program as we deem appropriate in our sole discretion based on the experience of the attendee. We reserve the right to select when you will attend the AR Training Program and may delay your attendance until a suitable time near the grand opening date for your AR Business and Pilot Business in our sole discretion.



- 4.2 Attendees; Costs. We will provide the Initial Training at no cost to you (or your Principal Owner if you are an Entity) and your General Manager (if any), provided both persons attend Initial Training at the same time. Additional personnel of yours may attend the Initial Training if you pay to us a daily attendance fee in an amount to be determined by us. You will remain solely responsible for all travel, transportation, lodging, meals, and other personal costs for, and wages and compensation owed to, all of your attendees. Each person who is required to attend the Initial Training must complete the program to our satisfaction, and any attendee who fails to complete the program to our satisfaction will be required to be re-trained at the time, place, and cost as we may determine at our sole discretion and at your sole expense.
- 4.3 <u>Notice</u>. If you believe we have failed to adequately provide any training or other pre-opening or opening services to you as provided in this Area Representative Agreement, you will notify us in writing within 30 days following the required provision of such training or services. Without timely notice to us, you will be deemed to conclusively acknowledge that all training and pre-opening and opening services required to be provided to you were sufficient and satisfactory in your judgment.

5. **OUR OBLIGATIONS.**

- 5.1 Establishment of Area Representative Office. In addition to performing our other obligations other set forth in this Area Representative Agreement, if we require you to establish a regional sales, administrative, and training office (an "AR Office"), we will provide to you any written specifications that we may have for the construction or remodeling of your AR Office, and a list of all required equipment, inventory and supplies. You will be solely liable for compliance with all applicable business ordinances and building codes, and for obtaining all necessary health, building, sign, and other permits, licenses and bonds, as may be required for the operation of the AR Office. AR Offices may be located at the Pilot Business, until region maturity dictates other facilities.
- 5.2 Additional Training. In addition to providing the Initial Training, we reserve the right to offer and hold such additional ongoing training programs and franchise owners meetings and conference calls regarding such topics and at such times and locations as we may deem necessary or appropriate. We also reserve the right to make any of these training programs and conference calls mandatory for you and/or designated owners, employees, and/or representatives of yours. We may charge you a daily attendance fee in an amount set by us for each attendee of yours who attends any mandatory or optional training program or owners meeting.

You, your Principal Owner (if you are an Entity) or your General Manager (if any) must attend any annual franchisee conference that we choose to hold. It is mandatory that at least one person per AR Office attend the annual convention. Beginning on the first day of the month (or such other date we specify) following Initial Training, you must pay us our then-current monthly convention fee (calculated per AR Office location you operate) ("Convention Fee"). The Convention Fee is paid to defray your cost of attending such annual conferences, which amount is due regardless of whether or not you attend the annual conference and except as described below, is non-refundable. The monthly Convention Fee is due by the first day of each month and will be credited towards our then-current total annual convention fee. The total annual convention fee is calculated when we conduct our annual convention for each year that an annual convention is held. This fee covers the cost of one hotel room for up to two adults per room for a minimum of three nights. Additional costs will be assessed for additional rooms or guests. The final balance owed and monthly fee amount depends on the number of persons who attend. Additional guests may attend the convention at our then-current fee.

We will not charge you the Convention Fee under this Area Representative Agreement if you pay it under a separate franchise agreement with us. You will be solely responsible for the wages and travel, lodging, and living expenses for each attendee of yours who attends any additional training program, convention, or franchise owners meeting offered and held by us. If a representative from your AR Office is unable to attend the annual convention, up to \$600 (\$50 of the monthly convention fee paid towards the total annual fee for that conference by you each month in the preceding 12 months) will be refunded to you in a lump sum the month following the convention.

If we offer any such mandatory training programs or hold such conference calls, you or your designated personnel must attend such training programs and participate in such calls as we require in the Area Representative Manual, including a minimum of seventy-five percent (75%) of the recommended programs and calls offered on an annual basis, and your failure to comply with this requirement is a material breach of this Area Representative Agreement. At your request, we may but do not have to, agree to also furnish additional training, guidance, and assistance to you at per diem fees and charges established by us from time to time. If you request this guidance or assistance or special training of your personnel, and the training or assistance will take place at your Pilot Business or any AR Office that we require you to open, then you must pay a per diem fee to be set by us, and all expenses for our personnel, including all travel, lodging, meal, and living expenses. We may preclude you from attending an annual convention or conference if you are in default of this Area Representative Agreement at the time of the annual convention or conference. We may also preclude you from participating in system calls, meetings or webinars while you are in default of this Area Representative Agreement.

- 5.3 Guidance and Assistance. During any Term of this Area Representative Agreement, we may from time to time furnish you guidance and assistance with respect to: (i) specifications, standards, and operating procedures used by Area Representative Franchises; (ii) purchasing approved equipment, furniture, furnishings, signs, materials and supplies; (iii) development and implementation of advertising and promotional programs; (iv) general operating and management procedures; (v) establishing and conducting employee training programs at your Pilot Business and/or any AR Office that we require you to open; and (vi) changes in any of the above that occur from time to time. This guidance and assistance may, in our discretion, be furnished in the form of bulletins, written reports and recommendations, confidential area representative operations manual as well as our training manual, sales manual and any other manuals that we may create (collectively the "Area Representative Manual"), confidential Brand Standards Manual which is described in the Single Unit FDD ("Confidential Operations Manual") and other written or electronically-posted materials (collectively, the "Manuals"), and/or telephone consultations and/or personal consultations at our offices or at your Pilot Business and/or any AR Office that we require you to open. If you request – and if we agree to provide – any additional, special on-premises training of your personnel or other assistance in operating your Area Representative Franchise and/or Pilot Business, then you agree to pay for all expenses for that training or assistance, including any per diem charges assessed by us and any wages or compensation owed to, and travel, lodging, transportation and living expenses incurred by, our personnel.
- Area Representative Manual. We will lend to you one copy of our Area Representative Manual containing mandatory and suggested specifications, standards, and operating procedures that we prescribe from time to time for Area Representative Franchises, as well as information relative to other obligations you have in the operation of your Area Representative Franchise. The Area Representative Manual may include audiotapes, videotapes, computer disks, compact disks, and/or other written or intangible materials. We may make all or part of the Area Representative Manual available to you through various means, including the



Internet. A previous edition of the Area Representative Manual or part thereof may be superseded from time to time with replacement materials to reflect changes in the specifications, standards, operating procedures, and other obligations in operating an Area Representative Franchise. You must keep your copy of the Area Representative Manual current, and if you and we have a dispute over the contents of the Area Representative Manual, then our master copy of the Area Representative Manual will control. You agree that you will not at any time, without our permission, copy any part of the Area Representative Manual, permit it to be copied, disclose it to anyone not having a need to know its contents for purposes of operating your Area Representative Franchise, or remove it from your Pilot Business or any AR Office that we require you to open. If your copy of the Area Representative Manual is lost, destroyed, or significantly damaged, then you must obtain a replacement copy from us at our then applicable charge. You acknowledge that your compliance with the Area Representative Manual is vitally importance to us and to franchisees of the System and is necessary to protect our reputation and the goodwill of the Marks and to maintain the uniform quality of operation throughout the System. However, while the Area Representative Manual is designed to protect our reputation and the goodwill of the Marks, it is not designed to control the day-to-day operation of the Area Representative Franchise.

At our option, we may post the Area Representative Manual on a restricted website to which we will provide you secure password access. If we do so, you agree to periodically monitor that website for any updates to the Area Representative Manual or the System's specifications. Any passwords or other digital identifications necessary to access the Area Representative Manual on such a website will be deemed to be part of Confidential Information (defined in Section 9.1 below).

- Modifications to Area Representative Franchises. We will continually be reviewing and analyzing developments with respect to the development and operation of our Area Representative Franchises, based upon our evaluation of this information, we may make changes in your Area Representative Franchise. Moreover, changes in laws regulating Area Representative Franchises and the offering and sale of Assisting Hands Franchises may (i) require us to restructure our franchise program, (ii) require you and/or your owners, officers, directors, employees, and/or agents to obtain audited financial statements, additional licenses or certifications, and/or (iii) require you to modify your ownership or organizational structure. You agree, at our request, to modify the operation of your Area Representative Franchise to comply with all such changes, and to be solely responsible for all related costs.
- 5.6 <u>Marketing Materials</u>. We will provide to you any master forms of advertising, informational brochures, operational forms, videotapes, training manuals, photographs, graphic design templates, statistical analysis models, and other sales documents and tools that we may develop that we deem may be helpful to you in the operation of the Area Representative Franchise and promotion of the Assisting Hands Franchises for sale in the Development Territory.
- 5.7 <u>Advisory Councils</u>. You agree to participate in and, if required, become a member of any advisory councils or similar organizations we may form or organize for Area Representative Franchises. We reserve the right to form, change or dissolve any such council or organization, in our sole discretion, which will be governed by bylaws.

6. FEES AND COMPENSATION.

6.1 <u>Development Fee</u>. You agree to pay us the Area Representative development fee (the "Development Fee") listed in <u>Attachment A</u>, when you sign this Area Representative Agreement. You further agree and acknowledge that the Development Fee is non-refundable under any circumstances, shall be deemed fully earned by us upon the signing of this Area



Representative Agreement, and must be paid in full in the manner we require upon your signing of this Area Representative Agreement.

- 6.2 <u>Additional Fees.</u> Beginning on the Effective Date and continuing for the duration of any Term of this Area Representative Agreement, you must pay to us all fees and other amounts that you are required to pay to us under this Area Representative Agreement, the Pilot Franchise Agreement, and any other franchise or other agreement between you and us (or our affiliates).
- 6.3 <u>Compensation</u>. We will pay to you the following amounts as compensation for your services under this Area Representative Agreement:
- (a) Fifty percent (50%) of the net initial franchise fees paid to us by those Franchisees who purchase Assisting Hands Franchises in your Development Territory (but excluding your Pilot Business or Assisting Hands Franchises owned by you or your affiliates that are each governed by a separate franchise agreement you have with us) (the "AR IFF Share"). The "net" initial franchise fee means the total amount of the initial franchise fee that we collect less any amounts we must pay to third-party brokers, in-house commissioned salespeople, online lead generation service companies or other referral sources, relating to the sale.
- (b) Fifty percent (50%) of each royalty payment paid to us by those Franchisees who purchase Assisting Hands Franchises in your Development Territory (but excluding your Pilot Business or Assisting Hands Franchises owned by you or your affiliates and any other Assisting Hands Franchise owned by you or your affiliates that are each governed by a separate franchise agreement you have signed with us) (the "AR Royalty Share," and together with the AR IFF Share the "AR Share"). The amount of the royalty owed by each such Franchisee is defined in the franchise agreement(s) executed by the Franchisee.

You understand that you are essentially acting as our "referral agent" within your Development Territory. With our prior approval, you may engage other brokers, lead generation companies or referral sources to solicit and refer prospects to you. However, you are solely responsible for all brokerage and other fees owed to brokers, lead generation companies and referral sources that you engage. These fees will be paid out of the AR Share that we pay to you.

You agree that (i) our duty to pay the AR Share shall arise only upon our actual receipt in our bank account of the initial franchise fee or royalty payment to which the compensation owed to you corresponds; (ii) your compensation shall be calculated based on the actual amount paid to and received from a Franchisee by us at any one time, rather than the total amount owed under such Franchisee's franchise agreement; and (iii) all payments of compensation to you shall be reflected in our general payroll payment schedule within 30 days following the date that the payment to which such compensation corresponds clears our bank account.

6.4 <u>Area Representative Fund Contribution</u>. Recognizing the value of advertising to the goodwill and public image of Area Representative Franchises, Assisting Hands Franchises, and the Marks, we may, in our sole discretion, establish, maintain and administer an area representative fund (the "AR Fund") for the marketing, development and promotion of the AR System, the Marks and AR Businesses. If we establish an AR Fund, you agree to contribute to up to two percent (2%) of Gross Commissions, as described below ("AR Fund Contribution"). "Gross Commissions" means the total of all revenue and receipts derived from the operation of the Area Representative Franchise, including all amounts received by you as compensation or consideration of any kind under this Area Representative Agreement (including the AR Share).



We will provide you with at least 30 days' advance notice of the establishment of an AR Fund and the amount of your required Advertising Contribution, which will be payable within such time periods and by such deadlines as we may deem necessary or appropriate.

- 6.5 <u>Technology Fee</u>. We reserve the right to charge you and, if imposed, you agree to pay us a "Technology Fee" for technology services provided by us for the operation of your Area Representative Franchise. If imposed, the Technology Fee will be due monthly and shall not exceed \$1,000 per month. We reserve the right to license, sublicense, and create software and technology that you must pay for and use.
- **Interest on Late Payments.** Any payment payable by you to us (or our affiliates) under this Area Representative Agreement or another agreement entered into (unless otherwise provided for in a separate agreement between you and us or our affiliates) will begin to accrue interest after their respective due dates until payment is received in full at the lesser of (i) the highest commercial contract interest rate permitted by state law, or (ii) the rate of eighteen percent (18%) per annum. You acknowledge that the inclusion of this Section in this Area Representative Agreement does not mean we agree to accept or condone late payments, nor does it indicate that we have any intention to extend credit to, or otherwise finance your operation of, your Area Representative Franchise or your Pilot Business. In the event that any automatic payment is not honored by the bank from which funds are drawn, we have the right to require that any payments due us or any affiliates we may have be made by certified or cashier's check. We also have the right to charge you a fee of \$100 per occurrence for any payment that is not honored by the bank upon which it is drawn, whether for insufficient funds, stop payment, or any similar event. Payments to us or our affiliates will not be deemed received until such time as funds from the deposit of any amount, whether by check or automatic debit, by us or our affiliates is collected from your account. The imposition of interest under this Section shall be in addition to any other remedies that we may have under this Area Representative Agreement or at law, including termination of this Area Representative Agreement.
- 900 to pay all amounts owed to us under this Area Representative Agreement by any payment method and through any payment vendor that we designate, including that we may require you to participate in an electronic funds transfer program under which any amounts payable to us by you are deducted or paid electronically from your bank account. In the event you are required to authorize us to initiate debit entries, you agree to execute such authorization required by your banking institution and to make the funds available in your bank account for withdrawal by electronic transfer no later than the payment due date. Our use of electronic funds transfers as a method of collecting any amounts owed by you to us does not constitute a waiver of any of your obligations to provide us with periodic reports, and shall not be deemed a waiver of any of the rights and remedies available to us under this Area Representative Agreement. If you make any payment to us by credit card for any fee or required payment, we may charge a service charge of up to four percent (4%) of the total charge.
- Application of Payments; Set-off. When we receive a payment from you, we have the right, in our sole discretion, to apply it as we see fit to any past due indebtedness of yours due to us or our affiliates, whether for any amount due under this Area Representative Agreement or any other agreement between you and us and/or our affiliates, regardless of how you may designate that a particular payment should be applied. We may also charge against and deduct from any compensation owed to you under Section 6.2 above any amounts that you may owe to us or our affiliates (including, without limitation, any interest or other late payments owed by you) at the time the compensation is payable to you.



- Modification of Payments. If, by operation of law or otherwise, any fees or other amounts payable as contemplated by this Area Representative Agreement cannot be based upon the terms as specifically set forth in this Area Representative Agreement or any other agreement between you and us and/or our affiliates, then you and we agree to negotiate in good faith an alternative fee arrangement. If you and we are unable to reach an agreement on an alternative fee arrangement, then we reserve the right to terminate this Area Representative Agreement upon notice to you in accordance with the terms permitted in this Area Representative Agreement, in which case all of the post-termination obligations set forth herein shall also apply.
- 6.10 **CPI Adjustments to Fixed Fees.** All fees expressed as a fixed dollar amount in this Area Representative Agreement are subject to adjustment based on changes to the Consumer Price Index in the United States. We may periodically review and increase these fees based on changes to the Consumer Price Index, but only if the increase to the Consumer Price Index is more than 5% higher than the corresponding Consumer Price Index in effect on: (a) the effective date of the Area Representative Agreement (for the initial fee adjustments); or (b) the date we implemented the last fee adjustment (for subsequent fee adjustments). We will notify you of any CPI adjustment at least 60 days before the fee adjustment becomes effective. We will implement no more than one fee adjustment during any calendar year. Notwithstanding the foregoing the fee adjustments in this Section shall not impact fees which we reserve the right to increase in higher amounts or adjust more frequently, including but not limited to the Technology Fee.

7. **MARKS.**

- 7.1 Ownership and Goodwill of Marks. You acknowledge that your right to use the Marks is derived solely from this Area Representative Agreement and the Pilot Franchise Agreement, and is limited to your operation of your Area Representative Business and Pilot Business pursuant to and in compliance with this Area Representative Agreement, the Pilot Franchise Agreement, and all applicable standards, specifications, and operating procedures we prescribe from time to time during the Term. You understand and acknowledge that our right to regulate the use of the Marks includes, without limitation, any use of the Marks in any form of electronic media, such as websites, or web pages, or as a domain name or electronic media identifier. If you make any unauthorized use of the Marks, it will constitute a breach of this Area Representative Agreement and an infringement of our rights in and to the Marks. You acknowledge and agree that all your usage of the Marks and any goodwill established by your use will inure exclusively to our benefit and the benefit of our affiliates, and that this Area Representative Agreement does not confer any goodwill or other interests in the Marks on you (other than the right to operate an Area Representative Franchise in compliance with this Area Representative Agreement). All provisions of this Area Representative Agreement applicable to the Marks will apply to any additional trademarks, service marks, commercial symbols, designs, artwork, or logos we may authorize and/or license you to use during the Term.
- 7.2 <u>Limitations on Area Representative's Use of Marks</u>. You agree to use the Marks as the sole trade identification of your Area Representative Franchise and Pilot Business, except that you will display at your Pilot Business and any AR Office, a written notice, in the form we prescribe, stating that you are the independent owner of the Area Representative Franchise pursuant to this Area Representative Agreement, and of the Pilot Business pursuant to your Pilot Franchise Agreement. You agree not to use any Mark as part of any corporate or trade name or with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos and additional trade and service marks licensed to you under this Area Representative Agreement), or in any modified form. You also shall not use any Mark or any commercial symbol similar to the Marks, in connection with the performance or sale of any unauthorized services or products or

in any other manner we have not expressly authorized in writing. You agree to display the Marks in the manner we prescribe at your Pilot Business and any AR Office that we require you to open and in connection with advertising and marketing materials, and to use, along with the Marks, any notices of trade, and service mark registrations as we may specify. You further agree to obtain any fictitious or assumed name registrations as may be required under applicable law.

- 7.3 Notification of Infringements and Claims. You agree to immediately notify us in writing of any apparent infringement of or challenge to your use of any Mark or claim by any person of any rights in any Mark or similar trade name, trademark or service mark of which you become aware. You agree not to communicate with anyone except for us and our counsel in connection with any such infringement, challenge or claim. We have the sole right to exclusively control any litigation or other proceeding arising out of any actual or alleged infringement, challenge, or claim relating to any Mark. You agree to sign any documents, render any assistance and do any acts that our attorneys say is necessary or advisable in order to protect and maintain our interests in any litigation or proceeding related to the Marks, or to otherwise protect and maintain our interests in the Marks.
- 7.4 <u>Discontinuance of Use of Marks</u>. If it becomes advisable at any time in our sole judgment for your Area Representative Franchise and/or Pilot Business to modify or discontinue the use of any Mark, or to use one or more additional or substitute trade or service marks, including the Marks used as the name of the Area Representative Franchise and/or Pilot Business, then you agree, at your sole expense, to comply with our directions to modify or otherwise discontinue the use of the Mark, or use one or more additional or substitute trade or service marks, within a reasonable time after our notice to you.
- 7.5 <u>Indemnification of Area Representative</u>. We agree to indemnify you against, and to reimburse you for, all damages for which you are held liable in any trademark infringement proceeding arising out of your use of any Mark pursuant to and in strict compliance with this Area Representative Agreement, and for all costs you reasonably incur in the defense of any such claim in which you are named as a party, so long as you have timely notified us of the claim and have otherwise complied with this Area Representative Agreement.

8. RELATIONSHIP OF THE PARTIES; INDEMNIFICATION.

Independent Contractor; No Fiduciary Relationship. Both you and we 8.1 understand and agree that this Area Representative Agreement does not create a fiduciary relationship between you and us, that you and we are independent contractors, and that nothing in this Area Representative Agreement is intended to make either party a general or special agent, joint venturer, partner, or employee of the other for any purpose whatsoever. You agree to conspicuously identify yourself in all your dealings with customers, suppliers, public officials, Area Representative Franchise personnel and independent contractors, and others as the owner of the Area Representative Franchise pursuant to an Area Representative Agreement with us, and to place any other notices of independent ownership on your forms, business cards, stationery, advertising, and other materials as we may require from time to time. You agree to inform each of your employees that you alone are their employer, and that we are not. You agree to explain to your employees and contractors the respective roles of a franchisor and an area representative and our relationship with you, and you will request that your employees and contractors sign any acknowledgement or disclosure explaining the differences between us and you, their employer or contractor. At no time will you or your employees be deemed to be employees of us or our affiliates and we are not a joint employer of those persons. We will have no obligation to direct your employees or to operate the business. You alone are responsible for all employment



decisions and functions of your Area Representative Franchise, including, without limitation, those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, safety, work conditions, assignments, taxes, schedules, personnel policies, benefits, recordkeeping, supervision, discipline of employees and compliance with all workplace laws, regardless of whether you have received advice from us on these subjects or not. We will have no liability for any action or settlement related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, safety, work conditions, assignments, taxes, schedules, personnel policies, benefits, recordkeeping, supervision, discipline of employees and compliance with all workplace laws, and you agree to indemnify us for any such liabilities we incur. In addition, you must use your legal name on all documents for use with your employees and contractors, including, but not limited to, employment applications, timecards, pay checks, and employment and independent contractor agreements, and you shall not use the Marks on any of these documents. You further agree that fulfillment of any and all of our obligations written in the Area Representative Agreement, or based on any oral communications which may be ruled to be binding in a court of law, shall be our sole responsibility and none of our owners, officers, agents, representatives, nor any individuals associated with us shall be personally liable to you for any reason.

- 8.2 No Liability, No Warranties. We have not authorized or empowered you to use the Marks except as provided by this Area Representative Agreement, and you agree not to employ any of the Marks in signing any contract, check, purchase agreement, negotiable instrument or legal obligation, application for any license or permit, or in a manner that may result in liability to us for any indebtedness or obligation of yours. Except as expressly authorized by this Area Representative Agreement, neither you nor we will make any express or implied agreements, warranties, guarantees or representations, or incur any debt, in the name of or on behalf of the other, or represent that your and our relationship is other than that of franchisor and area representative.
- 8.3 <u>Indemnification</u>. We will not assume any liability or be deemed liable for any agreements, representations, or warranties you make that are not expressly authorized under this Area Representative Agreement, nor will we be obligated for any damages to any person or property directly or indirectly arising out of the operation of the business you conduct pursuant to this Area Representative Agreement, whether or not caused by any negligent or willful action or failure to act by you or any of your Owners, General Manager (if any), officers, directors, employees, independent contractors, agents, or successors or assigns. We will have no liability for any sales, use, excise, income, gross receipts, property, or other taxes levied against you or your assets, or on us, in connection with the business you conduct, or any payments you make to us pursuant to this Area Representative Agreement (except for our own income taxes).

You agree to indemnify, defend, and hold us, any affiliates we may have, and our and their respective owners, directors, officers, employees, agents, successors and assigns (the "Indemnified Parties"), harmless against, and to reimburse such Indemnified Parties for, all such obligations, damages, and taxes arising out of or affecting this Area Representative Agreement, the operation of the Area Representative Business or the equipment or supplies used in connection therewith, and whether arising from bodily injury, death, or property damage; or any other violation or injury to others or their rights or interests, or in any other manner for which any Indemnified Party may be liable, and for all costs any Indemnified Party reasonably may incur in the defense of any such claim brought against the Indemnified Party, or in any such action in which the Indemnified Party may be named as a party, including, without limitation, actual and consequential damages; reasonable attorneys', accountants', and/or expert witness fees; cost of investigation and proof of facts; court fees and costs; other litigation expenses; and travel and

living expenses. Each Indemnified Party has the right to defend any such claim against the Indemnified Party.

You further agree to hold us harmless and indemnify and defend us for all costs, expenses, and/or losses we incur in enforcing the provisions of this Area Representative Agreement, defending our actions taken relating to this Area Representative Agreement, or resulting from your breach of this Area Representative Agreement, including, without limitation, reasonable arbitrator and attorney fees (including those for appeal), unless, after legal proceedings are completed, you are found to have fulfilled and complied with all of the terms of this Area Representative Agreement.

Your indemnification obligations described above will continue in full force and effect after, and notwithstanding, the expiration or termination of this Area Representative Agreement. We will not assume any liability or be deemed liable for any agreements or representations you make, nor for any warranties unless such warranties comply with the warranties required to be offered under this Area Representative Agreement, nor will we be obligated for any damages to any person or property directly or indirectly arising out of the operation of the business you conduct pursuant to this Area Representative Agreement, whether or not caused by your negligent or willful action or failure to act.

The existence of any claims demands or actions which Area Representative may have against us, whether arising from this Area Representative Agreement or otherwise, shall not constitute a defense to our enforcement of Area Representative's or any of its owners representations, warranties, covenants, agreements or obligations herein.

8.4 <u>Delegation</u>. You agree that we shall have the right to delegate to third-party designees, whether these designees are our agents or independent contractors with whom we have contracted (1) the performance of any portion or all of our obligations under this Area Representative Agreement, and (2) any right that we have under this Area Representative Agreement. If we do so, such third-party designees will be obligated to perform the delegated functions for you in compliance with this Area Representative Agreement.

9. CONFIDENTIAL INFORMATION; NON-COMPETITION.

Types of Confidential Information. We possess certain unique confidential and proprietary information and trade secrets consisting of the following categories of information, methods, techniques, products, and knowledge developed by us including but not limited to: (i) services and products offered and sold at Assisting Hands Businesses and Area Representative Businesses; (ii) knowledge of sales and profit performance of any one or more Assisting Hands Businesses and Area Representative Businesses; (iii) knowledge of all advertising and promotional programs, image and décor, and all sources of products sold at Assisting Hands Businesses and Area Representative Businesses; (iv) methods, techniques, formats, specifications, procedures, information, systems, and knowledge of, and experience in, the development, operation, and franchising of Assisting Hands Businesses and Area Representative Businesses; (v) the selection and methods of training technicians and other employees; and (vi) customer information. We will disclose much of the above described information to you in advising you about site selection, providing training to you, the Manuals, and providing guidance and assistance to you under this Area Representative Agreement. In addition, in the course of the operation of your Area Representative Franchise and Pilot Business, you or your employees or independent contractors may develop ideas, concepts, methods, and techniques of improvement, relating to the Area Representative Franchise and/or Pilot Business that you agree to disclose to us, and that we may then authorize you to use in the operation of your Area Representative Franchise and/or Pilot Business, and may use or authorize others to use in other franchises owned or franchised by us or



our affiliates. (Any and all information described above that is disclosed to or developed by you pursuant to this Area Representative Agreement shall be deemed and referred to as "Confidential Information").

9.2 Non-Disclosure Agreement. You agree that your relationship with us does not vest in you any interest in the Confidential Information, other than the right to use it in the development and operation of your Area Representative Franchise and Pilot Business, and that the use or duplication of the Confidential Information in any other business or manner would constitute an unfair method of competition. You acknowledge and agree that the Confidential Information belongs to us, may contain trade secrets belonging to us, and is disclosed to you or authorized for your use solely on the condition that you agree, and you therefore do agree, that you (i) will not use the Confidential Information in any other business or capacity; (ii) will maintain the absolute confidentiality of the Confidential Information during and after the Term; (iii) will not make unauthorized copies of any portion of the Confidential Information disclosed in written form, or in any other form that may be copied or duplicated; and (iv) will adopt and implement all reasonable procedures, including but not limited to those we may prescribe from time to time, to prevent unauthorized use or disclosure of the Confidential Information, including, without limitation, restrictions on disclosure to your employees, independent contractors, and agents, and the use of non-disclosure and non-competition agreements we may prescribe or approve for your shareholders, partners, members, officers, directors, employees, independent contractors, or agents who may have access to the Confidential Information such as execution of the Franchise Owner Agreement, and other agreements referenced in the Area Representative Franchise Disclosure Document ("AR FDD").

All data that you collect, create, provide or otherwise develop (including, but not limited to customer information) is (and will be) owned exclusively by us, and we will have the right to use such data in any manner that we deem appropriate without compensation to you. Copies and/or originals of such data must be provided to us upon our request. We hereby license use of such data back to you, at no additional cost, solely for the term of this Area Representative Agreement and solely for your use in connection with the business under this Area Representative Agreement. You agree to provide us with the information that we reasonably require with respect to data and cybersecurity requirements. You agree to indemnify us for any loss of data including, but not limited to customer information, resulting from a breach of such data caused, in whole or in part, by you.

Notwithstanding the foregoing, the restrictions on the disclosure and use of the Confidential Information will not apply to disclosure of Confidential Information: (i) made in confidence to a government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; (ii) made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; (iii) made in cases of suit for retaliation based on the reporting of a suspected violation of law, disclosure of Confidential Information to an attorney and for use of the Confidential Information in such court proceeding, so long as any document containing the Confidential Information is filed under seal and Confidential Information is not otherwise disclosed except pursuant to court order.

9.3 <u>Non-Competition Agreement</u>. You agree that we would be unable to protect the Confidential Information against unauthorized use or disclosure and would be unable to encourage a free exchange of ideas and information among franchises, if franchise owners of our Assisting Hands Franchises and Area Representative Franchises were permitted to hold interests in any competitive businesses (as described below). Therefore, during the Term, neither you (if you are an individual), nor any Owner, officer, manager or director (if you are an Entity), nor any member of your immediate family or of the immediate family of any Owner, shall perform



services for, loan money to, or have any direct or indirect interest as a disclosed or beneficial owner, investor, partner, director, officer, employee, manager, consultant, representative, or agent in, any business then in existence or approved, that (i) offers or sells franchises or other business opportunities offering products or services the same as or similar to those offered or sold by us or our Area Representative Franchises or Assisting Hands Franchises; or (ii) offers or sells products or services the same as or similar to those offered or sold at our Area Representative Franchises or Assisting Hands Franchises. (The ownership of one percent (1%) or less of a publicly traded company will not be deemed to be prohibited by this Section).

In the event of the transfer or after the termination or expiration of this Area Representative Agreement, you will abide by the post termination non-competition provisions described in this Area Representative Agreement.

10. FRANCHISE OBLIGATIONS AND STANDARDS.

10.1 **Condition and Appearance**. You agree that:

- (a) you will develop, and operate your Pilot Business in accordance with, and subject to our rights as set forth in, the Pilot Franchise Agreement;
- (b) you have permission to open any AR Office, in the same space as your Pilot Business, until such time as the maturity of your region dictates separate quarters;
- (c) if we require you to open a AR Office, your AR Office will not be used for any purpose other than the operation of your Area Representative Franchise in compliance with this Area Representative Agreement;
- (d) if we require you to open an AR Office, you will maintain the condition and appearance of your AR Office, its equipment, furniture, furnishings, signs, and premises in accordance with our standards and consistent with the image of an Area Representative Franchise as an efficiently operated business offering high quality services and observing the highest standards of cleanliness and courteous service, and in that connection will take, without limitation, the following actions during any Term and Interim Period of this Area Representative Agreement: (1) thorough cleaning, repainting and redecorating of the interior and exterior of the AR Office at reasonable intervals; (2) interior and exterior repair of the AR Office; and (3) repair or replacement of damaged, worn out or obsolete equipment, furniture, furnishings and signs;
- (e) if we require you to open an AR Office, you will not make any material alterations to the AR Office, or to the appearance of the AR Office, as originally developed, without our advance written approval. If you do so, we have the right, at our option and at your expense, to rectify alterations we have not previously approved;
- (f) if we require you to open an AR Office, you will promptly replace or add new equipment when we reasonably specify in order to meet changing standards or new methods of service:
- (g) if we require you to open an AR Office, on notice from us, you will engage in remodeling, expansion, redecorating and/or refurbishing of the AR Office to reflect changes in the operations of Area Representative Franchises that we prescribe and require of new Area Representatives, provided that no material changes will be required unless there are at least two years remaining on the then current Term of the Area Representative Franchise (all actual changes



will be subject to our approval), and that we have completed the proposed change in at least twenty-five percent (25%) of all similarly situated Area Representative Franchises owned by us or our affiliates, and have undertaken a plan to make the proposed change in the balance of such Area Representative Franchises;

- (h) if we require you to open an AR Office, you will place or display at the AR Office (interior and exterior) only those signs, emblems, designs, artwork, lettering, logos, and display and advertising materials that we from time to time approve; and
- (i) if we require you to open an AR Office, in the event that, at any time and in our reasonable judgment, the general state of repair, appearance or cleanliness of the premises of the AR Office or its fixtures, equipment, furniture or signs do not meet our standards, then we shall have the right to notify you of such deficiency and specify the action you must take to correct the deficiency. If you do not initiate action to correct such deficiencies within ten days after receipt of our notice, and then continue, in good faith and with due diligence, a bona fide program to complete any required maintenance or refurbishing, then we shall have the right, in addition to all other remedies available to us at law or under this Area Representative Agreement, to enter the AR Office and perform any required maintenance or refurbishing on your behalf, and you agree to reimburse us on demand for any fees or other costs we may thereby incur.
- 10.2 **Products and Services**. You agree that (i) your Area Representative Franchise and Pilot Business will offer only those services and products that we have approved, and from time to time specify in the Area Representative Manual, only in the manner we have prescribed; (ii) you will not offer for sale or sell at the Area Representative Franchise, the Pilot Business, or any other location, any services or products we have not approved; (iii) you will not use the Area Representative Franchise unless we have authorized you to do so in writing; the Pilot Business, or any AR Office that we require you to open, for any purpose other than the operation of the Area Representative Franchise; and (iv) you will discontinue selling and offering for sale any services or products that we at any time decide (in our sole discretion) to disapprove in writing. Should products be discontinued, you are allowed to sell off any remaining inventory provided it is done within 12 months of the notice of discontinuance.
- **Development Quota**. To retain your Development Territory, you must satisfy a development quota ("Development Quota") in each year following the Effective Date (the "Development Schedule") based on the total number of Assisting Hands Businesses sold and Assisting Hands Businesses open and operating in your Development Territory during each year. Your Development Quota and Development Schedule will be established at the time you sign this Area Representative Agreement (see Attachment A). You will be required to pay a weekly "Development Default Fee" if you fail to meet your Development Quota (a "Development **Default**"). The Development Default Fee is calculated as \$250 per week per Assisting Hands Business that you are deficient in developing under your Development Schedule and shall be due each week until you have met your Development Quota. The Development Default Fee and cure period (described below) do not reduce the Development Schedule for the next development period or extend the time period for you to comply with the Development Schedule for the next development period. In addition, if you fail to meet your Development Quota in any year and fail to cure the failure within the cure period described below, we may: (i) terminate the Area Representative Agreement; (ii) extend the development period; (iii) reduce the size of the Development Territory; and/or (iv) eliminate your exclusive rights to perform Referral Services and/or Support Services in the Development Territory, which means that you will not receive the AR Share for Assisting Hands Businesses located within your Development Territory.



The following terms and conditions shall apply to your Development Quota:

- (a) Each Pilot Business or other Assisting Hands Business, with a signed franchise agreement, established and operating in the Development Territory as of the end of each development period shall be counted in determining your compliance with your Development Quota. In the event that any Assisting Hands Business in your Development Territory terminates or closes during a development period, that Assisting Hands Franchise shall not be counted for purposes of your Development Quota.
- (b) You must ensure that each Assisting Hands Business established in your Development Territory signs a franchise agreement, in the form attached to the Single Unit FDD then used by us to offer and sell Assisting Hands Franchises in your Development Territory.
- (c) Following a Development Default, and whether or not we provide you written notice of that Development Default, you must cure that Development Default by complying with the Development Schedule on or before the date which is 90 days after the end of the year with respect to which you failed to comply with the Development Schedule. During this cure period, you must continue to pay the Development Default Fee. The Development Default Fee is to compensate us for lost revenues resulting from Area Representative's failure to fulfill its obligations under the Development Schedule. The Development Default Fee will be due the entire period that you are in Development Default.
- 10.4 <u>Referral Services</u>. You will be responsible for providing Referral Services to advertise for, solicit, and screen Prospective Franchisees to purchase Assisting Hands Franchises in your Development Territory in accordance with the following conditions and requirements:
- (a) You will evaluate the qualifications of each Prospective Franchisee, as well as the suitability of the Prospective Franchisee's proposed location, in accordance with our standards, policies, and procedures relating to the qualification of Prospective Franchisees and our Assisting Hands Franchises as defined in the Area Representative Manual, including our disclosure procedures in the Area Representative Manual or this Area Representative Agreement. You must obtain from the Prospective Franchisee all information and documentation required by us of Prospective Franchisees.
- (b) After you ensure that a Prospective Franchisee and proposed Assisting Hands Franchise location meets our standards, you may recommend to us the approval of the Prospective Franchisee and may recommend its proposed Assisting Hands Franchise location if already determined. Upon making such a recommendation, you must furnish to us all information and documentation concerning the Prospective Franchisee (and may also furnish relevant information relating to the proposed Assisting Hands Franchise location, if any) that you have obtained, as well as any additional information that we may require in our sole and absolute discretion.
- (c) We may, in our sole and absolute discretion, approve or disapprove a Prospective Franchisee and/or proposed Assisting Hands Franchise location for any reason. We may seek any additional information about the Prospective Franchisee and/or the proposed Assisting Hands Franchise location that we deem appropriate in our sole and absolute discretion, and may conduct or obtain any credit report or background check on the Prospective Franchisee that we may deem appropriate. You must cooperate with us to obtain any additional information required by us from, or with respect to, the Prospective Franchisee.



- (d) We will notify you in writing of our approval or rejection of each Prospective Franchisee and/or proposed Assisting Hands Franchise location within ten business days following your submission of that Prospective Franchisee's or Assisting Hands Franchise location's qualifications or related documentation, as we may then require, to us. If we reject a Prospective Franchisee and/or Assisting Hands Franchise location, then we will include in our written notice a written explanation of our reasons for the rejection.
- (e) In the event that we approve a Prospective Franchisee and a proposed Assisting Hands Franchise location, we will furnish the Prospective Franchisee with a copy of our then current franchise agreement for the Prospective Franchisee to sign. You will deliver that agreement, signed by the Prospective Franchisee to us for us to countersign within ten business days following the Prospective Franchisee's execution of such documentation. You must not sign any franchise agreement or take any money or other agreement on our behalf and must not modify any such agreement or attachment thereto in any way.
- (f) You must not accept payment of any fee or other amount owed to us by an approved Prospective Franchisee.
- 10.5 <u>Disclosure and Registration Obligations</u>. You acknowledge and agree to the following provisions related to your obligation to provide Referral Services on our behalf:
- You acknowledge that the offer and sale of Assisting Hands Franchises by us is (a) subject to federal and state franchise or business opportunity laws and regulations that may require the preparation, amendment, registration, or filing of certain documentation and disclosures relating to the Assisting Hands Franchises (the "Documentation"), some of which Documentation is required to be prepared and appropriately registered or filed prior to you soliciting, recruiting, and/or screening Prospective Franchisees. Some states require that Area Representatives obtain audited financial statements of its business and to register a disclosure document. In such circumstances, we would prepare the document but you would be responsible for any registration costs and the costs of the audit. If we have not yet prepared, amended, registered, or filed any Documentation that is specific or limited to the type or types of Assisting Hands Franchises to be offered in your Development Territory, then we will do so, and may request your assistance as we deem necessary, prior to approving you to conduct your business activities under this Area Representative Agreement in certain jurisdictions, in order to comply with all federal and state disclosure requirements. You must review and become fully familiar with all Documentation related to the Assisting Hands Franchises to be sold in your Development Territory. If we request your assistance in preparing or amending any Documentation, you must submit it to us for our review and approval before it is filed with any governmental authority or you use it to solicit Prospective Franchisees. You must ensure that any Documentation that you use is current and complies with all applicable disclosure requirements and must notify us immediately of any problems or regulatory compliance-related issues that you may encounter regarding the Documentation throughout the Term and any Interim Period. We may fully or partially amend, at any time and without notice or obligation to you, any Documentation that we prepare, but we must promptly send the modifications or amendments to you for your review and use. You must not make any changes, additions, or deletions of any kind to any Documentation prepared by us.
- (b) If federal, state, or local laws and regulations in any jurisdiction in your Development Territory require the preparation, amendment, registration, or filing of any Documentation or other documents for you to solicit Prospective Franchisees or perform any other duty required under this Area Representative Agreement, then you must not solicit any Prospective Franchisees or perform any such other duty until after the required Documentation has been



prepared, amended, registered, and/or filed with the appropriate governmental agency or authorities in accordance with the provisions of subparagraph (a) above. In the event that we or you learn that any required registration is not in effect, or that any required Documentation or document does not comply with applicable law, you must stop soliciting Prospective Franchisees immediately upon acquiring such knowledge or receiving notice from us about the non-registration or non-compliance of the Documentation, and may only resume soliciting Prospective Franchisees only upon receiving notice from either the appropriate governmental authority or from us that the required registration is in effect, or that the non-compliance of the Documentation has been cured.

- (c) You must comply with all applicable federal, state, and local laws and regulations governing the offering of Assisting Hands Franchises in the Development Territory. Accordingly, you must:
 - (i) Furnish to Prospective Franchisees only such Documentation as we may designate or approve, including any then current form of franchise disclosure document for Assisting Hands Franchises, if any, that we have authorized for your use in the Development Territory, and such promotional materials that we have previously approved;
 - (ii) Comply with all applicable requirements governing the timing of delivery of the Documentation, and obtaining and delivering to us any original receipt executed by a Prospective Franchisee to whom any Documentation is delivered;
 - (iii) Make no representations or other statements that conflict with the information contained in the Documentation delivered to a Prospective Franchisee;
 - (iv) Make no earnings claims, financial performance representations or projections concerning any Assisting Hands Business, or provide any information concerning actual sales, revenues, incomes, costs, or expenses related to any Assisting Hands Business, unless such information is contained in the Documentation provided to Prospective Franchisees; and
 - (v) Promptly notify us of any material information or event that may require disclosure in any Documentation prepared by us. If any material information or event may require disclosure with any documentation prepared by you, then you agree to stop soliciting Prospective Franchisees until such time as the Documentation has been revised, reviewed and approved by us.
- (d) Throughout any Term of this Area Representative Agreement, you (and, if necessary, your Principal Owner, General Manager (if any), directors, officers, employees, independent contractors, and agents, if any) must, at your expense, register and/or obtain licensure as a franchise broker, business broker, or in any other capacity that is independent of your relationship with us and/or the business network and System, as may be required under the laws and regulations of any state or locality in the Development Territory. You must not solicit any Prospective Franchisees in any such state or locality until all required registration or licenses obtained by you (that are independent of your relationship with us) become effective, and you must provide to us documentary proof of such effective registration and/or licensure.
- 10.6 <u>Support Services</u>. Before providing any Support Services required under this Area Representative Agreement, you must ensure that you and your employees and independent contractors have obtained all licenses, certifications, and other authorizations that may be required by law or us to provide any such Services.



You agree and acknowledge that we will be delegating our obligations under the franchise agreements of each Franchisee in your Development Territory to you, unless we elect to provide any such Support Services in our sole discretion.

The Support Services will include (without limitation):

- (a) All initial and other training that we may be required to provide to the Franchisees in your Development Territory. Unless we otherwise agree in writing, all such training shall take place at your Pilot Business, and you will be solely responsible for all costs and expenses that you may incur in providing such training.
- (b) Providing on-site and other consultation, as required, regarding the continuing operation and management of the Assisting Hands Business and advice regarding business services, services quality control, and customer relations issues.
- (c) Providing on-going updates of information, training and programs regarding Services, business operations in general, Assisting Hands Businesses and the System.
- (d) Providing advice and assistance to Franchisee in connection with the development of and improvements to Franchisees' Assisting Hands Business in all areas of operation, including, but not limited to advertising, marketing, financial and operational controls, and customer service.
- (e) Conducting any quality and service inspection and franchise business consultation of Assisting Hands Business, as required by us.
- (f) Providing access to advertising and promotional materials as may be developed by us from time to time.
- (g) At our discretion, establishing an advertising cooperative for all Assisting Hands Businesses located in the Development Area using forms and procedures supplied by us.
- (h(g)) Submitting periodic reports to us on activities in the Development Territory, using procedures and forms prescribed by us.
- $(i\underline{h})$ Taking such action as we shall reasonably request to enforce Franchisees' compliance with their franchise agreements.

Notwithstanding the foregoing, we may, in our sole and absolute discretion, choose to provide any training or other Support Services that would otherwise be your sole responsibility under this Section. In the event that we exercise this right, you must pay to us as compensation a fee in an amount to be set by us, plus all travel, lodging, and living expenses incurred by our personnel in providing such Support Services.

10.7 <u>Participation in the Franchise</u>. Unless we approve your employment of a General Manager to operate the Area Representative Franchise, you must actively participate in the actual, day-to-day operation of the Area Representative Franchise, and devote as much of your time as is reasonably necessary for the efficient operation of the Area Representative Franchise. If you are an Entity, then the Principal Owner must comply with this requirement. If we agree that you may employ a General Manager to supervise the day-to-day operation of the Area Representative Franchise, then you must not hire any General Manager or replacement or successor General Manager without first receiving our written approval of that candidate's qualifications. Your General Manager must attend and complete our Initial Training as described in Section 4 of this Area Representative Agreement. Any successor General Manager must also



attend the Initial Training, which we will provide at your sole expense for our then current additional training fee assessed to and payable by you. Each General Manager must sign a written agreement, in a form approved by us, as required under the then-current franchise disclosure document, to maintain confidential our Confidential Information, and to abide by the covenants not to compete. You must forward to us a copy of each such signed agreement:

develop various unique products or services that may be prepared according to our formulations. We have approved, and will continue to periodically approve, specifications for suppliers and distributors (which may include us and/or our affiliates) for products and/or services required to be purchased by, or offered and sold at our Assisting Hands Franchises, that meet our standards and requirements, including, without limitation, standards and requirements relating to product quality, prices, consistency, reliability, and customer relations. You agree that your Area Representative Franchise will: (i) purchase any required products or services in such quantities as we designate; (ii) utilize such formats, formulae, and packaging for products as we prescribe; and (iii) purchase all designated products and services only from distributors and other suppliers we have approved.

We may approve a single distributor or other supplier (collectively, "supplier") for any product or service, and may approve a supplier only as to certain products or services. We may concentrate purchases with one or more suppliers to obtain lower prices or the best advertising support or services for any group of Assisting Hands Businesses or Area Representative Franchise franchised or operated by us. Approval of a supplier may be conditioned on requirements relating to the frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints), or other criteria, and our approval may be temporary, pending our continued evaluation of the supplier from time to time.

If you would like to purchase any items from any unapproved supplier, then you or the supplier must submit to us a written request for approval of the proposed supplier. We have the right to inspect the proposed supplier's facilities, and to require product samples from the proposed supplier to be delivered, at our option, either directly to us, or to any independent, certified laboratory that we may designate, for testing. We may charge you or the proposed supplier a supplier evaluation fee (not to exceed the reasonable cost of the inspection and the actual cost of the test) to make the evaluation. We reserve the right to periodically re-inspect the facilities and products of any approved supplier and revoke our approval if the supplier does not continue to meet any of our criteria.

We and/or our affiliates may be an approved supplier of certain products or services to be purchased by you for use and/or sale by your Area Representative Franchise. We and any affiliates we may have reserve the right to charge any licensed manufacturer engaged by us or our affiliates a royalty to manufacture products for us or our affiliates, or to receive commissions or rebates from vendors that supply goods or services to you. We and any affiliates we may have may also derive income from the sale of products or services to you and may sell these items at prices exceeding our or their costs in order to make a profit on the sale.

- 10.9 <u>Hours of Operation</u>. You agree to keep your Area Representative Franchise open for business at such times and during such hours as we may prescribe from time to time in the Area Representative Manual.
- 10.10 **Specifications, Standards and Procedures.** You agree to comply with all mandatory specifications, standards, and operating procedures relating to the appearance, function, cleanliness, sanitation and operation of an Area Representative Franchise as may be revised or amended from time to time. You must also comply with any mandatory specifications,



standards, and operating procedures that we prescribe from time to time in the Area Representative Manual, or otherwise communicate to you in writing will constitute provisions of this Area Representative Agreement as if fully set forth in this Area Representative Agreement. All references to "this Area Representative Agreement" include all such mandatory specifications, standards and operating procedures.

10.11 <u>Compliance with Laws and Good Business Practices</u>. You agree to secure and maintain in force in your name all required licenses, permits and certificates relating to the operation of your Area Representative Franchise. You also agree to operate your Area Representative Franchise in full compliance with all applicable laws, ordinances, and regulations, including, without limitation, all government regulations relating to worker's compensation insurance, unemployment insurance, and withholding and payment of federal and state income taxes, social security taxes and sales taxes.

All advertising you employ must be completely factual, in good taste (in our judgment), and conform to the highest standards of ethical advertising and all legal requirements. You agree that in all dealings with us, your customers, your suppliers, and with public officials, you will adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You further agree to refrain from any business or advertising practice that may be harmful to our business, the Area Representative Franchise, and/or the goodwill associated with us, any Area Representative, Assisting Hands Business and/or the Marks.

You must notify us in writing within five days of (1) the commencement of any action, suit, or proceeding, and/or of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental unit, that may adversely affect your operation, financial condition, or reputation or that of your Area Representative Franchise, and/or (2) your receipt or knowledge of any notice of violation of any law, ordinance, or regulation relating to health or safety.

You agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with Anti-Terrorism Laws (defined below). In connection with that compliance, you certify, represent and warrant that none of your property or interests is subject to being blocked under, and that you and the owners otherwise are not in violation of, any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, rules, regulations, policies, lists and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by you or your owners, or any blocking of your or your owners' assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement.

10.12 Area Representative Staff. You must hire such employees and/or independent contractors for the Area Representative Franchise as may be necessary or appropriate to staff the Area Representative Franchise and any AR Office that we require you to open. You will ensure that all of your employees and independent contractors have any licenses as may be required by law, and hold or are pursuing any licenses, certifications, or degrees required by law or by us in the Area Representative Manual, as updated from time to time. You will be exclusively responsible for the terms of your employees' and independent contractors' employment and compensation, and for the proper training of your employees and independent contractors in the operation of the Area Representative Franchise. If we prescribe any additional training programs for your employees and/or independent contractors, then you must implement such programs at your own expense. You must establish training programs for all employees and independent contractors meeting the standards we prescribe in writing. You must require all employees and



independent contractors to maintain a neat and clean appearance and to conform to the standards of dress that we specify for Area Representative Franchises in the Area Representative Manual, as updated from time to time. Each of your employees and independent contractors having access to Confidential Information must sign a written agreement, in a form approved by us, to maintain confidential our proprietary information and trade secrets, and to abide by the covenants not to compete. You must forward to us a copy of each such signed agreement. You must store agreements for a period of 12 months past the termination date of the employee in a location which can be reviewed in person by us at any time. All employees and independent contractors must render prompt, efficient and courteous service to all customers of the Area Representative Franchise.

10.13 **Insurance**. During any Term of this Area Representative Agreement, you must maintain in force, under policies of insurance written on an occurrence basis and issued by carriers with an A.M. Best & Company, Inc. rating of "A" or better that are approved by us, and in such amounts as we may determine from time to time. The current requirements include: (i) comprehensive public, professional, product and motor vehicle liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the operation of any AR Office that we require you to open or otherwise in conjunction with your conduct of the Area Representative Franchise pursuant to this Area Representative Agreement, under one or more policies of insurance containing minimum liability coverage amounts as set forth in the Area Representative Manual; (ii) general casualty insurance, including theft, cash theft, fire and extended coverage, vandalism and malicious mischief insurance, for the replacement value of the AR Office and its contents, and any other assets of the Area Representative Franchise; (iii) worker's compensation and employer's liability insurance as required by law, with limits equal to or in excess of those required by statute; (iv) business interruption insurance for a period adequate to reestablish normal business operations, but in any event not less than six (6) months; (v) errors & omissions insurance in an amount not less than \$1,000,000 per occurrence; (vi) any other insurance required by applicable law, rule, regulation, ordinance or licensing requirements; and (vii) employment practices liability insurance. You are not currently required, but are strongly encouraged, to also maintain in force (i) data theft and cybersecurity coverage; and (ii) umbrella liability coverage with limits of not less than \$1,000,000/\$3,000,000 or such other amounts that we may establish in the Area Representative Manual. We may periodically increase or decrease the amounts of coverage required under these insurance policies, and/or require different or additional kinds of insurance, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances as we deem appropriate.

Each general liability insurance policy, except for employment liability insurance policies, must name us (and, if we so request, our members, directors, employees, agents, and affiliates) as additional insureds. In addition, each general liability insurance policy and must provide us with 30 days' advance written notice of any material modification, cancellation, or expiration of the policy. Deductibles must be in reasonable amounts and are subject to review and written approval by us. You must provide us with copies of policies evidencing the existence of such insurance concurrently with execution of this Area Representative Agreement and prior to each subsequent renewal date of each insurance policy, along with certificates evidencing such insurance.

Prior to the expiration of the term of each insurance policy, you must furnish us with a copy of a renewal or replacement insurance policy and appropriate certificates of insurance. If you at any time fail or refuse to maintain any insurance coverage required by us or to furnish satisfactory evidence thereof, then we, at our option and in addition to our other rights and remedies under this Area Representative Agreement,

may, but need not, obtain such insurance coverage on your behalf, and you shall reimburse us on demand for any costs or premiums paid or incurred by us as well as twenty percent (20%) of the premium as an administrative fee to cover the costs of obtaining the policy, within 20 days of our demand.

Notwithstanding the existence of such insurance, you are and will be responsible for all loss or damage and contractual liability originating from or in connection with the operation of the Area Representative Franchise and/or Pilot Business, and for all claims or demands for damages to property or for injury, illness or death of persons directly or indirectly resulting therefrom; and you agree to defend, indemnify and hold us harmless from, against, and with respect to any such claims, loss or damage, which indemnity shall survive the termination or expiration and non-renewal of this Area Representative Agreement.

In addition to the requirements of the foregoing paragraphs of this Section , you must maintain any and all insurance coverage in such amounts and under such terms and conditions as may be required in connection with your lease or purchase of the premises for your Pilot Business and/or any AR Office that we require you to open.

Your obligation to maintain insurance coverage as described in this Area Representative Agreement will not be reduced in any manner by reason of any separate insurance we maintain on our own behalf, nor will our maintenance of that insurance relieve you of any obligations under Section 7 of this Area Representative Agreement.

- 10.14 <u>Compliance with Agreements</u>. You must comply with all terms and conditions of, and prevent a default from occurring under, any agreement between you and us.
- 10.15 <u>Lease or Purchase of AR Office</u>. During any Term of this Area Representative Agreement, we may, based on the growth of your Area Representative Franchise, require you to open and operate an AR Office (and/or one or more additional AR Office(s)) located in your Development Territory in accordance with the following:
- (a) Within 90 days after receiving notice from us that you must open an AR Office, you must locate a mutually acceptable location for your AR Office. You will select a site for your AR Office and must submit the proposed site for our approval. We may, but are not required to, consult with and assist you in selecting your AR Office site. The proposed site must be at least 1,000 square feet in area and must meet any specifications we provide to you. You specifically agree to abide by the specifications and requirements we may provide to you relative to the AR Office location, and that you must obtain our written approval of the proposed site and lease terms prior to executing a lease or purchasing the location. You must provide to us any and all maps, surveys, photographs, and other information and materials that we may request in evaluating your proposed site. We will approve or disapprove your proposed AR Office site location within 30 days of receiving all of the information and materials that we request from you.
- (b) Unless otherwise agreed by us in writing, you must commence operation of your AR Office within six months of receiving notice from us of your obligation to open an AR Office.
- 10.16 Good Faith and Fair Dealing. If applicable law implies a covenant of good faith and fair dealing in this Area Representative Agreement, you and we agree that the covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Area Representative Agreement. Additionally, if applicable law shall imply the covenant, you agree that: (i) this Area Representative Agreement (and the relationship of the parties that is inherent in this Area Representative Agreement) grants us the discretion to make decisions, take



actions and/or refrain from taking actions not inconsistent with our explicit rights and obligations under this Area Representative Agreement that may affect favorably or adversely your interests; (ii) we will use our judgment in exercising the discretion based on our assessment of our own interests and balancing those interests against the interests of our area representatives generally (including ourselves and our affiliates if applicable), and specifically without considering your individual interests or the individual interests of any other particular area representatives; (iii) we will have no liability to you for the exercise of our discretion in this manner, so long as the discretion is not exercised in bad faith; and (iv) in the absence of bad faith, no trier of fact in any arbitration or litigation shall substitute its judgment for our judgment so exercised.

10.17 <u>Privacy</u>. You agree to comply with all applicable laws pertaining to the privacy of customer, employee, and transactional information ("Privacy Laws"). You also agree to comply with our standards and policies pertaining to Privacy Laws. If there is a conflict between our standards and policies pertaining to Privacy Laws and actual applicable law, you will: (a) comply with the requirements of applicable law; (b) immediately give us written notice of said conflict; and (c) promptly and fully cooperate with us and our counsel in determining the most effective way, if any, to meet our standards and policies pertaining to Privacy Laws within the bounds of applicable law. You agree not to publish, disseminate, implement, revise, or rescind a data privacy policy without our prior written consent as to said policy.

11. **ADVERTISING.**

- By Area Representative. You may prepare your own advertising and marketing 11.1 programs and materials but must obtain our prior written approval of all such programs and materials (including, without limitation, all related graphics, copy, and scripts). We will provide written notice to you of our approval or disapproval of your proposed advertising program or materials within 30 days following their submission by you to us and will not unreasonably withhold our approval. If you do not receive our written approval or disapproval within the aforementioned 30-day period, the materials submitted will be deemed approved. You agree not to use any materials that we have disapproved. You will be solely responsible and liable to ensure that all advertising, marketing, and promotional materials and activities you prepare comply with applicable federal, state, and local law, and the conditions of any agreements or orders to which you may be subject. You are required to spend an initial marketing and advertising budget in an amount or at a level that we specify in Attachment A (the "Initial Marketing Expenditure"). The Initial Marketing Expenditure must be exhausted within the first six months following the opening of your Area Representative Franchise. After this initial six month period, you will be required to spend a minimum monthly budget throughout the remainder of the Term, in an amount or at a level that we specify in Attachment A, on marketing, advertising, and promotional efforts related to the Area Representative Franchise (the "AR Local Advertising Requirement"), which amount currently equals \$500 per month starting in month seven and continuing monthly for remainder of Term.
- 11.2 <u>System Website</u>. We have established a website for Area Representative Businesses ("System Website"). We intend that any franchisee website will be accessed only through our System Website.

If you wish to advertise online, you must follow our online policy which is contained in our Area Representative Manual. Our online policy may change as technology and the internet changes. Under our online policy, we may retain the sole right to market on the internet, including all use of websites, domain names and advertising. We may restrict your use of social media. We may not allow you to independently



market on the internet, or use any domain name, address, locator, link, metatag, or search technique with words or symbols similar to the Marks.

As long as we maintain a System Website and have established the AR Fund, we will have the right to use the AR Fund's assets to develop, maintain and update the System Website. We may update and modify the System Website from time to time. You must promptly notify us whenever any information on your listing changes or is not accurate. We have final approval rights of all information on the System Website. We may implement and periodically modify System standards relating to the System Website.

We are only required to reference your Area Representative Business on the System Website while you are in full compliance with Area Representative Agreement and all System standards.

11.3 <u>Cooperatives</u>. We currently do not have local or regional advertising cooperatives for area representatives but reserve the right to require them to be established in the future. The area of each local and regional advertising cooperative will be defined by us, based on our assessment of the area, and will include all Area Representative Franchises and area representative businesses we may own within the designated area. Area representatives in each cooperative will contribute an amount to the cooperative for each Area Representative Franchise that the area representative owns that exists within the cooperative's area. Area Representative Franchise we may own that exist within the cooperative's area will contribute to the cooperative on the same basis as area representatives. In no event will the contribution exceed five percent (5%) of each cooperative member's Gross Revenues. We anticipate that all Area Representative Franchises and Assisting Hands area representative businesses we may own within the designated area will have one vote.

12. <u>ACCOUNTING, REPORTS AND FINANCIAL STATEMENTS.</u>

You agree to establish and maintain at your own expense a bookkeeping, accounting, and record keeping system conforming to the requirements, data processing and cash register systems and formats, if any, that we prescribe from time to time. This system (or systems, as applicable) shall include as we may require, the necessary functionality to allow our central computer system to access certain real-time statistics and other information (including, without limitation, case management software and point-of-sale revenues) concerning the Area Representative Franchise in order to track, compile, and aggregate data relating to all or part of the Assisting Hands Business and Area Representative network, and you agree to permit our access to this information. With respect to the operation and financial condition of your Area Representative Franchise, you agree to furnish us, in such form we may request and prescribe from time to time, (i) any reports or data that we may require, by the deadline that we may specify; and (ii) within 90 days after the end of each fiscal year, a fiscal year-end balance sheet, statement of cash receipts and disbursements and statement of changes in financial position for the Area Representative Franchise for the fiscal year, reflecting all year-end adjustments, and audited by a certified public accountant. You must specify and sign each report and financial statement required by this Section in the manner we prescribe. If we do not receive any report by the established deadline, then you must pay to us a non-refundable late fee of \$100 per violation plus additional late fees of \$100 per week for each week thereafter that the report is not submitted. All late fees are payable together with any Advertising Contributions (if any) or other amounts due to us the week after the deadline by which you failed to timely submit the required report or at the time any additional late fee is assessed. In addition, you must, at your expense, furnish to us or our agents for inspection or audit, such other forms, reports, records, financial statements, and information as we may require. You also agree to maintain and furnish upon our request complete copies of all federal and state income tax returns and any amendments that you file with the Internal Revenue Service and state tax departments, reflecting sales and income of the Area Representative Franchise. You will keep these records at your Pilot Business or any AR Office we require you to open. We have the right to use such financial statements for any purpose, including disclosure in our Single Unit FDD.



13. <u>INSPECTIONS AND AUDITS</u>.

- **Inspection of Area Representative Franchise.** To determine whether you and your Area Representative Franchise are complying with this Area Representative Agreement and any other specifications, standards, and operating procedures we prescribe for the operation of Area Representative Franchises, we or our agents have the right, at any reasonable time and without advance notice to you, to: (i) inspect your Pilot Business and your Area Representative Business and/or any AR Office; (ii) observe the operations of the Pilot Business and your Area Representative Business and/or any AR Office, for such consecutive or intermittent periods as we deem necessary; (iii) interview personnel of the Pilot Business and your Area Representative Business and/or any AR Office; and (iv) inspect and copy any books, records and documents relating to the operation of the Pilot Business and Area Representative Business. You agree to fully cooperate with us in connection with any of those inspections, observations and interviews. You agree to present to your customers any evaluation forms we periodically prescribe, and agree to participate in, and/or request that your customers participate in any surveys performed by or on our behalf. Based on the results of any such inspections and audits and your other reports, we may provide to you such guidance and assistance in operating your Area Representative Franchise as we deem appropriate. You also agree to provide us with access to all of your electronic reports and records, including those with third parties, such as care management software systems and bookkeeping software.
- 13.2 **Right to Audit.** We have the right, at any time during business hours, and without advance notice to you, to inspect and audit, or cause to be inspected and audited, the business records, bookkeeping and accounting records, sales and income tax records and returns and other records of the Area Representative Franchise, and the books and records of any Entity that holds any ownership interest in the Area Representative Franchise. You agree to fully cooperate with our representatives and any independent accountants we may hire to conduct any inspection or audit. If the inspection or audit is necessary because of your failure to furnish any reports, supporting records, or other information or financial statements as required by this Area Representative Agreement, or to furnish such reports, records, information, or financial statements on a timely basis or if an understatement of gross revenues for any period is determined by an audit or inspection to be greater than two percent (2%) then you agree to pay us all monies owed, plus interest, and reimburse us for the cost of such inspection or audit, and may also include, without limitation, any attorney fees and/or accountants' fees we may incur, and travel expenses, room and board and applicable per diem charges for our employees or agents. The above remedies are in addition to all our other remedies and rights under this Area Representative Agreement and/or under applicable law.

14. TRANSFER REQUIREMENTS.

14.1 <u>Organization</u>. If you are an Entity (or if this Area Representative Agreement is assigned to an Entity), you represent and warrant to us that you are, and will continue to be throughout any Term of this Area Representative Agreement, (i) duly organized and validly existing in good standing under the laws of the state of your incorporation, registration, or organization, (ii) qualified to do business and will continue to be qualified to do business throughout the Term of this Area Representative Agreement in all states in which you are required to qualify, (iii) you have the authority to execute, deliver, and carry out all of the terms of this Area Representative Agreement, and (iv) that during the Term of this Area Representative Agreement the only business you will conduct will be the development, ownership, and operation of the Area Representative Business and its corresponding Pilot Business.



- 14.2 Interests in Area Representative. You, on behalf of the Area Representative Business and each Owner (if applicable) represent, warrant and agree that all Interests (defined below) are owned in the amount and manner described in Attachment B. No Interests in Area Representative will, during the Term of this Area Representative Agreement, be "public" securities (i.e., securities that require, for their issuance, registration with any state or federal authority). An "Interest" means any shares, membership interests, or partnership interests (whether held directly or indirectly) in Area Representative and any other equitable or legal right (whether held directly or indirectly) in any of Area Representative's stock, revenues, profits, rights or assets. When referring to Area Representative's rights or assets, an "Interest" means this Area Representative Agreement, Area Representative's and/or its Owners' rights under and interest in this Area Representative Agreement, any Assisting Hands franchise, or the revenues, profits or assets of any Assisting Hands franchise. You also represent, warrant, and agree that no Owner's Interest has been given as security for any obligation (i.e., no one has a lien on or a security interest in an Owner's Interest), and that no change will be made in the ownership of an Interest other than as expressly permitted by this Area Representative Agreement or as we may otherwise approve in writing. You and each Owner agree to furnish us with such evidence as we may request from time to time to assure ourselves that the Interests of Area Representative and each of your Owners remain as permitted by this Area Representative Agreement, including a list of all persons or entities owning any Interest, as defined above.
- 14.3 <u>Transfer by Us.</u> You acknowledge that we and our affiliates maintain a staff to manage and operate the System and that staff members can change as employees come and go. You represent that you have not signed this Area Representative Agreement in reliance on any particular owner, director, officer, or employee remaining with us in that capacity. We may change our ownership or form and/or assign this Area Representative Agreement and any other agreement or obligation to a third party without restriction, and any such assignment shall inure to the benefit of that third-party transferee or any other legal successor to our interests in this Area Representative Agreement. After our assignment of this Area Representative Agreement to a third party who expressly assumes the obligations under this Area Representative Agreement, we no longer will have any performance or other obligations under this Area Representative Agreement.
- 14.4 <u>No Transfer without Approval</u>. You understand and acknowledge that the rights and duties created by this Area Representative Agreement are personal to you, and that we have entered into this Area Representative Agreement in reliance on the individual or collective character, skill, aptitude, attitude, business ability, and financial capacity of you and/or your Owners. Accordingly, neither this Area Representative Agreement, nor any part of your interest in it, nor any Interest (as defined in Section 14.2 above), whether held directly or indirectly, in Area Representative or an Owner, may be Transferred (defined below) without our advance written approval. Any Transfer that is made without our approval will constitute a breach of this Area Representative Agreement and convey no rights to or interests in this Area Representative Agreement, in you, or the Area Representative Franchise or Pilot Business.

As used in this Area Representative Agreement, the term "**Transfer**" means any voluntary, involuntary, direct or indirect assignment, sale, gift, exchange, grant of a security interest, or occurrence of any other event which would or might change the ownership of any Interest, and includes, without limitation: (1) the transfer of ownership of capital stock, partnership interest or other ownership interest; (2) merger or consolidation, or issuance of additional securities representing an ownership interest in Area Representative; (3) sale of common stock in Area Representative sold pursuant to a private placement or registered public offering; (4) transfer of an Interest in a divorce proceeding or otherwise by operation of law; or (5) transfer of an Interest by will, declaration of or transfer in trust, or under the laws of intestate succession.



We will not unreasonably withhold consent to a Transfer of an Interest by an Owner to a member of his or her immediate family or to your key employees, so long as such Transfer does not exceed 50%, although we reserve the right to impose reasonable conditions on the Transfer as a requirement for our consent.

Interests in Area Representative owned by persons other than the Owners may be transferred without our advance consent, provided that the Transfer would not give that transferee and any person or group of persons affiliated or having a common interest with that transferee, whether through one or a series of Transfers, more than an aggregated twenty-five percent (25%) interest in Area Representative, in which case our advance written approval for the Transfer must be obtained. Your formal partnership, corporation or other formation documents and all stock certificates, partnership units or other evidence of ownership must recite or bear a legend reflecting the transfer restrictions of this Section 14.4.

- Conditions for Approval of Transfer. If you and your Owners are in full compliance with this Area Representative Agreement, we will not unreasonably withhold our approval of a Transfer that meets all the applicable requirements of this Section 14. The person or entity to whom you wish to make the Transfer, or its direct and indirect owners (whether individually or collectively, the "Proposed New Owner"), must possess good moral character and otherwise meet our then applicable standards for Area Representative franchisees. You acknowledge and agree that the continuous operation of the Pilot Business is critical to the success of the Area Representative Franchise. Therefore, we expressly reserve the right to condition your Transfer on the Proposed New Owner also taking assignment of the Pilot Business and corresponding Pilot Franchise Agreement. If you propose to transfer this Area Representative Agreement, the Area Representative Franchise or its assets, or any Interest, or if any of your Owners proposes to its Interest in you, then all of the following conditions must be met before or at the time of the Transfer:
- (a) the Proposed New Owner must have sufficient business experience, aptitude, and financial resources to operate the Area Representative Franchise, as determined subject to our sole discretion;
- (b) you must pay any amounts owed for purchases from us and our affiliates, and any other amounts owed to us or our affiliates which are unpaid;
- (c) the Proposed New Owner (if an individual) or the principal owner of the Proposed New Owner (if an Entity), at least one of its officers, members, or directors (if an Entity), and/or such other personnel as we may designate must have successfully completed our AR Training Program, and shall be legally authorized and have all licenses necessary to perform the Referral Services and Support Services required to be provided by the Area Representative Franchise. The Proposed New Owner shall be responsible for any wages and compensation owed to, and the travel and living expenses (including all transportation costs, room, board and meals) incurred by, the attendees who attend the AR Training Program or other initial training as we may require;
- (d) if your lease for the Pilot Business or any AR Office so require, the lessor must have consented to the assignment of the lease of these premises to the Proposed New Owner;
- (e) you must pay us a Transfer fee in an amount equal to the greater of \$25,000 or ten percent (10%) of the Development Fee paid for the Area Representative Franchise, plus any attorney fees (should there be any), and the cost of any additional site visits beyond the first one, which will be paid for by us. You must pay us a non-refundable \$5,000 deposit upon your request



for review of the Transfer and will pay us the balance of our fee for the Transfer on or before the date of the Transfer;

- (f) you (if an individual) and your Owners (if an Entity) and your and their spouses must execute a general release (in a form satisfactory to us) of any and all known and unknown claims you and/or they may have against us, our affiliates, and our and our affiliates' respective officers, directors, employees, and agents;
- (g) we must approve the material terms and conditions of the proposed Transfer, including, without limitation, that the price and terms of payment are not so burdensome as to adversely affect the operation of the Assisting Hands Franchise;
- (h) the Pilot Business, the Area Representative Franchise (and any AR Office) shall have been placed in an attractive, neat and sanitary condition.
- (i) you and your Owners (or, in the case of Owners making any such Transfer, those Owners) will reaffirm the post-termination obligations contained in this Area Representative Agreement, including noncompete and confidentiality obligations.
- (j) you and your Owners must enter into an agreement with us providing that all obligations of the Proposed New Owner to make installment payments of the purchase price (and any interest accrued on it) to you or your Owners will be subordinate to the obligations of the Proposed New Owner to pay any amounts payable under this Area Representative Agreement or any new Area Representative or franchise agreement that we may require the Proposed New Owner to sign in connection with the Transfer.
- (k) the Area Representative Franchise, Pilot Business, and any AR Office shall have been determined by us to contain all equipment and fixtures in good working condition, as were required at the initial opening of the Area Representative Franchise. The Proposed New Owner shall have agreed, in writing, to make such reasonable capital expenditures to remodel, equip, modernize and redecorate the interior and exterior of the premises in accordance with our then existing plans and specifications for a Pilot Business or AR Office (as the case may be), and shall have agreed to pay our expenses for plan preparation or review, and site inspection.
- (l) Upon receiving our consent for the Transfer or sale of the Area Representative Franchise, the Proposed New Owner shall agree to assume all of your obligations under this Area Representative Agreement in a form acceptable to us, or, at our option, shall agree to execute a new Area Representative Agreement and related documents (including, but not limited to, any owners agreements or other guaranty) with us in the form of such documents then being used by us.
- (m) You must have properly offered us the opportunity to exercise our right of first refusal as described below, and we must have then declined to exercise it.
- (n) You will reimburse us upon receipt of our invoice for any broker or other placement fees we incur as a result of the transfer.
- (o) In the event of the transfer to an immediate family member (defined as parent, spouse, or child) we shall have no right of first refusal and no transfer fee shall apply. All other transfer restrictions under this Section shall apply.



- Owner, the executor, administrator, conservator or other personal representative of the deceased or disabled person must show due diligence and transfer the deceased or disabled person's Interest within a reasonable time, not to exceed 12 months from the date of death or permanent disability, to a person we have approved. Such Transfers, including, without limitation, Transfers by a will or inheritance, will be subject to all the terms and conditions for assignments and Transfers contained in this Area Representative Agreement. Failure to so dispose of an Interest within the 12-month period of time will constitute grounds for termination of this Area Representative Agreement.
- 14.7 **Right of First Refusal.** In the event you (or, if applicable, an Owner) wish to Transfer an Interest, you or the Owner agree to grant to us a 30-day right of first refusal to purchase such rights, interest, or assets on the same terms and conditions as are contained in the written purchase offer submitted to you by a bona fide proposed purchaser. Our right of first refusal is fully assignable by us. The following additional terms and conditions shall apply:
- (a) You must notify us of such offer by sending a written notice to us, enclosing a copy of the written purchase offer signed by the bona fide proposed purchaser;
- (b) The 30 day right of first refusal period will run concurrently with the period in which we have to approve or disapprove the proposed transferee;
- (c) Such right of first refusal arises for each proposed Transfer and any material change in the terms or conditions of the proposed Transfer, even if to the same bona fide proposed purchaser, shall be deemed a separate offer for which a new 30-day right of first refusal shall be given to us;
- (d) If the consideration or manner of payment offered by a third party is such that we may not reasonably be required to furnish the same, then we may purchase the interest which is proposed to be sold for the reasonable cash equivalent. If we cannot agree within a reasonable time on the cash consideration, an independent appraiser shall be designated by us, whose determination will be binding upon the parties. All expenses of the appraiser must be paid for equally between us and you; and
- (e) If we choose not to exercise our right of first refusal, you shall be free to complete the sale, transfer, or assignment, subject to compliance with this Area Representative Agreement. Absence of a reply to your notice of a proposed sale within the 30-day period is deemed a waiver of such right of first refusal but not a waiver of the required compliance with any other restriction on Transfer.
- 14.8 **Effect of Consent to Transfer**. Our consent to a proposed Transfer pursuant to this Section 14 will not constitute a waiver of any claims we may have against you or any Owner, nor will it be deemed a waiver of our right to demand exact compliance with any of the terms or conditions of this Area Representative Agreement by the Proposed New Owner.

15. TERMINATION OF THE AREA REPRESENTATIVE FRANCHISE.

We have the right to terminate this Area Representative Agreement effective upon delivery of notice of termination to you, if: (i) you do not develop or open the Area Representative Franchise as provided in this Area Representative Agreement, including adhering to and fulfilling your development obligations as set forth herein and in the Development Schedule; (ii) you abandon, surrender, transfer



control of, lose the right to occupy the Pilot Business and/or any AR Office we require you to open; or do not actively operate the Area Representative Franchise and/or the Pilot Business; or the lease for the location of the Pilot Business and/or any AR Office we require you to open is terminated for any reason; (iii) you or your Owners Transfer this Area Representative Agreement, any Interest therein, or any assets of the Area Representative Franchise without complying with the provisions of Section 14; (iv) you are adjudged bankrupt, become insolvent or make a general assignment for the benefit of creditors or a levy of writ of attachment or execution or any other lien is placed against you, or any assets of the Area Representative Franchise which is not released or bonded against within 30 days; (v) you use, sell, distribute or give away any unauthorized services or products; (vi) you or any of your Owners are convicted of or plead no contest to a felony, or are convicted or plead no contest to any crime or offense that, in our sole discretion, is likely to adversely affect our reputation, the Area Representative Franchise and/or Pilot Business, the Assisting Hands brand, and/or the goodwill associated with the Marks; (vii) you or any of your employees violate any law, ordinance or regulation, or otherwise operate the Area Representative Franchise and/or Pilot Business in a manner that presents a health or safety hazard to your customers or the public; (viii) you are not able to obtain any permits, licenses, or accreditations necessary for the operation of the Area Representative Franchise and/or Pilot Business or if any such permits, licenses, or accreditations are suspended, revoked, or terminated; (ix) you do not pay when due under this Area Representative Agreement any monies owed to us or our affiliates and do not make such payment within ten days after written notice is given to you; (x) you or any of your Owners fail to comply with any other provision of this Area Representative Agreement or any mandatory specification, standard or operating procedure within 20 days after written notice of such failure to comply is given to you; (xi) you or any of your Owners fail on three or more separate occasions within any 12 consecutive month period to submit when due any financial statements, reports or other data, information or supporting records, to pay to us any amounts when due, or otherwise fail to comply with this Area Representative Agreement, whether or not such failures to comply are corrected after notice is given to you or your Owners; or (xii) you are in default of any other agreement with us or our affiliates and you have not cured that default under the terms of the other agreement, if any cure provisions are permitted.

You acknowledge and confirm that we will suffer substantial damages as a result of the termination of this Area Representative Agreement. Some of those damages include lost advertising contributions, lost market penetration and goodwill, loss of System representation, Support Services and Referral Services in the Development Territory, confusion of accounts and/or individual Assisting Hands Franchises, lost opportunity costs, and expenses we will incur in developing another Area Representative Franchise in your Development Territory (collectively, "Brand Damages"). We and you acknowledge that Brand Damages are difficult to estimate accurately and proof of Brand Damages would be burdensome and costly, although such damages are real and meaningful to us. Therefore, in the event that we terminate this Area Representative Agreement before the Term expires (but after you open the Area Representative Franchise for business) pursuant to this Section, you agree to pay us, within 15 calendar days following the effective date of termination, an amount equal to the greater of (i) \$30,000, or (ii) the product of \$5,000 multiplied by the number of Assisting Hands Franchises then established in the Development Territory ("Liquidated Damages"). You agree that Liquidated Damages as calculated under this Section represent the best estimate of our Brand Damages arising from termination of the Area Representative Agreement before the Term expires. Your payment of Liquidated Damages will not be considered a penalty, but instead a reasonable estimate of fair compensation to us for the Brand Damages we will incur because this Area Representative Agreement did not continue for the Term's full length.

You acknowledge that your payment of Liquidated Damages is full compensation to us only for the Brand Damages resulting from the early termination of this Area Representative Agreement, and is in addition to, rather than in lieu of, your obligations to (i) pay all other amounts due to us under this Area Representative Agreement as of the effective date of termination, and (ii) to comply strictly with your deidentification and other post-termination obligations described herein. We shall be entitled to recover all



costs, including attorney fees, incurred in connection with the termination and collection of Liquidated Damages, if allowed by applicable law.

Notwithstanding anything to the contrary in the immediately preceding two paragraphs, if the Area Representative Franchise had not yet begun conducting business activities as of the effective date of termination, then you instead must pay us \$10,000 rather than paying us Liquidated Damages as described above.

In addition, if, in the opinion of our legal counsel, any provision of this Area Representative Agreement is contrary to law, then you and we agree to negotiate in good faith an amendment that would make this Area Representative Agreement conform to the applicable legal requirements. If you and we are unable to reach such agreement or if fundamental changes to this Area Representative Agreement are required to make it conform to the legal requirements, then we reserve the right to terminate this Area Representative Agreement upon written notice to you, in which case all of post-termination obligations set forth in Section 16 shall apply.

In the event of a default by you, all of our costs and expenses arising from such default, including reasonable accountant fees, attorney fees and reasonable hourly charges of our administrative employees shall be paid to us by you within five days after cure or upon demand by us if such default is not cured.

If you and your owners are in full compliance with this Area Representative Agreement, and we materially fail to comply with this Area Representative Agreement and we do not correct the failure within 30 days after you deliver written notice of the material failure to us or, if we cannot correct the failure within 30 days, give you, within 30 days after your notice, reasonable evidence of our effort to correct the failure within a reasonable time, you may terminate this Area Representative Agreement effective an additional 30 days after you deliver to us written notice of termination. Your termination of this Area Representative Agreement other than according to this Section 15 will be deemed a termination without cause and a breach of this Area Representative Agreement.

16. RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION OF THE AREA REPRESENTATIVE FRANCHISE.

- 16.1 <u>Payment of Amounts Owed to Us</u>. You agree to pay us within five days after the effective date of termination or expiration of the Area Representative Franchise, or any later date that the amounts due to us are determined, all amounts owed to us or our affiliates which are then unpaid.
- 16.2 <u>Marks</u>. You agree that after the termination or expiration of the Area Representative Franchise you will:
- (a) not directly or indirectly at any time identify any business with which you are associated as a current or former Assisting Hands franchise or franchisee;
- (b) not use any Mark or any colorable imitation of any Mark in any manner or for any purpose, or use for any purpose any trademark or other commercial symbol that suggests or indicates an association with us:
- (c) return to us or destroy (whichever we specify) all customer lists, forms and materials containing any Mark or otherwise relating to the Area Representative Franchise or Pilot Business;



- (d) remove all Marks affixed to uniforms or, at our direction, cease to use those uniforms; and
- (e) take any action that may be required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Mark including any Websites.
- 16.3 <u>De-Identification</u>. If you retain possession of the premises of the Pilot Business and/or any AR Office, then you agree to completely remove or modify, at your sole expense, any part of the interior and exterior décor that we deem necessary to disassociate the premises with the image of an Pilot Business or AR Office (as the case may be), including any signage bearing the Marks. If you do not take the actions we request within 30 days after receiving written notice from us, then we shall have the right to enter the premises and make the required changes at your expense, and you agree to reimburse us for those expenses on demand.
- Confidential Information. You agree that on termination or expiration of the Area Representative Franchise, you will immediately cease to use any of the Confidential Information and agree not to use it in any business or for any other purpose. You further agree to immediately return to us or destroy (whichever we specify) all copies of the Area Representative Manual, Confidential Operations Manual and any written Confidential Information or other confidential materials that we have loaned or provided to you.
- 16.5 <u>Covenant Not to Compete</u>. Upon the termination, expiration or Transfer of this Area Representative Agreement, you and your Owners as well as your officers, managers directors and certain other independent contractors or employees that have access to the Confidential Information agree that during the Restricted Period (as defined below) none of such individuals will do any of the following in the Restricted Area (as described below): perform services for, loan money to, or have any direct or indirect interest as a disclosed or beneficial owner, investor, partner, director, officer, employee, manager, consultant, representative, or agent in, any business then in existence or approved, that (i) offers or sells franchises or other business opportunities offering products or services the same as or similar to those offered or sold by us or our Area Representative Franchises or Assisting Hands Franchises; or (ii) offers or sells products or services the same as or similar to those offered or sold at our Area Representative Franchises or Assisting Hands Franchises.

The "Restricted Period" means a period of one year after the later of (A) the effective date of termination or expiration or Transfer of this Area Representative Agreement, or (B) the date on which you stop operating the Area Representative Franchise or stop acting in violation of this Section, whichever is later,

The "Restricted Area" means the area: (1) located within the area comprising the Development Territory under this Area Representative Agreement, and (2) located within a 50 mile radius of the site of any other Assisting Hands franchised business and any other Area Representative franchised business then in existence, or any site for which an Assisting Hands franchise or Area Representative franchise has been approved.

The ownership of one percent (1%) or less of a publicly traded company will not be deemed to be prohibited by this Section.

16.6 <u>Continuing Obligations</u>. All obligations of this Area Representative Agreement (whether yours or ours) that expressly or by their nature survive the expiration or termination of this Area Representative Agreement will continue in full force and effect after and



notwithstanding its expiration or termination until they are satisfied in full or by their nature expire.

- Management of the Franchise. In the event that we are entitled to terminate this Area Representative Agreement, in addition to any other rights or and remedies available to us in the event of such termination, we may, but need not, assume the Area Representative Franchise's management. If, at any time during the Term of this Area Representative Agreement we assume the Area Representative Franchise's management we will not be required to pay you any AR Share for so long as we are managing the Area Representative Franchise, and we may require you to pay us \$250our then-current fee (currently \$500 per day) plus cost and expenses for so long as we are managing the Area Representative Franchise.
- 16.8 Other Post-Termination Obligations. You must follow any procedures established by us to ensure the expiration or termination of this Area Representative Agreement (or any successor term thereof) creates the least disruption possible to the System, including those procedures set forth in the Area Representative Manual and Confidential Operations Manual.

17. **ENFORCEMENT.**

17.1 <u>Invalid Provisions</u>; <u>Substitution of Valid Provisions</u>. To the extent that the non-competition provisions herein are deemed unenforceable because of their scope in terms of area, business activity prohibited, length of time, or other conditions, you agree that the invalid provisions will be deemed modified or limited to the extent or manner necessary to make those particular provisions valid and enforceable, to the greatest extent possible, to reflect or achieve the intent of the parties expressed in such provisions under the laws applicable to the forum or jurisdictions where enforcement is sought.

If any lawful requirement or court order of any jurisdiction (i) requires a greater advance notice of the termination or non-renewal of this Area Representative Agreement than is required under this Area Representative Agreement, or the taking of some other action which is not required by this Area Representative Agreement; or (ii) makes any provision of this Area Representative Agreement or any specification, standard, or operating procedure we prescribed invalid or unenforceable, then the advance notice and/or other action required or revision of the specification, standard or operating procedure will be substituted for the comparable provisions of this Area Representative Agreement in order to make the modified provisions enforceable to the greatest extent possible. You agree to be bound by any such modification to the greatest extent permissible under applicable law.

- 17.2 <u>Unilateral Waiver of Obligations</u>. Either you or we may, by written notice, unilaterally waive or reduce any obligation or restriction of the other party under this Area Representative Agreement. The waiver or reduction may be revoked at any time and for any reason by providing ten days' advanced written notice to the other party.
- 17.3 <u>Written Consents from Us</u>. Whenever this Area Representative Agreement requires our advance approval or consent, you agree to make a timely written request for it. Our approval or consent will not be valid unless it is in writing.
- 17.4 **No Guarantees.** If, in connection with this Area Representative Agreement, we provide to you any waiver, approval, consent, or suggestion, or if we neglect to provide or delay our response or deny any request for any of those, then we will not be deemed to have made any warranties or guarantees upon which you may rely, and will not assume any liability or obligation to you.



- 17.5 <u>No Waiver</u>. If at any time we do not exercise a right or power available to us under this Area Representative Agreement or do not insist on your strict compliance with the terms of the Area Representative Agreement, or if there develops a custom or practice that is contrary to with the terms of this Area Representative Agreement, then we will not be deemed to have waived our right to demand exact compliance with any of the terms of this Area Representative Agreement at a later time. Similarly, our waiver of any particular breach or series of breaches under this Area Representative Agreement, or of any similar term in any other agreement between us and any other Assisting Hands franchisee, will not affect our rights with respect to any later breach. It will also not be deemed to be a waiver of any breach of this Area Representative Agreement for us to accept payments that are due to us under this Area Representative Agreement.
- 17.6 <u>Cumulative Remedies</u>. Except as provided herein, the rights and remedies specifically granted to either you or us by this Area Representative Agreement will not be deemed to prohibit either you or us from exercising any other right or remedy provided under this Area Representative Agreement, or otherwise permitted by law or in equity.
- Specific Performance; Injunctive Relief. Notwithstanding anything to the contrary in Section 17.8, we will be entitled, without being required to post a bond, to seek from an appropriate court any provisional remedies, including the entry of temporary and permanent injunctions and orders of specific performance in order to protect from current or imminent violations that would cause immediate loss or damages or irreparable harm, for which there would be no adequate remedy at law, including (i) to enforce the provisions of this Area Representative Agreement relating to your use of the Marks and your non-disclosure and non-competition obligations under this Area Representative Agreement, (ii) to prohibit any act or omission by you or your Owners, officers, directors, employees, independent contractors, or agents that constitutes a violation of any applicable law, ordinance or regulation, constitutes a danger to the public, or may impair the goodwill associated with the Marks or any Assisting Hands franchise, (iii) any action for issues related to the disclosure or misuse of Confidential Information or trade secrets, (iv) any other action to secure injunctive relief or specific performance; or (v) to prevent any other irreparable harm to our interests. If a judicial action is expressly permitted by this Section 17.7, any such action shall be brought in the federal or state court situated where our principal place of business is located (currently Nampa, Idaho) when the action is commenced, or any other state or federal court of competent jurisdiction. The prevailing party will be entitled to recover its costs and reasonable attorney fees incurred by it in obtaining such relief. The parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. If we obtain an injunction or order of specific performance, you agree to pay us an amount equal to the total of our costs of obtaining it, including, without limitation, reasonable attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, and any damages we incur as a result of the breach of any such provision. You further agree to waive any claims for damage in the event there is a later determination that an injunction or specific performance order was issued improperly.

You may not make, and hereby waive, any claim for monetary damages, and may not claim any monetary damages by way of set-off, counterclaim, or defense, based upon any claim or assertion by you that we have unreasonably withheld or delayed any consent or approval to a proposed act by you under any provision of this Area Representative Agreement. Your sole remedy for any such claim shall be an action or proceeding to enforce any such provision, specific performance, or a declaratory judgment.

17.8 <u>Mediation & Arbitration</u>. Except insofar as we elect to enforce this Area Representative Agreement or to seek temporary or permanent injunctive relief as provided elsewhere in this Area Representative Agreement, all controversies, disputes or claims arising



between us (and our affiliates, and our and their respective owners, officers, directors, agents, and employees, in their representative capacity) and you (and your Owners, officers, directors, agents, employees and guarantors) arising out of or related to: (1) this Area Representative Agreement, any provision thereof, or any related agreement (except for any lease or sublease with us or any of our affiliates); (2) the relationship of the parties hereto; (3) the scope or validity of this Area Representative Agreement or any related agreement, or any provision thereof (including the validity and scope of the arbitration obligation under this Section, which we and you agree is to be determined by an arbitrator, not a court); or (4) any specification, standard or operating procedure relating to the establishment or operation of the Area Representative Franchise, shall be submitted for non-binding mediation and, thereafter if not resolved, binding arbitration. Mediation and arbitration are to be administered by the office of the American Arbitration Association in which our principal place of business is located or otherwise closest to (currently Nampa, Idaho). Prior to mediation, and before commencing any legal action against us with respect to any such claim or dispute, you must first submit a notice to us, which specifies in detail, the precise nature and grounds of such claim or dispute. Except as otherwise provided in this Area Representative Agreement, such non-binding mediation hereunder shall be concluded within 60 days of the issuance of the request, or such longer period as may be agreed-upon by the parties in writing. All aspects of the mediation process shall be treated as confidential, shall not be disclosed to others, and shall not be offered or admissible in any other proceeding or legal action whatsoever. The parties shall bear their own costs of mediation and share equally in the cost of the mediator or mediation service.

Except as specifically provided in this Area Representative Agreement, the parties agree that any and all disputes between them, and any claim by either party that cannot be amicably settled or resolved in mediation, shall be submitted to binding arbitration before a single arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA"). Arbitration proceedings shall be heard by one arbitrator in accordance with the then existing Commercial Arbitration Rules of the American Arbitration Association. If the American Arbitration Association or any successor thereto is no longer in existence at the time that arbitration is commenced, you and we will agree on another arbitration organization to conduct the arbitration proceeding. All matters within the scope of the Federal Arbitration Act (9 U.S.C. Section 1 et seq.) will be governed by the Federal Arbitration Act and not by any state arbitration law.

The arbitrator shall have the right to award any relief which he or she deems proper in the circumstances, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief and attorney fees and costs in accordance with this Area Representative Agreement, provided that: (a) the arbitrator shall not have authority to declare any Mark generic or otherwise invalid; and (b) subject to any applicable exceptions in Section 17.9 below, we and you waive to the fullest extent permitted by law any right to or claim for any punitive, exemplary, and treble and other forms of multiple damages against the other. The award and decision of the arbitrator shall be conclusive and binding upon all parties hereto and judgment upon the award may be entered in any court of competent jurisdiction.

You and we agree to be bound by the provisions of any limitation on the period of time by which claims must be brought under this Area Representative Agreement or applicable law, whichever expires first. You and we further agree that, in connection with any such arbitration proceeding, each shall submit or file any claim which would constitute a compulsory counterclaim (as defined by the then current Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim which is not submitted or filed in such proceeding shall be barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either you or us.



You and we agree that arbitration shall be conducted on an individual, not a class-wide, basis, that only we (and our affiliates and their respective owners, officers, directors, agents and employees, as applicable) and you (and your affiliates and their respective owners, officers and directors, as applicable) may be the parties to any arbitration proceeding described in this Section, and that no such arbitration proceeding shall be consolidated with any other arbitration proceeding involving us and/or any other person. Notwithstanding the foregoing or anything to the contrary in this Section 17, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Section, then we and you agree that this arbitration clause shall not apply to that dispute and that such dispute shall be resolved in a judicial proceeding in accordance with this Section 17 (excluding this Section). Except as required by any applicable law, including any required disclosure in our franchise disclosure document, or by any court order or lawful subpoena, the entire arbitration proceeding and related documents are confidential.

The provisions of this Section are intended to benefit and bind certain third-party non-signatories and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Area Representative Agreement.

Notwithstanding anything to the contrary contained in this Section, we and you have the right in a proper case to obtain temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction. In that case, we and you agree to contemporaneously submit our dispute for arbitration on the merits according to this Section. Furthermore, nothing in this Section shall limit any other rights and remedies available to us under this Area Representative Agreement, including but not limited to termination. Except for claims excluded from mediation and arbitration herein, the arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of this Area Representative Agreement including, but not limited to any claim that all or any part of this Area Representative Agreement is void or voidable.

WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL; LIMITATIONS 17.9 OF ACTIONS. EXCEPT WITH RESPECT TO YOUR OBLIGATIONS TO INDEMNIFY US AND CLAIMS THAT WE MAY BRING UNDER SECTIONS 7, 9, 15, OR 16 OF THIS AREA REPRESENTATIVE AGREEMENT. AND EXCEPT FOR CLAIMS ARISING FROM YOUR NON-PAYMENT OR UNDERPAYMENT OF ANY AMOUNTS OWED TO US OR OUR AFFILIATES, (1) ANY AND ALL CLAIMS ARISING OUT OF OR RELATED TO THIS AREA REPRESENTATIVE AGREEMENT OR THE RELATIONSHIP BETWEEN YOU AND US SHALL BE BARRED, BY EXPRESS AREA REPRESENTATIVE AGREEMENT OF THE PARTIES, UNLESS AN ACTION OR PROCEEDING IS COMMENCED WITHIN TWO YEARSONE YEAR FROM THE DATE THE CAUSE OF ACTION ACCRUES; AND (2) YOU AND WE HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER, AND AGREE THAT, EXCEPT TO THE EXTENT PROVIDED TO THE CONTRARY IN THIS AREA REPRESENTATIVE AGREEMENT, IN THE EVENT OF A DISPUTE BETWEEN YOU AND US, EACH PARTY WILL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED BY IT. YOU AND WE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER YOU OR US.

17.10 Governing Law/Consent to Jurisdiction. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.) and except for all issues relating to arbitrability or the enforcement or interpretation of the agreement to arbitrate set forth in Section 17.8 that will be governed by the United States Arbitration Act (9 U.S.C. § 1 et



seq.) and the federal common law relating to arbitration, this Area Representative Agreement and the Area Representative Franchise will be governed by the internal laws of the State of Idaho (without reference to its choice of law and conflict of law rules), except that the provisions of any Idaho law relating to the offer and sale of business opportunities or franchises or governing the relationship of a franchisor and its franchisees will not apply unless their jurisdictional requirements are met independently without reference to this Section. You agree that we may institute any action against you arising out of or relating to this Area Representative Agreement (which is not required to be arbitrated hereunder or as to which arbitration is waived) in the state or federal court situated where our principal place of business is located (currently Nampa, Idaho), and you irrevocably submit to the jurisdiction of such courts and waive any objection you may have to either the jurisdiction or venue of such court.

- 17.11 <u>Binding Effect</u>. This Area Representative Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original. This Area Representative Agreement is binding on, and will inure to the benefit of, our successors and assigns, and, subject to the provisions governing Transfers contained in this Area Representative Agreement, will be binding on and inure to the benefit of your successors and assigns, and if you are an individual, on and to the benefit of your heirs, executors, and administrators.
- 17.12 No Liability to Others; No Other Beneficiaries. Except as specifically stated elsewhere in this Area Representative Agreement, we will not, because of this Area Representative Agreement or by virtue of any approvals, advice or services provided to you, be liable to any person or an Entity who is not a party to this Area Representative Agreement, and no other party shall have any rights because of this Area Representative Agreement.
- 17.13 **Construction**. All headings of the various Sections and Sections of this Area Representative Agreement are for convenience only and do not affect the meaning or construction of any provision. All references to a "Section" in this Area Representative Agreement means all the Sections contained under that particular Section, and all references to a "Section" in this Area Representative Agreement means all the sentences and/or paragraphs contained under that particular Section. All references to "include" or "including" in this Area Representative Agreement, whether capitalized or not, mean "including, by way of example, but without limitation." All references in this Area Representative Agreement to masculine, neuter or singular usage will be construed to include the masculine, feminine, neuter or plural, wherever applicable. Except where this Area Representative Agreement expressly obligates us to reasonably approve or not unreasonably withhold our approval of any of your actions or requests, we have the absolute right to refuse any request by you or to withhold our approval of any action or omission by you. The term "affiliate" as used in this Area Representative Agreement is applicable to any company directly or indirectly owned or controlled by you or your Owners, or any company directly or indirectly owned or controlled by us that sells products or services to, or otherwise transacts business with, you.
- 17.14 **Joint and Several Liability**. If two or more persons constitute the Area Representative under this Area Representative Agreement, their obligation and liability to us shall be joint and several.
- 17.15 **Force Majeure**. No party shall be liable for any loss or damage that arises directly or indirectly through or as a result of any delay in the fulfilment of or failure to fulfil its obligations in whole or in part (other than the payment of money as may be owed by a party) under this Area Representative Agreement where the delay or failure is due to Force Majeure. In the event of Force Majeure, the parties shall be relieved of their respective obligations only to the



extent the parties are respectively necessarily prevented or delayed in such performance during the period of such Force Majeure. As used in this Area Representative Agreement, the term "Force Majeure" shall mean any act of God, strike, lock-out or other industrial disturbance, war (declared or undeclared), riot, epidemic, fire or other catastrophe, act of any government and any other similar cause which is beyond the party's control and cannot be overcome by use of normal commercial measures. The party whose performance is affected by an event of Force Majeure shall give prompt notice of such Force Majeure event to the other party, which in no case shall be more than five (5) days after the event, setting forth the nature thereof and an estimate as to its duration, and the affected party shall furnish the other party with periodic reports regarding the progress of the Force Majeure event. Each party must use its best efforts to mitigate the effect of the event of Force Majeure upon its performance of the Area Representative Agreement and to fulfill its obligations under the Area Representative Agreement. Upon completion of the event of Force Majeure, the party affected must as soon as reasonably practicable recommence the performance of its obligations under this Area Representative Agreement. An event of Force Majeure does not relieve a party from liability for an obligation which arose before the occurrence of the event, nor does that event affect any obligation to pay money owed under the Area Representative Agreement or to indemnify us, whether such obligation arose before or after the Force Majeure event. An event of Force Majeure shall not affect your obligations to comply with any restrictive covenants, use of Confidential Information or use of the Marks under this Area Representative Agreement, during or after the Force Majeure event.

- 17.16 <u>Multiple Originals</u>. This Area Representative Agreement may be executed using multiple copies, each of which shall be deemed an original, and collectively these executed copies may form the entire signed Area Representative Agreement.
- 17.17 <u>Timing Is Important</u>. Time is of the essence of this Area Representative Agreement. ("Time is of the essence" is a legal term that emphasizes the strictness of time limits. In this case, it means it will be a material breach of this Area Representative Agreement to fail to perform any obligation within the time required or permitted by this Area Representative Agreement.)
- 17.18 <u>Independent Provisions</u>. The provisions of this Area Representative Agreement are deemed to be severable. In other words, the parties agree that each provision of this Area Representative Agreement will be construed as independent of any other provision of this Area Representative Agreement.
- 17.19 Attorney's Fees and Costs. In any civil action or arbitration brought pursuant to this Section 17, the substantially prevailing party shall be entitled to its reasonable attorney's fees and costs, including the fees and costs for any post-judgment motions, including post-judgment motions for fees and costs.

18. **NOTICES AND PAYMENTS.**

All written notices, reports and payments permitted or required under this Area Representative Agreement or by the Area Representative Manual will be deemed delivered: (i) at the time delivered by hand; (ii) one business day after transmission by telecopy, faesimileemail or other electronic system; (iii) one business day after being placed in the hands of a reputable commercial courier service for next business day delivery; or (iv) three business days after placed in the U.S. mail by registered or eertified priority mail, return receipt requested, postage prepaid delivery confirmation; and addressed to the party to be notified or paid at its most current principal business address of which the notifying party has been advised, or to any other place designated by either party. Any required notice, payment or report



which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two days before it is due) will be deemed delinquent. Notice shall be sent to the following addresses:

To us: Lane Kofoed, CEO and President

Assisting Hands Home Care, LLC

5700 E Franklin Road

Suite #105

Nampa, Idaho 83687

To you: The address listed in Attachment A to this Area

Representative Agreement.

19. <u>INDEPENDENT PROFESSIONAL JUDGMENT OF YOU AND YOUR GENERAL</u> MANAGER.

The parties acknowledge and agree that the specifications, standards and operating procedures related to the services and products offered by the Area Representative Franchise and Pilot Business are not intended to limit or replace your or your Principal Owner's or General Manager's (if any) professional judgment in supervising and performing your duties under this Area Representative Agreement. The specifications, standards and operating procedures represent only the minimum standards, and you, your Principal Owner and your General Manager (if any) are solely responsible for ensuring that the Area Representative Franchise performs its duties in accordance with all applicable requirements and standards of care. Nothing in this Area Representative Agreement shall obligate you, your Principal Owner or your General Manager (if any) to perform any act that is contrary to your, your Principal Owner's or your General Manager (if any) must notify us immediately upon your, your Principal Owner's or your General Manager's (if any) determination that any specification, standard or operating procedure is contrary to your, your Principal Owner's or your General Manager's (if any) determination that any specification, standard or operating procedure is contrary to your, your Principal Owner's or your General Manager's (if any) professional judgment.

20. ENTIRE AGREEMENT; MODIFICATION.

This Area Representative Agreement, together with the introduction and attachment to it, constitutes the entire agreement between us, and there are no other oral or written understandings or agreements between us concerning the subject matter of this agreement. No provision herein expressly identifying any term or breach of this Area Representative Agreement as material shall be construed to imply that any other term or breach which is not so identified is not material. However, nothing in this Area Representative Agreement or any related agreement is intended to disclaim our representations made in the AR FDD. This Area Representative Agreement may be modified only by written agreement signed by both you and us, except that we may modify the Area Representative Manual and/or Confidential Operations Manual for your Pilot Business at any time as provided herein or the Pilot Franchise Agreement for your Pilot Business. Notwithstanding the foregoing, nothing in this Area Representative Agreement shall disclaim or require you to waive reliance on any representation that we made in the AR FDD (including its attachment and amendments) that we delivered to you or your representative, subject to any agreed-upon changes to the contract terms and conditions described in the AR FDD and reflected in this Area Representative Agreement (including any riders or addenda signed at the same time as this Area Representative Agreement).

(Signature Page Follows)





The parties to this Area Representative Agreement now execute and deliver this Area Representative Agreement in multiple counterparts as of the Effective Date.

BySign:
Printed Name: <u>Lane R Kofoed</u>
Title: CEO
Date:
AREA REPRESENTATIVE
AREA REPRESENTATIVE (Print Name)
(Print Name)

ASSISTING HANDS HOME CARE, LLC

ATTACHMENT A TO THE ASSISTING HANDS HOME CARE, LLC

AREA REPRESENTATIVE DATA SHEET

Effective Date.	The Effective	Date so	et forth	in th	e int	roductory	Paragraph	of	this
Representative A	Agreement is:					_•			
Area Representative								aph o	of this
	•								
Notice Address this Area Repre			es and p	aymen	ts to I	Franchise	Owner und	er Se	ction
Development T									

5. <u>Development Schedule</u>; <u>Development Quota</u>. The Development Schedule and Development Quota required under the Area Representative Agreement requires that you must meet the following minimum development quota within each of the indicated development period(s):

Year Anniversary of the Effective Date	Number of Franchise Agreements Executed in Your Development Territory for Assisting Hands Franchises

nent shall be equal to Dollars see calculated in the following manner
elopment Fee by you, and received by us, under this Area efore the Effective Date is
AREA REPRESENTATIVE
Business Entity name (if any)
BySign:
Print Name:
Title.
Title:

ATTACHMENT B TO THE ASSISTING HANDS HOME CARE, LLC

AREA REPRESENTATIVE AGREEMENT

OWNERSHIP INTERESTS

Area Representative:			
Trade Name (if different from above	/e):		
		Ownership k One)	
Individual Partne	ership Corpo	oration Limite	ed Liability Co Other
If a Partnership, provide n active in management, and indicate			howing percentage owned, whether was formed.
			names and addresses of each officer howing what percentage of stock is
			nation, the name and address of the tage of membership interest held by
State and Date of Formation:			
Management (managers, officers, b	ooard of directors,	etc.):	
Name			Title
Members, Stockholders, Partners:			
Name	Add	lress	Percentage of Stock

*If any members, stockholders or partners are entities, please list the owners of such entities up through the individuals.

(Signature Page Follows)



AREA REPRESENTATIVE

Business Entity name (if any)	
DyCioni	
BySign:	-
Print Name:	
Title:	
Date:	

ATTACHMENT C TO THE ASSISTING HANDS HOME CARE, LLC

AREA REPRESENTATIVE AGREEMENT

FRANCHISE OWNER AGREEMENT

As a condition to the execution by Assisting Hands Ho	ome Care, LLC ("we" or "us"), of an Area
Representative Agreement with	("Area Representative"), each of the
undersigned individuals ("Owners"), who constitute all of the	ne owners of a direct or indirect beneficial
interest in Area Representative, as well as their respective spou	ises, covenant and agree to be bound by this
Franchise Owner Agreement ("Owners Agreement").	

1. Acknowledgments.

- 1.2 <u>Role of Owners</u>. Owners are the beneficial owners or spouses of the beneficial owners of all of the direct or indirect equity interest, membership interest, or other entity controlling interest in Area Representative and acknowledge there are benefits received and to be received by each Owner, jointly and severally, and for themselves, their heirs, legal representatives, and assigns. Area Representative's obligations under the Area Representative Agreement, including the confidentiality and non-compete obligations, would be of little value to us if Area Representative's direct and indirect owners were not bound by the same requirements. Under the provisions of the Area Representative Agreement, Owners are required to enter into this Owners Agreement as a condition to our entering into the Area Representative Agreement with Area Representative. Owners will be jointly and severally liable for any breach of this Owners Agreement.

2. Non-Disclosure and Protection of Confidential Information.

- 2.1 <u>Confidentiality</u>. Under the Area Representative Agreement, we will provide Area Representative with specialized training, proprietary trade secrets, and other Confidential Information relating to the establishment and operation of an area representative business. The provisions of the Area Representative Agreement governing Area Representative's non-disclosure obligations relating to our Confidential Information are hereby incorporated into this Owners Agreement by reference, and Owners agree to comply with each obligation as though fully set forth in this Owners Agreement as a direct and primary obligation of Owners. Further, we may seek the same remedies against Owners under this Owners Agreement as we may seek against Area Representative under the Area Representative Agreement. Any and all information, knowledge, know-how, techniques, and other data, which we designate as confidential, will also be deemed Confidential Information for purposes of this Owners Agreement.
- 2.2 <u>Immediate Family Members</u>. Owners acknowledge that they could circumvent the purpose of Section 2.1 by disclosing Confidential Information to an immediate family member (i.e., spouse, parent, sibling, child, or grandchild). Owners also acknowledge that it would be difficult for us to prove whether Owners disclosed the Confidential Information to family members. Therefore, each Owner agrees that he or she will be presumed to have violated the terms of Section 2.1 if any member of his or her immediate family uses or discloses the Confidential Information or engages in any activities that would constitute a



violation of the covenants listed in Section 3, below, if performed by Owners. However, Owners may rebut this presumption by furnishing evidence conclusively showing that Owners did not disclose the Confidential Information to the family member.

3. Covenant Not to Compete and To Not Solicit.

- Representative Agreement. Owners acknowledge that as a participant in our system, they will receive proprietary and confidential information and materials, trade secrets, and the unique methods, procedures and techniques which we have developed. The provisions of the Area Representative Agreement governing Area Representative's restrictions on competition and solicitation both during the term of the Area Representative Agreement and following the expiration or termination of the Area Representative Agreement are hereby incorporated into this Owners Agreement by reference, and Owners agree to comply with and perform each such covenant as though fully set forth in this Owners Agreement as a direct and primary obligation of Owners. Further, we may seek the same remedies against Owners under this Owners Agreement as we may seek against Area Representative under the Area Representative Agreement.
- 3.2 <u>Construction of Covenants</u>. The parties agree that each such covenant related to non-competition and non-solicitation will be construed as independent of any other covenant or provision of this Owners Agreement. If all or any portion of a covenant referenced in this Section 3 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a final decision to which we are a party, Owners 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 Section 3.
- 3.3 Our Right to Reduce Scope of Covenants. Additionally, we have the right, in our sole discretion, to unilaterally reduce the scope of all or part of any covenant referenced in this Section 3 of this Owners Agreement, without Owners' consent (before or after any dispute arises), effective when we give Owners written notice of this reduction. Owners agree to comply with any covenant as so modified.

4. Continuing Guarantee.

- 4.1 <u>Payment</u>. Owners will pay us (or cause us to be paid) all monies payable by Area Representative under the Area Representative Agreement <u>whether now or in the future</u> on the dates and in the manner required for payment in the relevant agreement.
- 4.2 <u>Performance</u>. Owners unconditionally guarantee full performance and discharge by Area Representative of all of Area Representative's obligations under the Area Representative Agreement whether now or in the future on the date and times and in the manner required in the relevant agreement.
- 4.3 <u>Indemnification</u>. Owners will indemnify, defend and hold harmless us, all of our affiliates, and the respective shareholders, directors, partners, employees, and agents of such entities, against and from all losses, damages, costs, and expenses which we or they may sustain, incur, or become liable for, whether now or in the future, by reason of: (a) Area Representative's failure to pay the monies payable (to us or any of our affiliates) pursuant to the Area Representative Agreement, or to do and perform any other act, matter, or thing required by the Area Representative Agreement; or (b) any action by us to obtain performance by Area Representative of any act, matter, or thing required by the Area Representative Agreement.
- 4.4 <u>No Exhaustion of Remedies</u>. Owners acknowledge and agree that we will not be obligated to proceed against Area Representative or exhaust any security from Area Representative or pursue or exhaust any remedy, including any legal or equitable relief against Area Representative, before proceeding



to enforce the obligations of the Owners as guarantors under this Owners Agreement, and the enforcement of such obligations can take place before, after, or contemporaneously with, enforcement of any of Area Representative's debts or obligations under the Area Representative Agreement.

- 4.5 <u>Waiver of Notice</u>. Without affecting Owners' obligations under this Section 4, we can extend, modify, or release any of Area Representative's indebtedness or obligation, or settle, adjust, or compromise any claims against Area Representative, all without notice to the Owners. Owners waive notice of amendment of the Area Representative Agreement and notice of demand for payment or performance by Area Representative.
- 4.6 <u>Effect of Owner's Death</u>. Upon the death of an Owner, the estate of such Owner will be bound by the obligations in this Section 4, but only for defaults and obligations hereunder existing at the time of death; and the obligations of any other Owners will continue in full force and effect.
- 4.7 Waiver of Acceptance, Default and Defenses. Owners waive: (i) acceptance and notice of acceptance by us of the forgoing undertakings; (b) protest and notice of default to any party with respect to the indebtedness or non-performance of any obligations hereby guaranteed; and (c) any and all other notices and legal or equitable defenses, right of setoff, claim or counterclaim whatsoever to which they may be entitled at any time hereunder.
- 4.8 Continuing Nature. Owners agree that each of the obligations in this Section 4 shall be continuing and shall not be discharged by: (i) the insolvency of Area Representative or the payment in full of all of the obligations at any time; (ii) the power or authority or lack thereof of Area Representative to incur the obligations; (iii) the validity or invalidity of any of the obligations; (iv) the existence or non-existence of Area Representative as a legal entity; (v) any statute of limitations affecting the liability of Owners or the ability of us to enforce this Franchise Owner Agreement or the obligations; or (vi) any right of offset, counterclaim or defense of any Owner, including, without limitation, those which have been waived by Owners pursuant to this Franchise Owners Agreement.

5. <u>Transfers.</u>

Owners acknowledge and agree that we have granted the Area Representative Agreement to Area Representative in reliance on Owners' business experience, skill, financial resources, and personal character. Accordingly, Owners agree: a) not to sell, encumber, assign, transfer, convey, pledge, merge, or give away any direct or indirect interest in this Area Representative, unless Owners first comply with the sections in the Area Representative Agreement regarding transfers and assignment, and b) that any attempt to do so will be a material-breach of this Owners Agreement and the Area Representative Agreement.

6. <u>Notices</u>.

- 6.1 <u>Method of Notice</u>. Any notices given under this Owners Agreement shall be in writing and delivered in accordance with the provisions of the Area Representative Agreement.
- 6.2 <u>Notice Addresses.</u> Our current address for all communications under this Owners Agreement is:

Assisting Hands Home Care, LLC 5700 E. Franklin Road, Suite #105 Nampa, Idaho 83687



The current address of each Owner for all communications under this Owners Agreement is designated on the signature page of this Owners Agreement. Any party may designate a new address for notices by giving written notice to the other parties of the new address according to the method set forth in the Area Representative Agreement.

7. **Enforcement of This Owners Agreement.**

- 7.1 <u>Dispute Resolution</u>. Any claim or dispute arising out of or relating to this Owners Agreement shall be subject to the dispute resolution provisions of the Area Representative Agreement. This agreement to engage in such dispute resolution process shall survive the termination or expiration of this Owners Agreement.
- 7.2 <u>Choice of Law; Jurisdiction and Venue.</u> This Owners Agreement and any claim or controversy arising out of, or relating to, any of the rights or obligations under this Owners Agreement, and any other claim or controversy between the parties, will be governed by the choice of law and jurisdiction and venue provisions of the Area Representative Agreement.
- 7.3 <u>Provisional Remedies</u>. We have the right to seek from an appropriate court any provisional remedies, including temporary restraining orders or preliminary injunctions to enforce Owners' obligations under this Owners Agreement. Owners acknowledge and agree that there is no adequate remedy at law for Owners' failure to fully comply with the requirements of this Owners Agreement. Owners further acknowledge and agree that, in the event of any noncompliance, we will be entitled to temporary, preliminary, and permanent injunctions and all other equitable relief that any court with jurisdiction may deem just and proper. If injunctive relief is granted, Owners' only remedy will be the court's dissolution of the injunctive relief. If the injunctive relief was wrongfully issued, Owners expressly waive all claims for damages they incurred as a result of the wrongful issuance.

8. Miscellaneous.

- 8.1 <u>No Other Agreements</u>. This Owners Agreement constitutes the entire, full, and complete agreement between the parties, and supersedes any earlier or contemporaneous negotiations, discussions, understandings or agreements. There are no representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Owners Agreement, other than those in this Owners Agreement. No other obligations, restrictions or duties that contradict or are inconsistent with the express terms of this Owners Agreement may be implied into this Owners Agreement. Except for unilateral reduction of the scope of the covenants permitted in Section 3.3 (or as otherwise expressly provided in this Owners Agreement), no amendment, change or variance from this Owners Agreement will be binding on either party unless it is mutually agreed to by the parties and executed in writing. Time is of the essence.
- 8.2 <u>Severability</u>. Each provision of this Owners Agreement, and any portions thereof, will be considered severable. If any provision of this Owners Agreement or the application of any provision to any person, property or circumstances is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Owners Agreement will be unaffected and will still remain in full force and effect. The parties agree that the provision found to be invalid or unenforceable will be modified to the extent necessary to make it valid and enforceable, consistent as much as possible with the original intent of the parties (i.e. to provide maximum protection for us and to effectuate the Owners' obligations under the Area Representative Agreement), and the parties agree to be bound by the modified provisions.



- 8.3 <u>No Third-Party Beneficiaries</u>. Nothing in this Owners Agreement is intended to confer upon any person or entity (other than the parties and their heirs, successors, and assigns) any rights or remedies under or by reason of this Owners Agreement.
- 8.4 <u>Construction</u>. Any term defined in the Area Representative Agreement which is not defined in this Owners Agreement will be ascribed the meaning given to it in the Area Representative Agreement. The language of this Owners Agreement will be construed according to its fair meaning, and not strictly for or against either party. All words in this Owners Agreement 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.
- 8.5 <u>Binding Effect</u>. This Owners Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original. This Owners Agreement is binding on the parties and their respective heirs, executors, administrators, personal representatives, successors and (permitted) assigns.
- 8.6 <u>Successors</u>. References to "Franchisor" or "the undersigned," or "you" include the respective parties' heirs, successors, assigns, or transferees.
- 8.7 <u>Nonwaiver</u>. Our failure to insist upon strict compliance with any provision of this Owners Agreement shall not be a waiver of our right to do so. Delay or omission by us respecting any breach or default shall not affect our rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Owners Agreement shall be cumulative.
- 8.8 <u>No Personal Liability</u>. You agree that fulfillment of any and all of our obligations written in the Area Representative Agreement or this Owners Agreement, or based on any oral communications which may be ruled to be binding in a court of law, shall be our sole responsibility and none of our owners, officers, agents, representatives, nor any individuals associated with us shall be personally liable to you for any reason.
- 8.9 <u>Owners Agreement Controls.</u> In the event of any discrepancy between this Owners Agreement and the Area Representative Agreement, this Owners Agreement shall control.

(Signatures on following page)



IN WITNESS WHEREOF, the parties have entered into this Owners Agreement as of the effective date of the Area Representative Agreement.

(Signatures on following page)

OWNER(S):	SPOUSE(S):
Sign:	
Printed Name: [Insert Name of Owner]	Sign: Drinted Names [Insert Name of Snave]
Address: [Insert Address of Owner]	Printed Name: [Insert Name of Spouse] Address: [Insert Address of Spouse]
Sign:	Sign:
Printed Name: [Insert Name of Owner] Address: [Insert Address of Owner]	Printed Name: [Insert Name of Spouse]
	Address: [Insert Address of Spouse]
Sign:	Sign:
Printed Name: [Insert Name of Owner]	Printed Name: [Insert Name of Spouse]
Address:	Address:
Sign:	Sign:
Printed Name: [Insert Name Address of Owner]	Printed Name: [Insert Name Address of Spouse]
Address:	Address:



Assisting Hands Home Care, LLC hereby accepts the agreements of the Owner(s) hereunder.

ASSISTING HANDS HOME CARE, LLC

By:	
Title: _	Lane R Kofoed, CEO

EXHIBIT C

FRANCHISE DISCLOSURE QUESTIONNAIRE



FRANCHISE DISCLOSURE QUESTIONNAIRE

(This questionnaire is not to be used for any franchise sale in or to residents of California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin)

As you know, Assisting Hands Home Care, LLC ("we" or "us"), and you are preparing to enter into an Area Representative Agreement for the operation of an Assisting Hands Home Care area representative franchise. You cannot sign or date this questionnaire the same day as the Receipt for the Franchise Disclosure Document, but you must sign and date it the same day you sign the Area Representative Agreement. 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 in the table provided below.

Do not sign this Questionnaire if you are a resident of Maryland or the franchise is to be operated in Maryland.

1.	Yes	No	Have you received and personally reviewed the Area Representative Agreement and each attachment or exhibit attached to it that we provided?
2.	Yes	No	Have you received and personally reviewed the Franchise Disclosure Document and each attachment or exhibit attached to it that we provided?
3.	Yes	No	Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it?
4.	Yes	No	Do you understand all the information contained in the Franchise Disclosure Document and Area Representative Agreement?
5.	Yes	No	Have you reviewed the Franchise Disclosure Document and Area Representative Agreement with a lawyer, accountant, or other professional advisor, or have you had the opportunity for such review and chosen not to engage such professionals?
6.	Yes	No	Have you had the opportunity to discuss the benefits and risks of developing and operating an Assisting Hands Home Care area representative franchise with an existing Assisting Hands Home Care franchisee?
7.	Yes	No	Do you understand the risks of developing and operating an Assisting Hands Home Care area representative franchise?
8.	Yes	No	Do you understand the success or failure of your Assisting Hands Home Care area representative franchise 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 competition, interest rates, the economy, inflation, labor and supply costs, and other relevant factors?
9.	Yes	No	Do you understand all disputes or claims you may have arising out of or relating to the Area Representative Agreement must be arbitrated in Idaho, if not resolved informally or by mediation (subject to state law)?

10.	Yes	No	Do you understand that you must satisfactorily complete the initial training program before we will allow your Assisting Hands Home Care area representative franchise to open or consent to a transfer of the Assisting Hands Home Care area representative franchise to you?						
11.	Yes	No	any statement or pro Assisting Hands Hor contained in the Fran-	employee or other person speaking on our behalf made omise regarding the costs involved in operating ar- me Care area representative franchise that is no chise Disclosure Document or that is contrary to, or information contained in the Franchise Disclosure					
12.	Yes	No	any statement or prom your Area Represent advertising, marketin support service, or a	employee or other person speaking on our behalf made ise or agreement, other than those matters addressed in tative Agreement and any addendum, concerning g, media support, marketing penetration, training ssistance that is contrary to, or different from, the in the Franchise Disclosure Document?					
13.	Yes	No	any statement or promearnings, the likelihoothe total amount of representative franchis Disclosure Document	employee or other person speaking on our behalf made ise regarding the actual, average or projected profits or od of success, the amount of money you may earn, or revenue an Assisting Hands Home Care arease will generate that is not contained in the Franchise or that is contrary to, or different from, the information hise Disclosure Document?					
14.	Yes	No	attachment or exhibit	at the Area Representative Agreement, including each to the Area Representative Agreement, contains the een us and you concerning the Assisting Hands Home we franchise?					
15.	Yes	No		at we are relying on your answers to this questionnaire chise sale was made in compliance of state and federa					
RELY O	N THEM.	BY SIG RED EAC	NING THIS QUESTIO	ARE IMPORTANT TO US AND THAT WE WILI NNAIRE, YOU ARE REPRESENTING THAT YOU ULLY AND RESPONDED TRUTHFULLY TO THE					
Signatu	re of Franc	chise App	olicant	Signature of Franchise Applicant					
Name (please prin	nt)		Name (please print)					
Date				Date					

EXPLANATION OF ANY NEGATIVE RESPONSES (REFER TO QUESTION NUMBER):

Question Number	Explanation of Negative Response						
	P. 02012						

Rev. 030123

EXHIBIT D

LIST OF CURRENT AND FORMER AREA REPRESENTATIVE FRANCHISEES



<u>Current Area Representatives as of December 31, 2023:</u> <u>Current Area Representatives as of December 31, 2022:</u>

Last Name	First Name	Address	City	Stat e	Zip Code	Phone	Email	State Outlet is Located
Shaw	Valerie	10789 N. 90th St3320 W Cheryl Dr, Suite 102B20	Phoenix	AZ	8522 4850 51	(602) 374- 5775	vshaw @assistinghands.com	AZ: 1
Harrison	Richar d	27285 Las Ramblas, suite 100	Mission Viejo	CA	9269 1	(949) 216- 3900	rharrison@assistinghan ds.com	CA: 1
Mehta	Sanjay	39675 Cedar Blvd, Suite 180	<u>Newark</u>	<u>CA</u>	9456 0	(510) 319- 7808	smehta@assistinghands .com	<u>CA: 1</u>
Winiecki	Robb & Patrici a	20588 Torre Del Lago St	Estero	FL	3392 8	(239) 896- 5520	rwiniecki @assistinghands.com pwiniecki @assistinghands.com	GA: 1
Field	Tyler & Shawn a	1240 Rockledge Blvd, Suite 8	Rockledge	FL	3295 5	(321) 250- 2242	tfield@assistinghands.c om sfield@assistinghands. com	FL: 1
Thomas	Robert	1850 Boy Scout Dr, #A103	Fort Myers	FL	3390 7	(239) 337- 4263	rthomas @assistinghands.com pcolgan @assistinghands.com	FL: 1 MA: 1 ⁽¹⁾
Morales & Nunez	Arman do & Adrian	11010 N. Kendall Dr Suite 100	Miami	FL	3317 6	(305) 274- 6471	amorales @assistinghands.com anunez@ assistinghands.com	FL: 1
Flintz	Angela & Derek	920 David Rd, Suite 209	Elgin	IL	6012	(847) 720- 5850	aflintz @assistinghands.com dflintz @assistinghands.com	TN: 1
Ueberflus s	Rich	21750 Forest Ct.	Mokena	IL	6044 8	(630) 305- 9100	rueberfluss @assistinghands.com	IL: 1 WI: 1
Johnson	Dean	13596 Julia Manor Way	Friendship	MD	2179 4	(443) 315- 7795	djohnson @assistinghands.com	MD: 1
Tasto	Dave	19A Crosby Dr, Suite 100	Bedford	MA	0173	(781) 315- 6700	dtasto @assistinghands.com	CT: 1
Nyarko	Paul	8275 S. Eastern Ave Suite 200	Las Vegas	NV	8912 3	(702) 354- 7869	pnyarko @assistinghands.com	NV: 1
<u>Patrizio</u>	Gerry	1500 Meetinghouse Rd, Suite 2	Sea Girt	NJ	<u>0875</u> <u>0</u>	(732) 272- 0222	gpatrizio@assistinghan ds.com	NJ: 1
Kling	Greg	8150 Corporate Park Dr., Suite 350	Cincinnati	ОН	4524 2	(513) 729- 9999	gkling @assistinghyands.com kkling @assistinghands.com	IN: 1



Last Name	First Name	Address	City	Stat e	Zip Code	Phone	Email	State Outlet is Located
McCullou gh	Robbie	6600 LBJ Freeway, Suite 188	Dallas	TX	7524 0	(972) 998- 3181	rmccullough @assistinghands.com	TX: 1
Robbins	Terri	1250 Indiana	Humble	TX	7739 6	(281) 540- 7400	trobbins @assistinghands.com	TX: 1
Knox & LeSassier	Emmie & Louis	2906 S. 1st St Suite #103	Austin	TX	7870 4	(512) 999- 7379	eknox@assistinghands. com llesassier@assistinghan ds.com	TX: 1
Colgan	Peter	1864 Airport Rd	Fayston	VT	3390 7	(781) 771- 5568	pcolgan @assistinghands.com	MA: 1 ⁽¹⁾

⁽¹⁾ The Massachusetts outlet is co-owned by two franchiseesarea representatives.

Area Representative Franchisees with Unopened Outlets as of December 31, 20222023:

Last Name	First Name	Address	City	State	Zip Code	Phone	Email
Mehta	Sanjay	TBD	Fremont	CA	TBD	TBD	smehta@assisting hands.com

None

Former Area Representatives:

The name and last known address of every franchisee who had an Assisting Hands Home Care area representative franchise transferred, terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under our Area Representative Agreement during the period January 1, 20222023 to December 31, 20222023, or who has not communicated with us within ten weeks of the Issuance Date of this Franchise Disclosure Document are listed below. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise System.

None

EXHIBIT E

FINANCIAL STATEMENTS



FINANCIAL STATEMENTS WITH REPORT OF INDEPENDENT AUDITORS

DECEMBER 31, 2022, 2021 and 2020





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Statements of operations	
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Independent Auditor's Report

To the Members of Assisting Hands Home Care, LLC

Opinion

We have audited the accompanying financial statements of Assisting Hands Home Care, LLC, (the "Company") which comprise the balance sheets as of December 31, 2022, 2021 and 2020, and the related statements of operations, members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Assisting Hands Home Care, LLC as of December 31, 2022, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

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

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

St. George, Utah April 11, 2023

Kezas & Dunlary

Assisting Hancs'
{0015380200169534,DOC. }
[20232024 FDD vIF - Area Representative]

BALANCE SHEETS

As of December 31, 2022, 2021, and 2020

	2022	2021	2020
Assets			_
Current assets:			
Cash	\$ 1,393,227	\$ 827,386	\$ 1,230,247
Accounts receivable	201,148	196,187	166,664
Notes receivable, current	205,500	150,247	241,000
Related party notes receivable, current	12,000	-	
Deferred commissions, current	414,829	375,723	349,091
Prepaid expenses	10,000	17,500	
Total current assets	2,236,704	1,567,043	1,987,002
Notes receivable, non-current	43,500	63,000	114,779
Related party notes receivable, non-current	700,439	9	
Property and equipment, net	311,790	225,025	108,663
Intangible assets, net	9,896	18,488	28,050
Operating lease right of use asset	29,088	-	
Deferred commissions, non-current	841.123	802,433	866,591
Total assets	\$ 4,172,540	\$ 2,675,990	\$ 3,105,085
Liabilities and Members' equity			
Current liabilities:			
	¢.	\$ 5,000	\$ 2,500
Accounts payable	\$ -	5,000	\$ 2,500
Accounts payable Accrued expenses	э 337,696	247,387	336,495
Accrued expenses			
The second of th	337,696		
Accrued expenses Members payable	337,696 250,000	247,387	336,495
Accrued expenses Members payable Other current liabilities	337,696 250,000 170,693	247,387	336,495 - 10,000
Accrued expenses Members payable Other current liabilities Loans payable, current	337,696 250,000 170,693 72,104	247,387	336,495 - 10,000
Accrued expenses Members payable Other current liabilities Loans payable, current Operating lease liability, current	337,696 250,000 170,693 72,104 29,512	247,387 80,675	10,000 120,543
Accrued expenses Members payable Other current liabilities Loans payable, current Operating lease liability, current Deferred revenue, current	337,696 250,000 170,693 72,104 29,512 930,829	247,387 - 80,675 - 796,826	336,495
Accrued expenses Members payable Other current liabilities Loans payable, current Operating lease liability, current Deferred revenue, current Total current liabilities	337,696 250,000 170,693 72,104 29,512 930,829	247,387 - 80,675 - 796,826	336,495 10,000 120,543 - 726,153 1,195,691
Accrued expenses Members payable Other current liabilities Loans payable, current Operating lease liability, current Deferred revenue, current Total current liabilities Loans payable, non-current	337,696 250,000 170,693 72,104 29,512 930,829 1,790,833	247,387 80,675 - - - - - - - - - - - - - - - - - - -	336,495 10,000 120,543 - 726,153 1,195,691 15,292
Accrued expenses Members payable Other current liabilities Loans payable, current Operating lease liability, current Deferred revenue, current Total current liabilities Loans payable, non-current Deferred revenue, non-current	337,696 250,000 170,693 72,104 29,512 930,829 1,790,833	247,387 80,675 - 796,826 1,129,888 - 2,456,557	336,495 10,000 120,543 - 726,153 1,195,691 15,292 2,659,781
Accrued expenses Members payable Other current liabilities Loans payable, current Operating lease liability, current Deferred revenue, current Total current liabilities Loans payable, non-current Deferred revenue, non-current Total liabilities	337,696 250,000 170,693 72,104 29,512 930,829 1,790,833	247,387 80,675 - 796,826 1,129,888 - 2,456,557	10,000 120,543 - 726,153 1,195,691 15,292 2,659,781
Accrued expenses Members payable Other current liabilities Loans payable, current Operating lease liability, current Deferred revenue, current Total current liabilities Loans payable, non-current Deferred revenue, non-current Total liabilities Members' equity	337,696 250,000 170,693 72,104 29,512 930,829 1,790,833	247,387 80,675 	10,000 120,543 - 726,153 1,195,691 15,292 2,659,781 3,870,764

STATEMENTS OF OPERATIONS

For the years ended December 31, 2022, 2021, and 2020

	2022	2021	2020
Operating revenue:			
Franchise sale fees	\$ 1,122,915	\$ 1,032,411	\$ 742,144
Royalty fees	5,245,944	4,615,291	3,694,002
Ad fund fees	460,721	420,795	357,922
Other revenue	196,163	50,325	18,130
Total revenue	7,025,743	6,118,822	4,812,198
Operating expenses:			
General and administrative	2,300,797	1,691,782	1,351,779
Franchise development	2,569,568	2,235,697	1,682,075
Marketing expenses	553,598	431,536	343,026
Professional fees	69,980	68,010	107,614
Depreciation and amortization	83,638	48,094	48,744
Total operating expenses	5,577,580	4,475,120	3,533,238
Operating income	1,448,163	1,643,703	1,278,960
Other income (expense)		42.1	
Other income	3	115,955	5
Interest expense	(1,534)	(382)	(721)
Gain (loss) on sale of fixed assets	1,724	13,104	(3,035)
Total other income (expense)	190	128,677	(3,756)
Net income	\$ 1,448,353	\$ 1,772,380	\$ 1,275,204

STATEMENTS OF MEMBERS' EQUITY

For the years ended December 31, 2022, 2021, and 2020

		ccumulated mbers' Equity	Total Members' Equity (Deficit)		
Balance at January 1, 2020	S	(1,226,119)	\$	(1,226,119)	
Adoption of ASC 606 practical expedient		172,414		172,414	
Members' distributions		(987,178)		(987,178)	
Net income	*	1,275,204		1,275,204	
Balance at December 31, 2020		(765,679)		(765,679)	
Members' distributions		(1,917,156)		(1,917,156)	
Net income		1,772,380		1,772,380	
Balance at December 31, 2021		(910,455)		(910,455)	
Adoption of ASC 842		(212)		(212)	
Members' distributions		(1,336,017)		(1,336,017)	
Net income		1,448,353		1,448,353	
Balance at December 31, 2022	S	(798,331)	\$	(798,331)	

STATEMENTS OF CASH FLOWS

For the years ended December 31, 2022, 2021, and 2020

	2022	2021	2020
Cash flow from operating activities:			
Net income	\$ 1,448,353	\$ 1,772,380	\$ 1,275,204
Adjustments to reconcile net income to			
net cash provided by operating activities:			
Depreciation and amortization	83,638	48,094	48,744
Gain (loss) on sale of fixed assets	(1,724)	(13,104)	3,035
Adoption of ASC 842	212	-	9
Forgiveness of debt	4	(115,955)	21
Changes in operating assets and liabilities:			
Accounts receivable	(4,961)	(29,523)	(52,660)
Deferred commissions	(77,796)	37,526	(288,215)
Prepaid expenses	7,500	(17,500)	
Accounts payable	(5,000)	2,500	(5,151)
Accrued expenses	90,309	(89,109)	184,657
Other current liabilities	90,018	70,675	(200,000)
Members payable	250,000		9
Deferred revenue	857,484	(132,551)	527,156
Net cash provided by operating activities	2,738,033	1,533,433	1,492,770
Cash flows from investing activities:			
Purchase of vehicles	(127,246)	(229,106)	4
Proceeds from sale of vehicles	45,000	93,000	9
Notes receivable	(35,753)	142,532	(50,219)
Related party notes receivable	(712,439)		-
Net cash provided by (used in) investing activities:	(830,437)	6,426	(50,219)
Cash flows from financing activities:			
Proceeds from loan		100	115,955
Loan payments	(5,738)	(25,564)	(5,947)
Distributions to members	(1,336,017)	(1,917,156)	(987,178)
Net cash used in financing activities	(1,341,755)	(1,942,720)	(877,170)
Net increase (decrease) in cash	565,841	(402,861)	565,381
Cash at the beginning of the year	827,386	1,230,247	664,866
Cash at the end of the year	\$ 1,393,227	\$ 827,386	\$ 1,230,247
	Thirth David Co. 15	Saya Saya	3

Supplementary disclosures of cash flows Cash paid for interest	S	1,530	\$ 382	\$ 721
Cash paid for taxes	\$	56,798	\$ 69,126	\$ 2,670
Schedule of non-cash investing activities Purchase of vehicle with loan and/or trade-in allowance	S	77,842	\$ 2,	\$ 33,363
Schedule of non-cash financing activities Forgiveness of PPP Loan	S		\$ 115,955	\$ 2



NOTES TO THE FINANCIAL STATEMENTS December 31, 2022, 2021 and 2020

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

(a) Nature of Business

Assisting Hands Home Care, LLC (the "Company") was formed on March 9th, 2006 in the State of Arizona, as a limited liability company. The Company is a non-medical at-home care ("Home Care") franchising network. Distributions are made at the discretion of management, based upon available cash flow. The liability of the members of the Company is limited to the members' total capital contributions.

The Company has developed a proprietary system for establishing, operating, managing and marketing a franchised Home Care company and offers two types of franchises: Single Unit Business Franchises for the right to operate a single business unit in a designated geographic area under the "Assisting Hands" name and other authorized names and marks using a system of distinctive operating procedures, methods, and standards that the Company has developed; and Area Representative Franchises for the right to offer franchises for regional marketing opportunities granting the franchisee (the "Area Representative") the right, in a specific geographic area (the "Regional Territory"), to solicit, recruit, screen, and interview prospective Assisting Hands Business Franchisees for the Company.

The company uses the accrual basis of accounting, and their accounting period is the 12 month period ending December 31 of each year.

(b) Accounting Standards Codification

The Financial Accounting Standards Board ("FASB") has issued the FASB Accounting Standards Codification ("ASC") that became the single official source of authoritative U.S. generally accepted accounting principles

FASB, American Institute of Certified Public Accountants, emerging Issues Task Force and related literature. All other literature is not considered authoritative. The ASC does not change GAAP; it introduces a new structure that is organized in an accessible online research system.

(c) Use of Estimates

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

(d) Reclassification

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

(e) Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase. Also included within cash equivalents are deposits in-transit from banks for payments related to third-party credit card and debit card transactions.

(f) Accounts Receivable

Accounts receivable are recorded for amounts due based on the terms of executed franchise agreements for franchise sales, royalty fees, and upon provision/shipment and invoicing of services or materials from the Company's offices. Accounts receivable are recorded at the invoiced amount and do not bear interest although a finance charge may be applied to such receivables that are past the due date. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable. The Company



NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022, 2021 and 2020

determines the allowance based on historical collections, customers' current creditworthiness, age of the receivable balance both individually and in the aggregate, and general economic conditions that may affect the customer's ability to pay. All account balances are reviewed on an individual basis. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. When recoveries of receivables previously charged off are made, they are recognized as income when payment is received. The Company concluded that all of the receivables were fully collectible as of December 31, 2022, 2021 and 2020 and consequently no allowance for doubtful accounts has been established.

(g) Property and Equipment

Property and equipment are stated at historical cost and are depreciated using the straight-line method over the estimated useful lives of related assets. The useful lives generally range 5-7 yrs.

(h) Long Lived Assets

Long-lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the difference between the carrying amount of the asset and the fair value of the asset.

(i) Intangible Assets

The Company has adopted Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 350, Intangibles - Goodwill and Other that requires that goodwill and intangible assets with indefinite lives (such as intellectual property) no longer be amortized to earnings but be tested for impairment at least annually, Intangible assets with finite lives (such as franchise development costs) are amortized over their estimated useful lives. The useful life of an intangible asset is the period over which the asset is expected to contribute directly or indirectly to future cash flows. Intangible assets with finite lives are reviewed for impairment if events or changes in circumstances indicate that the carrying value might not be recoverable.

Initial web site design costs are amortized over five years using the straight-line method. Costs associated with the acquisition of trademarks, trade names, and operating manuals are capitalized and amortized using the straight-line method over 15 years.

(i) Revenue Recognition

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, "Revenue from Contracts with Customers (Topic 606)". The ASU and all subsequently issued clarifying ASUs replaced most existing revenue recognition guidance in U.S. GAAP. The ASU also required expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

The Company adopted the new standard as of January 1, 2019, the first day of the Company's fiscal year using the modified retrospective method. This method allows the standard to be applied retrospectively through a cumulative catch up adjustment recognized upon adoption. As part of the adoption of the ASU on January 1, 2019, the Company elected the following transition practical expedients: to apply the standard only to contracts that are not completed at the initial date of application.

On January 1, 2020, the Company also adopted another practical expedient that was issued with ASU No. 2021-02, "Franchisors – Revenue from Contracts with Customers (Subtopic 952-606)" to account for pre-opening services as distinct from the franchise license and to recognize pre-opening services as a single performance obligation. The



NOTES TO THE UNANCIAL STATEMENTS December 31, 2022, 2021 and 2020.

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I or the frauditie right performance collegation, control transfers to the epsamer eventy over the time period of the control. If a the cistural pre-opening service obligation which includes unter training on-site assessment end transfers to the common of a point in time man completion of services. Management has determined that the point in open short in an expension of services are point in the determined that the point in open short has been frauches complete training on-site and one management is serviced to the following management of the control of

The following raids disapprepare the Company's common asset on the finding of satisfaction at performence orthogone for the year, such December 51 1022 2021 and 2020:

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Profession e la fixil e une social gale e voial en la contraction.		552,500		55 0.0		319500
Labdy of hardy sales	. 3	11290	81	(00241)	1	3570144
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The Company's revenues require of homeline cakes, regular fees, ad find yournburious and revenue from underials and services such as training. Weakly regardly fees are based on the franchise agreement and are generally if a 5th or the franchise agreement and are generally if a 5th or the franchises. There we know a franchise is generally and franchise agreement and franchises. The no tond is generally a translate goes sales.

Receive from paterials and services such as additional training in recognized upon provisioning distinct and movement. Sales of services and marginals are restricted to the Congress's fraeshisses.

the Involve Person

The unity is spreaded as a laplaced lightly company (EEE) and a flag two of the Stancel Adjacent (I had, bothly entropy to elastical and painted for the forest and state means to a purpose wild accordingly, the neutron corte of of the Company will be included in the income (so release of the memoria. Therefore, there is recovered to the income testers.)



2

NOTES TO THE UNANCIAL STATEMENTS December 31, 2022, 2021 and 2020.

The Company follows me offeliams under Assenting Strongeris Cestification (*ASC*) Topic 740. Accounting for Encountry in the one Terror ASC Topic 740 prescribes across-likely-dum-not measurement methodology to reflect the linearist untermed impact of uncertainties positions taken or approved to be taken in the tax tourn. It forms ambients a overs leading allowing the positions taken by the Company, the additional mesons taxes, if my, would be impressed in the member of the total of the Company. As weathy there would be used to the Company of Linearis.

The Compary's income as returns are subject to examination by taking authorities for a period of thise years from the date dray are filled. As or December 31, 2022, the following tax years are suggest to examination:

D Phatemen	Open Years Jan Filed Regards	Remark to lest for 2012
Federal	7009 2070	707/
Arawa	501% 50%1	405/

10 lineaux

In Talantine 2016, the PriSB issued 5/9D 2016 02. "Lyans (Topic 1421), with several subsequential and more, which improve house in execution the create-and handline dear arise from spectrug and frames losses on the influence form. And, if the exceptions, 25C 842 replaced the existing leave goldine in U.S. Galact. The Company, weighted no constitution appear to the factories. 2017, the free day of the Company's freely year using a most to a most on appear to the expression of the Company of the effect education of the day of the company of the effect education and and the formation of the Company of the prekage of macroal experience parameter and the transfer goldines, which allowed the Company to they or macroally a control experience of the prekage of macroal experience of the control of the control of the control of the experience of the price of the experience of the experience of the control of the contr

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they Adventuring Court

The Company expenses adventising visites meatree. According expenses for the years under Leconder 31, 2021, and 2020 vicio-6555 598, 5431,536, and 5349,026 accessories.

(n). Dimencial Incomments

For certain of the Campany's firmicial instruments, including cash and easil equivalents, accounts recoverable, large term color carrivable, meaning payable and account approves the carrying amounts approximate foir value she to



NOTES FORTHER IN ANCIAL STAFRMENTS December 31, 2022, 2021 and 2020

their short ensuring. The arricings shown for noirs payable also approximate fair value because gureout interest rates and terms offered to the Company for social debt are subsecutially the same.

tol. Concentration of Rick.

The Company maintains is associate leads deposit accommondation and may may remard foliably insured limits. The Company like and Copyright of the located and the formula. The Company believes it is not expressed. In the majority of the control of

(2) Notes Repetionale

Name receivable word theoretics (1.1.2) 2021 and 2001 masses of parties of financial feed on the day can less derived the respective year ends. Terms for the constant ending us of the respective year ends. Terms for the constant ending the rules are not to one the constant manufally and the respective of the constant ending the rules of the

(/) Ridited Perty Notes Receivable, Revenue and Espenses

Through 2022 that surpose wold two contractions a control party. Proceeds from the sale overs each of \$5',000 and a control party that for \$400,000. The party resemble a control party and is no be paid in 40 members in a liminate of #1,000 beginning in depote 12:22. Beginn 2022 respectively wroten made and the containing value of #1,000 beginning in depote 12:22. Beginn Bourgau, Revenue from the related party included subject to the control party included subject for 10:23 each total party includes and the control party included subject for 10:23 each total party included and Revenue received from the return; party included total \$6.582 \$9.542 and \$2.493 respectively.

Turing 2022 the Company also wild three Area tepresentance Territories to officers of the Company. The development fees for the three femilianes were a tabil of \$685,000. Proceed's from the transactions were \$40,000 of east the noninterest heaving mass measurable to the other \$675,000, 50% of the net initial translator led you have introduced who provides functions in the two observations are well as 70% of receipt payments do to the officers for these Copresertance Royalnes will be applied to the highress or memore, until the rotes are paid in fall. This is the manner of payments being applied so entime to the more belonces, it is likely that it will take years for the training to be paid in trill. The meanings to be applied to the many and rating at when the amounts will be applied will vary on the limits of the occurrence of finance event not substantially within the control of the office is and the Common Therefore, there is uncertainty as to whether bracking eaths and myaltica to be applied to the cote balances. will be governed as mentage and constituent could alrange. Because the impaint to be applied to the talances during the next twelvestrough period is not known and cummit be entimated, the full remaining note balance area for holed in related party notes receivable, noncontrary on the balance sheet. As of December 31, 2022, the recommod balance on the notes is \$254,439. Development for revenue included in franchism when twing recognises are not your thornorm of the reset to habit is agreement to see #62,484 coming 2020. Again representative may this is not the table of power compared driving 2023 were a point of \$2,433. E. 100., 50% a year application the role behavior and the other 50% and proc. in the orficers.

The Company also advanced \$10,000, cash to own of the related purp types Representative Territoria, no beautioperations. The advances are note, thanking show included in related party notes, accountile. They are stay or married at homogy with a pant in the same angular cellus development has discussed account and are addited with a measure or other party units on the balance sheet.

Tamping while the Company operand an effect in one of the related party territories owned by effects of the Company. The 4 impany block on office manager and has incorrect order expenses on ashelt of the office happeness part on behalf of the office during 2022 were 5179.645. Rosalnes, All find and Penesi Fund Revenue received from the office way \$3.95, 17.400 and 31.000, respectively.



NOTES TO THE FINANCIAL STATEMENTS December 31, 2022, 2021 and 2020

(4) Property and Equipment

Property and equipment consist of the following as of December 31, 2022:

		2022	2021		2020
Office furniture	\$	6,236	\$ 6,236	\$	6,236
Office equipment		16,098	16,098		16,098
Vehicles		411,169	262,469		167,161
		433,503	284,803		189,495
Less accumulated depreciation	3.3	(121,713)	(59,778)		(80,832)
	\$	311,790	\$ 225,025	S	108,663

Depreciation expense for the years ended December 31, 2022, 2021, and 2020 was \$75,046, \$38,532, and \$34,338, respectively.

(5) Intangible Assets

Identifiable intangibles assets and their useful lives consist of the following as of December 31, 2022:

	2022		2021		2020	
Operating manuals - 15 years	S	82,711	S	82,711	S	82,711
Trademark - 15 years		8,500		8,500		8,500
Website - 5 years		8,120		8,120		8,120
Software		41,625		41,625		41,625
		140,956		140,956	-	140,956
Less accumulated amortization		(131,059)		(122,468)		(112,906)
	S	9,896	S	18,488	S	28,050

Amortization expense associated with the intangible assets was \$8,592, \$9,562, and \$14,406 for the years ended December 31, 2022, 2021, and 2020, respectively. Estimated amortization expense is \$8,592 for 2023 and \$1,304 for 2024.

(6) Deferred Commissions and Revenue

In accordance with its revenue policy, the Company has contract assets of deferred commissions and contract liabilities of deferred revenue.

The Company has estimated the following current and non-current portions of deferred commissions as of December 31,2022,2021 and 2020:

		2022	2021	2020
Deferred commissions, current	S	414,829	\$ 375,723	\$ 349,091
Deferred commissions, non-current		841,123	802,433	866,591
	S	1,255,952	\$ 1,178,156	\$ 1,215,682



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NOTES TO THE FINANCIAL STATEMENTS December 31, 2022, 2021 and 2020

The Company estimated the following current and non-current portions of deferred revenue as of December 31, 2022, 2021, and 2020:

		2022	2021	2020
Deferred revenue, current	\$	930,829	\$ 796,826	\$ 726,153
Deferred revenue, non-current		3,180,038	2,456,557	2,659,781
	S	4,110,867	\$ 3,253,383	\$ 3,385,934

(7) Accrued Expenses

Accrued expenses as of December 31, 2022, 2021 and 2020 consist of the following:

		2022		2021		2020
Commissions payable	S	185,700	\$	71,400	\$	202,765
Projected annual CEO bonus		76,500		90,000		65,000
Royalties due to area representatives		75,496		85,987		68,730
	S	337,696	S	247,387	S	336,495

(8) Other Current Liabilities

Other current liabilities consist of prepaid fees for the Company's upcoming 2023 Annual Conference that have been deferred as well as a deposit toward a future franchise purchase.

(9) Members Payable

Members payable consists of year-end member distributions paid subsequent to year-end. All of the 2021 and 2020 member distributions were paid prior to year-end.

(10) Loans Payable

On April 22, 2020 the Company received a promissory note in the amount of \$115,955. This loan was made pursuant to the Paycheck Protection Program (the "PPP") created by Section 1102 of the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"). The PPP loan could be forgiven if the Company complied with certain criteria provided by the Small Business Association (SBA). The note bore 1% interest with a maturity date of April 22, 2022. The Company applied for full forgiveness subsequent to year end in January 2021 and received full forgiveness on February 23, 2021. The loan was included in current liabilities as of December 31, 2020. Subsequent to receiving full forgiveness, the loan balance was recognized as other income during the year ended December 31, 2021.

During March 2020 the Company financed the purchase of a Company vehicle. The loan was secured by the vehicle and was payable in monthly installments of \$476 for sixty months beginning May 1, 2020 with an interest rate of 3.99%. As of December 31, 2020, the balance of the loan was \$19,880, \$4,588 of which was current. The Company paid the remaining balance of the loan in full in July 2021.

During May 2022 the Company financed the purchase of a Company vehicle. The loan was secured by the vehicle and was payable in monthly installments of \$1,038 beginning in June 2022 with a variable interest rate. The vehicle was involved in an accident before year end and was deemed a total loss. Thus, insurance proceeds were received for the value of the vehicle and the outstanding balance of the loan of \$72,104 as of December 31, 2022 was paid in full subsequent to year-end. As the loan was paid off in full in January 2023, it is included in current loans payable on the balance sheet.



NOTES TO THE FINANCIAL STATEMENTS December 31, 2022, 2021 and 2020

(11)Operating Lease

The Company has a lease for office space that is classified as an operating lease. The Company entered into the lease agreement on September 1, 2021. The term of the lease is two years without options to renew. Base monthly rent payments, which escalate 3% each year, are \$3,601 for the first year and \$3,707 for the second year. The Company used its vehicle loan initial interest rate of 5% as the incremental borrowing rate to extrapolate a rate to calculate the present value of the lease liability and right-of-use asset.

The Company shares the leased office space with a related party, an affiliate. Prior lease agreements were in the name of the related party and the Company paid the related party for its half of the rent previous to September 1, 2021. The related party now pays the Company for half of the rent. Rent reimbursement received from the related party during 2022 and 2021 was \$21,819 and \$21,188. Cash paid for amounts included in the measurement of the operating lease liability was \$43,638 during 2022. The Company's lease cost (net of reimbursement) for the years ended December 31, 2022, 2021, and 2020 was \$22,031, \$21,188, and \$20,978, respectively.

Maturities under the non-cancellable lease are as follows as of December 31, 2022:

Kent rayments
29,657
S 29,657
(145)
S 29,512

(12) Commitments and Contingencies

(a) Officer Compensation

The Company has compensation agreements with its officers that provide, in addition to their annual distributions, the option to purchase Home Care franchises at 50% of the regular franchise sales price, receive sales commissions on franchise sales and receive quarterly bonus payments on the net profit of the Company when royalty revenues reach certain defined points.

(b) Litigation

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

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

(c) Covid-19 Contingency

On March 11, 2020, the World Health Organization classified the outbreak of a new strain of the coronavirus ("COVID-19") as a pandemic. The COVID-19 outbreak in the United States began in mid-March 2020 and has continued through 2020, 2021, 2022 and subsequent to the fiscal year end. It is continuing to disrupt supply chains and affect production and sales across a range of industries. Management believes the pandemic has had a material effect on the Company's operations, reducing revenue from both new and existing franchisees. The extent of the



NOTES TO THE FINANCIAL STATEMENTS December 31, 2022, 2021 and 2020

impact of COVID-19 on the Company's future operational and financial performance continues to evolve and will depend on certain ongoing developments, including the duration and spread of the outbreak, impact on the Company's customers and vendors all of which are uncertain and cannot be reasonably estimated. At this point, the full extent to which COVID-19 may impact the Company's future financial condition or results of operations is uncertain.

(13) Date of Management's Evaluation

Management has reviewed and evaluated subsequent events through April 11, 2023, the date on which the financial statements were issued.





FINANCIAL STATEMENTS WITH REPORT OF INDEPENDENT AUDITORS

DECEMBER 31, 2023, 2022 and 2021



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Independent Auditor's Report

To the Members of Assisting Hands Home Care, LLC

Opinion

We have audited the accompanying financial statements of Assisting Hands Home Care, LLC, (the "Company") which comprise the balance sheets as of December 31, 2023, 2022 and 2021, and the related statements of operations, members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Assisting Hands Home Care, LLC as of December 31, 2023, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

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

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

St. George, Utah March 11, 2024

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[20232024 FDD v1F - Area Representative]

BALANCE SHEETS

As of December 31, 2023, 2022, and 2021

		2023		2022	2021
Assets					
Current assets:					
Cash and cash equivalents	\$	1,638,309	\$	1,393,227	\$ 827,386
Accounts receivable		181,836		201,148	196,188
Notes receivable, current		96,000		205,500	150,247
Related party notes receivable, current		12,000		12,000	-
Deferred commissions, current		423,631		414,829	375,723
Prepaid expenses		18,495		10,000	17,500
Total current assets		2,370,270		2,236,704	1,567,044
Notes receivable, non-current		a.		43,500	63,000
Related party notes receivable, non-current		681,286		700,439	1
Property and equipment, net		708,019		311,790	225,025
Intangible assets, net		1,304		9,896	18,488
Operating lease right of use asset		202,194		29,088	-
Deferred commissions, non-current		1,070,781		841,123	802,433
Total assets	\$	5,033,855	\$	4,172,540	\$ 2,675,990
Liabilities and Members' Equity					
Current liabilities:					
Accounts payable	\$	47,693	\$	4	\$ 5,000
Accrued expenses		377,880		337,696	247,387
Members payable				250,000	
Other current liabilities		155,156		170,693	80,675
Loans payable, current		16,620		72,104	**
Operating lease liability, current		81,056		29,512	-
Deferred revenue, current		955,378		930,829	796,826
Total current liabilities		1,633,783		1,790,834	1,129,888
Loans payable, non-current		55,630		1	1
Operating lease liability, non-current		124,739		0=0	- 12
Deferred revenue, non-current	-	3,528,019		3,180,038	2,456,557
Total liabilities	_	5,342,171	Ξ	4,970,872	3,586,445
Members' equity					
Accumulated members' equity		(308,316)		(798,332)	(910,455)
Total members' equity (deficit)		(308,316)		(798,332)	(910,455)
Total liabilities and members' equity	\$	5,033,855	\$	4,172,540	\$ 2,675,990

STATEMENTS OF OPERATIONS

For the years ended December 31, 2023, 2022, and 2021

	2023	2022	2021
Operating revenue:			
Franchise sale fees	\$ 1,362,172	\$ 1,122,915	\$ 1,032,411
Royalty fees	6,587,833	5,245,944	4,615,291
Ad fund fees	569,940	460,721	420,795
Other revenue	265,961	196,163	50,325
Total revenue	8,785,906	7,025,743	6,118,822
Operating expenses:			
General and administrative	2,457,648	2,300,797	1,691,782
Franchise development	3,497,793	2,569,568	2,235,697
Marketing expenses	632,374	553,598	431,536
Professional fees	65,688	69,980	68,010
Depreciation and amortization	90,146	83,638	48,094
Total operating expenses	6,743,648	5,577,581	4,475,119
Operating income	2,042,257	1,448,162	1,643,703
Other income (expense)			
Other income			115,955
Interest income	12,441	-	· ·
Interest expense	(6,655)	(1,534)	(382)
Gain on sale of fixed assets	6,295	1,724	13,104
Total other income	12,081	190	128,677
Net income	\$ 2,054,338	\$ 1,448,352	\$ 1,772,380

STATEMENTS OF MEMBERS' EQUITY

For the years ended December 31, 2023, 2022, and 2021

	Accumulated Members' Equ		Total Members' Equity (Deficit)		
Balance at December 31, 2021	S (910,	455)	\$ (910,455)		
Adoption of ASC 842	(212)	(212)		
Members' distributions	(1,336,	017)	(1,336,017)		
Net income	1,448,	352	1,448,352		
Balance at December 31, 2022	(798,	332)	(798,332)		
Adoption of ASC 842		_	2.		
Members' distributions	(1,564,	322)	(1,564,322)		
Net income	2,054,	338	2,054,338		
Balance at December 31, 2023	S (308,	316)	\$ (308,316)		

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

STATEMENTS OF CASH FLOWS

For the years ended December 31, 2023, 2022, and 2021

	2023	2022	2021	
Cash flow from operating activities:				
Net income	\$ 2,054,338	\$ 1,448,352	\$ 1,772,380	
Adjustments to reconcile net income to	*	41.144.04142		
net cash provided by operating activities:				
Depreciation and amortization	90,146	83,638	48,094	
Gain on sale of fixed assets	(6,295)	(1,724)	(13,104)	
Adoption of ASC 842	(-,)	212	(
Forgiveness of debt	95		(115,955)	
Changes in operating assets and liabilities:			(Transler-V	
Accounts receivable	19,313	(4,961)	(29,523)	
Deferred commissions	(238,461)	(77,796)	37,526	
Prepaid expenses	(8,495)	7,500	(17,500)	
Accounts payable	47,693	(5,000)	2,500	
Accrued expenses	40,184	90,309	(89,109)	
Other current liabilities	(15,537)	90,018	70,675	
Members payable	(250,000)	250,000	703072	
Operating lease	4,040	2017,011		
Deferred revenue	372,530	857,484	(132,551)	
Net cash provided by operating activities	2,109,457	2,738,032	1,533,433	
Cash flows from investing activities:				
Purchase of property and equipment	(524,230)	(127,246)	(229,106)	
Proceeds from sale of property and equipment	135,901	45,000	93,000	
Notes receivable	153,000	(35,753)	142,532	
Related party notes receivable	19,153	(712,439)		
Net cash (used in) provided by investing activities:	(216,176)	(830,437)	6,426	
Cash flows from financing activities:				
Loan payments	(83,877)	(5,738)	(25,564)	
Distributions to members	(1,564,322)	(1,336,017)	(1,917,156)	
Net cash used in financing activities	(1,648,199)	(1,341,755)	(1,942,720)	
Net increase (decrease) in cash	245,082	565,841	(402,861)	
Cash at the beginning of the year	1,393,227	827,386	1,230,247	
Cash at the end of the year	\$ 1,638,309	\$ 1,393,227	\$ 827,386	
Supplementary disclosures of cash flows				
Cash paid for interest	\$ 6,655	\$ 1,530	\$ 382	
Cash paid for taxes	\$ 55,384	\$ 56,798	\$ 69,126	

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

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Schedule of non-cash investing activities Purchase of vehicle with loan and/or trade-in allowance	\$ 83,159	\$ 77,842	\$
Schedule of non-cash financing activities Forgiveness of PPP Loan	\$ _	\$ 	\$ 115,955

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



NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023, 2022 and 2021

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

(a) Nature of Business

Assisting Hands Home Care, LLC (the "Company") was formed on March 9th, 2006 in the State of Arizona, as a limited liability company. The Company is a non-medical at-home care ("Home Care") franchising network. Distributions are made at the discretion of management, based upon available cash flow. The liability of the members of the Company is limited to the members' total capital contributions.

The Company has developed a proprietary system for establishing, operating, managing and marketing a franchised Home Care company and offers two types of franchises: Single Unit Business Franchises for the right to operate a single business unit in a designated geographic area under the "Assisting Hands" name and other authorized names and marks using a system of distinctive operating procedures, methods, and standards that the Company has developed; and Area Representative Franchises for the right to offer franchises for regional marketing opportunities granting the franchisee (the "Area Representative") the right, in a specific geographic area (the "Regional Territory"), to solicit, recruit, screen, and interview prospective Assisting Hands Business Franchisees for the Company.

The company uses the accrual basis of accounting, and their accounting period is the 12 month period ending. December 31 of each year.

(b) Accounting Standards Codification

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

(c) Use of Estimates

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

(d) Reclassification

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

(e) Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase. Also included within cash equivalents are deposits in-transit from banks for payments related to third-party credit card and debit card transactions. Additionally, short-term investments with maturities greater than three months but less than or equal to 12 months are considered cash equivalents, provided they are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Included in cash equivalents are 12-month certificates of deposit, which are held for liquidity management purposes and are stated at cost, which approximates fair value.



NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023, 2022 and 2021

(f) Accounts Receivable

Accounts receivable are recorded for amounts due based on the terms of executed franchise agreements for franchise sales, royalty fees, and upon provision/shipment and invoicing of services or materials from the Company's offices. Accounts receivable are recorded at the invoiced amount and do not bear interest although a finance charge may be applied to such receivables that are past the due date. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable. The Company determines the allowance based on historical collections, customers' current creditworthiness, age of the receivable balance both individually and in the aggregate, and general economic conditions that may affect the customer's ability to pay. All account balances are reviewed on an individual basis. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. When recoveries of receivables previously charged off are made, they are recognized as income when payment is received. The Company concluded that all of the receivables were fully collectible as of December 31, 2023, 2022 and 2021 and consequently no allowance for doubtful accounts has been established.

(g) Property and Equipment

Property and equipment are stated at historical cost and are depreciated using the straight-line method over the estimated useful lives of related assets. The useful lives generally range 5-7 yrs.

(h) Long Lived Assets

Long-lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the difference between the carrying amount of the asset and the fair value of the asset.

(i) Intangible Assets

The Company has adopted Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 350, Intangibles - Goodwill and Other that requires that goodwill and intangible assets with indefinite lives (such as intellectual property) no longer be amortized to earnings but be tested for impairment at least annually. Intangible assets with finite lives (such as franchise development costs) are amortized over their estimated useful lives. The useful life of an intangible asset is the period over which the asset is expected to contribute directly or indirectly to future cash flows. Intangible assets with finite lives are reviewed for impairment if events or changes in circumstances indicate that the carrying value might not be recoverable.

Initial web site design costs are amortized over five years using the straight-line method. Costs associated with the acquisition of trademarks, trade names, and operating manuals are capitalized and amortized using the straight-line method over 15 years.

(j) Revenue Recognition

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, "Revenue from Contracts with Customers (Topic 606)". The ASU and all subsequently issued clarifying ASUs replaced most existing revenue recognition guidance in U.S. GAAP. The ASU also required expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.



NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023, 2022 and 2021

The Company adapted the new standard near houses. (20.9) the directory of the Company a theorem went went membered interpretated the resident allows the standard of compiled retord pretated through a conclusive court by adjustment recognized upon adoption. As pure of the reloption of the ARC on Finance L 2019, the company elected the following maintain provided expeditions to apply the standard only as court are the most completed at the initial date of application.

On honory 1, 1020, the Compose also adopted another practical expedient that was expedient in 1021-02. "Synchrons – Revenue tion 1 of money with trusteners obtaining 952-0000 in account for also opening garages as distingly from the branchies begans and to recognize per a gaing services as a single performance obligation. The complete displacement recorded upon adoption or the practical expedient resulted in an increase to regarding reliance entropy of \$172,-15, a decrease in defenred commissions of \$12,300 and a decrease in defenred commissions of \$12,300 and a decrease in defenred to entre of \$200,114.

ASC non-provides that repeates one in the recognized when control of parameted goods or services. The control of the received for those goods or services. The months of nor time the foreign of the received for those goods or services. The months of nor time the foreign of property is a functional or the foreign of the foreign of parameters of the time time time time and entire time time time and entire time time time of the foreign of the foreign of the function of the func

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Levenue Huro materials and services such as additional national retengiated upon provisioning shoment and too along States of services and materials are restricted to the Companyle DateStates.



NOTES TO THE FIXANCIAL STATEMENTS

December 31, 2023, 2022 and 2021

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The entity is structured as a limited lightlifty company (14.0) under the laws of the State of Arizona. A limited lightlifty company is classified as a contrarship for federal and state median pursoses and, recordingly, the income on less of title Company will be included in the income on less of title Company will be included in the income one less of title numbers. Therefore, there is no pure more for federal and state income taxes.

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The Company's income as returns ate subject to establish by taking sufficiences for a period of three years from the detection are filled. As in Describer 31, 2020, the following tax years are subject to examination.

Jurisdigiran	Open Years for Filed Renums	Relatin Pilest in 2023
Fortmal	5050/2005	2022
Arizona	2020-2022	2021

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In throats 70 to, the tAnili moust 4.81, 2016-02. "Leaves Plague 2-17", and several subsequent accombination, which requires bessess to recognize this netter and habitities that arise from operating and from 11 m or the industry access to the expression with 7.2022, the time of the Company of access to the operation of the report product the mass assessed as at leavest 1.2022, the time day of the Company of access and habitities as on the operation recovered intersection recovered. Industrial to approach, the Company adjusted assess and habitities as on the time of the company of presented in addition the transfer of the partiage of granted accessions were one) under the transfering graduate, which allowed the company of the partiage of granted accessing to addition, the company of the partiage of granted accessing to a commercial under the transfering graduate, which allowed the community of times associated with a least are intend that come comparations to a single least non-partial exception relative to the company of the example of the company of the industry of the recording of 70.74% of least graduate and recording of the recording of 70.74% of least graduates and 70.54% of the company of the behavior sheet resulting in the recording of 70.74% of least transfer and 70.54% of the company.

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NOTES TO THE FINANCIAL STATEMENTS

Depember 31, 2023, 2022 and 2021

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The Company expenses adventising easily as incurred. Adventising expenses for the years ended December 31., 2023, 2022, and 2021 were 8632,374, 3553,596, and 303 ',580, respectively.

the Physical Languages.

The victories of the Company's financial inclements, inclining particularies equivalents accounts amount to have ten many receivable, accounts payable and account expenses, the capturing accounts approximate into outper to the distribution accounts approximate fair value because non-emounted in the Company for similar debt see softenantially the eart of

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The Company made the its path to bank depression and the feet they save part of the site is and form. The Company has not experienced any lossed in such appearing. The Company debayes it is not approved to any openion conductive or make a make approved one.

(1) Ivares Seculeshie

Motor, requivable as of Describer 11, 2021, 2021 and 2021 consist of gardinas of financed initial two out the editional feed so the constant of the edition of the edition

(3) Related Party Notes Secretarial Revenue and Repairs at

Through TCT the Company, and two reconstructions to a street party. Phone 26- Lon this sale were not not 550,000 and more representation of \$45,000. The note received as noninterest beginning and is to be paid in 40 monthly installaneous of "TLONO frequency in Continue 242.1 During 2022 two payments were made and the construction behaves was \$40,000 at all the properties of \$202. The first of the continue and the construction was \$25,000 at a closely \$12,000 as a result of secretary the end of the construction of \$12,000 as \$10,000 and \$10,000 as a few payment from the related party and \$10,000 and

Throng 7072 the Company also said three Area Representation Tradition of the Company of the dow disponenti lices for the three configurations were a total of \$655,000. Recepted from the transposants were \$100,000 of could and quarintered bearing anges received as the other 6675,000, forth of the per input tranches the paid by Emperations who nutrities from his six the development continues as well as 50 and royally payments due to meof Wire for Area Representative Royalties will be applied to the balances of the notes and the notes are good in easan shall thin in teathy leading in , sector bed around it in sortif error bediggs guited stream or percent at the firm that the sector of the firm for the patenting to the pand in full. The amounts to be applied to the nodes and timing of when the amounts will be applied will ever no the bissis of the measurance of inters exacts not exhaustially withouthe sential airthmedians. and the Company. Therefore, there is ancertainty as to whether framehise sales and revealues to an applicable to the nor feature is will be generated as much decord conditions until change. Because the encountrille up that is the bodings, during the gest exchaemonth period is not known and cannot be estimated, the full remaining note If those on terminals in related party nodes receivable, non-correct on the balance slices. As of December M. 2022. and 2022, this remaining Italianes of the noise is the 1,286 and 3/15/15/34, respectively. Develope on 1 c reviews included in franchise sales fees being recognized events over the term of the creating the franchise agreement work 1874 - Frimany A. W. There was no discologic and the same of 2015 - In a representative regulation than the talentee. party territories during 2023 were a total of \$14,300, \$7,105, 50%, was applied to the oxte relatives and the other

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023, 2022 and 2021

50% was paid to the officers. Area representative royalties for the related party territories during 2022 were a total of \$2,123. \$1,061, 50%, was applied to the note balances and the other 50% was paid to the officers

The Company also advanced \$10,000 cash to two of the related party Area Representative Territories to begin operations. The advances are notes that are also included in related party notes receivable. They are also noninterest bearing, will be paid in the same manner as the development fees discussed above, and are included with non-current related party notes on the balance sheet.

During 2022 the Company opened an office in one of the related party territories owned by officers of the Company. The Company hired an office manager and has incurred other expenses on behalf of the office. Expenses paid on behalf of the office during 2023 and 2022 were \$55,250 and \$179,645, respectively. Royalties, Ad fund and Retreat Fund Revenue received from the office were \$20,363 \$3,600 and \$3,000, respectively for the year ended December 31, 2023. Royalties, Ad fund and Retreat Fund Revenue received from the office were \$2,895 \$2,400 and \$1,000, respectively for the year ended December 31, 2022.

(4) Property and Equipment

Property and equipment consist of the following as of December 31, 2023:

		2023		2022		2021
Office furniture	\$	6,236	\$	6,236	\$	6,236
Office equipment		16,098		16,098		16,098
Vehicles		469,514		411,169		262,469
Land		391,534		-	-	-
	-	899,957	-	433,503		284,803
Less accumulated depreciation		(175,363)		(121,713)		(59,778)
	\$	708,019	\$	311,790	\$	225,025

Depreciation expense for the years ended December 31, 2023, 2022, and 2021 was \$81,553, \$75,046, and \$38,532, respectively.

(5) Intangible Assets

Identifiable intangibles assets and their useful lives consist of the following as of December 31, 2023:

		2023	2022		2021
Operating manuals - 15 years	\$	82,711	\$ 82,711	\$	82,711
Trademark – 15 years		8,500	8,500		8,500
Website - 5 years		8,120	8,120		8,120
Software	100	41,625	41,625		41,625
		140,956	140,956	-	140,956
Less accumulated amortization		(139,652)	(131,059)		(122,468)
	\$	1,304	\$ 9,896	\$	18,488

Amortization expense associated with the intangible assets was \$8,592, \$8,592, and \$9,562 for the years ended December 31, 2023, 2022, and 2021, respectively. Estimated amortization expense is \$1,308 for 2024 and zero for 2025-2028 as the assets will be fully amortized as of December 31, 2024.



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NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023, 2022 and 2021

(6) Deferred Commissions and Revenue

In accordance with its revenue policy, the Company has contract assets of deferred commissions and contract liabilities of deferred revenue.

The Company has estimated the following current and non-current portions of deferred commissions as of December 31, 2023, 2022 and 2021:

	2023	2022	2021
Deferred commissions, current	\$ 423,631	\$ 414,829	\$ 375,723
Deferred commissions, non-current	1,070,781	841,123	802,433
	\$ 1,494,412	\$ 1,255,952	\$ 1,178,156

The Company estimated the following current and non-current portions of deferred revenue as of December 31, 2023, 2022, and 2021:

	2023	2022	2021
Deferred revenue, current	\$ 955,378	\$ 930,829	\$ 796,826
Deferred revenue, non-current	3,528,019	3,180,038	2,456,557
	\$ 4,483,397	\$ 4,110,867	\$ 3,253,383

(7) Accrued Expenses

Accrued expenses as of December 31, 2023, 2022 and 2021 consist of the following:

	2023	2022	2021
Commissions payable	\$ 213,950	\$ 185,700	\$ 71,400
Projected annual CEO bonus	59,000	76,500	90,000
Royalties due to area representatives	104,930	75,496	85,987
	\$ 377,880	\$ 337,696	\$ 247,387

(8) Other Current Liabilities

Other current liabilities consist of prepaid fees for the Company's upcoming 2024 Annual Conference that have been deferred as well as a deposit toward a future franchise purchase.

(9) Members Payable

Members payable consists of year-end member distributions paid subsequent to year-end. All of the 2023 and 2021 member distributions were paid prior to year-end. For the year ended December 31, 2022, the amount payable was \$250,000.

(10) Loans Payable

On April 22, 2020 the Company received a promissory note in the amount of \$115,955. This loan was made pursuant to the Paycheck Protection Program (the "PPP") created by Section 1102 of the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"). The PPP loan could be forgiven if the Company complied with certain criteria provided by the Small Business Association (SBA). The note bore 1% interest with a maturity date of April 22, 2022. The Company applied for full forgiveness subsequent to year end in January 2021 and received



NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023, 2022 and 2021

full forgiveness on February 23, 2021. The loan was included in current liabilities as of December 31, 2020. Subsequent to receiving full forgiveness, the loan balance was recognized as other income during the year ended December 31, 2021.

During March 2020 the Company financed the purchase of a Company vehicle. The loan was secured by the vehicle and was payable in monthly installments of \$476 for sixty months beginning May 1, 2020 with an interest rate of 3.99%. As of December 31, 2020, the balance of the loan was \$19,880, \$4,588 of which was current. The Company paid the remaining balance of the loan in full in July 2021.

During May 2022 the Company financed the purchase of a Company vehicle. The loan was secured by the vehicle and was payable in monthly installments of \$1,038 beginning in June 2022 with a variable interest rate. The vehicle was involved in an accident before year end and was deemed a total loss. Thus, insurance proceeds were received for the value of the vehicle and the outstanding balance of the loan of \$72,104 as of December 31, 2022 was paid in full subsequent to year-end. As the loan was paid off in full in January 2023, it is included in current loans payable on the balance sheet as of December 31, 2022.

In December 2022, the Company financed the purchase of a Company vehicle. The loan was secured by the vehicle and was payable in 72 monthly installments of \$1,385 beginning in February 2023 with an interest rate of 6.09%. As of December 31, 2023, the balance of the loan was \$72,250, of which \$16,620 was current.

(11) Operating Lease

The Company has a lease for office space that is classified as an operating lease. The Company entered into the lease agreement on September 1, 2021. The term of the lease is two years without options to renew. Base monthly rent payments, which escalate 3% each year, are \$3,601 for the first year and \$3,707 for the second year. The Company used its vehicle loan initial interest rate of 5% as the incremental borrowing rate to extrapolate a rate to calculate the present value of the lease liability and right-of-use asset. This lease ended in March 2023. As of March 15, 2023, the Company signed a new lease that is classified as an operating lease. The term of the lease is 41.5 months without the option to renew. Base monthly rent payments range between \$6,514 and \$7,095 over the ferm. The Company used its vehicle loan interest rate of 6% as the incremental borrowing rate to extrapolate a rate to calculate the present value of the lease liability and right-of-use asset.

The Company shares the leased office space with a related party, an affiliate. Prior lease agreements were in the name of the related party and the Company paid the related party for its half of the rent previous to September 1, 2021. The related party now pays the Company for half of the rent. Rent reimbursement received from the related party during 2023, 2022 and 2021 was \$39.072, \$21,819 and \$21,188, respectively. Cash paid for amounts included in the measurement of the operating lease liability was \$75,341 and \$43,638 during 2023 and 2022. The Company's lease cost (net of reimbursement) for the years ended December 31, 2032, 2022, and 2021 was \$36,268, \$22,031, and \$21,188, respectively.

Maturities under the non-cancellable lease are as follows as of December 31, 2023:

	Re	nt Payments
2024	\$	81,056
2025		83,487
2026	1.0	56,760
Total lease payments	\$	221,303
Less: imputed interest		(15,509)
Present value of lease liability	\$	205,794

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023, 2022 and 2021

(12) Commitments and Contingencies

(a) Officer Compensation

The Company has compensation agreements with its officers that provide, in addition to their annual distributions, the option to purchase Home Care franchises at 50% of the regular franchise sales price, receive sales commissions on franchise sales and receive quarterly bonus payments on the net profit of the Company when royalty revenues reach certain defined points.

(b) Litigation

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

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

(c) Date of Management's Evaluation

Management has reviewed and evaluated subsequent events through March 11, 2024, the date on which the financial statements were issued.



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EXHIBIT F

STATE ADDENDA AND AGREEMENT RIDERS



STATE ADDENDA AND AGREEMENT RIDERS

ADDENDUM TO AREA REPRESENTATIVE AGREEMENT, SUPPLEMENTAL AGREEMENTS, AND FRANCHISE DISCLOSURE DOCUMENT FOR CERTAIN STATES FOR ASSISTING HANDS HOME CARE, LLC

Certain states have laws governing the franchise relationship and franchise documents. Certain states require modifications to the FDD, Area Representative Agreement and other documents related to the sale of a franchise. This State-Specific Addendum ("State Addendum") will modify these agreements to comply with the state's laws. The terms of this State Addendum will only apply if you meet the requirements of the applicable state independently of your signing of this State Addendum. The terms of this State Addendum will override any inconsistent provision of the FDD, Area Representative Agreement or any Supplemental Documents. This State Addendum only applies to the following states: California, Hawaii, Illinois, Iowa, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Ohio, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

If your state requires these modifications, you will sign this State Addendum along with the Area Representative Agreement and any Supplemental Agreements.

CALIFORNIA

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the Franchise be delivered together with the FDD-14 days prior to execution of agreement.

California Corporations Code Section 31125 requires us to give to you an FDD approved by the Department of Financial Protection and Innovation before we ask you to consider a material modification of your Area Representative Agreement.

The Area Representative Agreement contains, and if applicable, the Supplemental Agreements may contain, provisions requiring binding arbitration with the costs being awarded to the prevailing party. The arbitration will occur in Idaho. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Area Representative Agreement or Supplemental Agreements restricting venue to a forum outside the State of California. The Area Representative Agreement may contain a mediation provision. If so, the The parties shall each bear their own costs of mediation and shall share equally the filing fee and the mediator's fees.

The Area Representative Agreement and Supplemental Agreements require the application of the law of Idaho. This provision may not be enforceable under California law.



Neither Franchisor nor any other person listed in Item 2 of the FDD 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 such persons from membership in such association or exchange.

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer, or non-renewal of a franchise. If the Area Representative Agreement or Supplemental Agreements contains a provision that is inconsistent with the California Franchise Investment Law, the California Franchise Investment Law will control.

The Area Representative Agreement and Supplemental Agreements may provide for termination upon bankruptcy. Any such provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. SEC. 101 et seq.).

The Area Representative Agreement contains, and if applicable, the Supplemental Agreements may contain, a covenant not to compete provision which extends beyond the termination of the Franchise. Such provisions may not be enforceable under California law.

Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. Any such provisions contained in the Area Representative Agreement or Supplemental Agreements may not be enforceable.

You must sign a general release of claims if you renew or transfer your Franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). 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).

Our website has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the content of this website may be directed to the California Department of Financial Protection and Innovation at www.dfpi.ca.gov.

Item 6 of the FDD is amended to state the highest interest rate allowed by law in California is 10% annually.

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.

HAWAII

The following is added to the Cover Page:

THIS FRANCHISE WILL BE/HAS BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE



INFORMATION PROVIDED IN THIS FRANCHISE DISCLOSURE DOCUMENT IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO YOU OR SUBFRANCHISOR AT LEAST SEVEN (7) DAYS PRIOR TO THE EXECUTION BY YOU OR SUBFRANCHISOR OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN (7) DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY YOU, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS FRANCHISE DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE AREA REPRESENTATIVE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH US AND YOU.

Registered agent in the state authorized to receive service of process:

Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division 335 Merchant Street, Room 203 Honolulu, Hawaii 96813

The status of the Franchisor's franchise registrations in the states which require registration is as follows:

- 1. States in which this proposed registration is effective are listed in <u>Exhibit I</u> of the FDD on the page entitled "State Effective Dates."
- 2. States which have refused, by order or otherwise, to register these Franchises are:

None

3. States which have revoked or suspended the right to offer the Franchises are:

None

4. States in which the proposed registration of these Franchises has been withdrawn are:

None

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.



Fee Deferral

Items 5 and 7 of the FDD and Section 6 of the Area Representative Agreement are amended to state: Based upon the franchisor's financial condition, the Hawaii Department of Commerce and Consumer Affairs 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 Area Representative Agreement.

ILLINOIS

Sections 4 and 41 and Rule 608 of the Illinois Franchise Disclosure Act states that court litigation must take place before Illinois federal or state courts and all dispute resolution arising from the terms of this Agreement or the relationship of the parties and conducted through arbitration or litigation shall be subject to Illinois law. The FDD, Area Representative Agreement and Supplemental Agreements are amended accordingly.

The governing law or choice of law clause described in the FDD and contained in the Area Representative Agreement and Supplemental Agreements is not enforceable under Illinois law. This governing law clause shall not be construed to negate the application of Illinois law in all situations to which it is applicable. Illinois law governs the Franchise Agreement.

Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void." The Area Representative Agreement is amended accordingly. To the extent that the Area Representative Agreement would otherwise violate Illinois law, such Agreement is amended by providing that all litigation by or between you and us, arising directly or indirectly from the Franchise relationship, will be commenced and maintained in the state courts of Illinois or, at our election, the United States District Court for Illinois, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements, and Illinois law will pertain to any claims arising under the Illinois Franchise Disclosure Act.

Item 17.v, Choice of Forum, of the FDD is revised to include the following: "provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act."

Item 17.w, Choice of Law, of the FDD is revised to include the following: "provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act."

The termination Your rights upon Termination and non-renewal provisions Non-Renewal of an agreement are set forth in the Area Representative Agreement and the FDD may not be enforceable under Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Under Section 705/27 of the Illinois Franchise Disclosure Act, no action for liability under the Illinois Franchise Disclosure Act can be maintained unless brought before the expiration of three (3) years after the act or transaction constituting the violation upon which it is based, the expiration of one (1) year after you become aware of facts or circumstances reasonably indicating that you may have a claim for relief in respect to conduct governed by the Act, or 90 days after delivery to you of a written notice disclosing the violation, whichever shall first expire. To the extent that the Area Representative Agreement is inconsistent with the Illinois Franchise Disclosure Act, Illinois law will control and supersede any inconsistent provision(s).



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.

Franchise Fee Deferral

Items 5 and 7 of the FDD and Section 6 of the Area Representative Agreement are hereby revised to state that payment of the Development Fee shall be deferred until after all of Franchisor's initial obligations are complete and the Franchise is open for business. The Illinois Attorney General's Office has imposed this deferral requirement due to our financial condition.

See the last page of this Exhibit F for your required signature.

INDIANA

Item 8 of the FDD is amended to add the following:

Under Indiana Code Section 23-2-2.7-1(4), we will not accept any rebates from any person with whom you do business or associate in relation to transactions between you and the other person, other than for compensation for services rendered by us, unless the rebate is properly accounted for and submitted to you.

Item 17 of the FDD is amended to add the following:

Indiana Code 23-2-2.7-1(7) makes it unlawful for us to unilaterally terminate your Area Representative Agreement unless there is a material violation of the Area Representative Agreement and termination is not in bad faith.

Indiana Code 23-2-2.7-1(5) prohibits us to require you to agree to a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Act.

The "Summary" column in Item 17.r. of the FDD is deleted and the following is inserted in its place:

No competing business for two (2) years within the Protected Territory.

The "Summary" column in Item 17.t. of the FDD is deleted and the following is inserted in its place:

Notwithstanding anything to the contrary in this provision, you do not waive any right under the Indiana Statutes with regard to prior representations made by us.

The "Summary" column in Item 17.v. of the FDD is deleted and the following is inserted in its place:

Litigation regarding Area Representative Agreement in Indiana; other litigation in Idaho. This language has been included in this Franchise Disclosure Document as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Area Representative Agreement, including all venue provisions, is fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Area Representative Agreement and all other documents signed by them, including but not limited



to, all venue, choice of law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

The "Summary" column in Item 17.w. of the FDD is deleted and the following is inserted in its place:

Indiana law applies to disputes covered by Indiana franchise laws; otherwise Idaho law applies.

Despite anything to the contrary in the Area Representative Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Indiana:

- 1. The laws of the State of Indiana supersede any provisions of the FDD, the Area Representative Agreement, or Idaho law, if such provisions are in conflict with Indiana law.
- 2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the Franchise without good cause or in bad faith, good cause being defined under law as including any material breach of the Area Representative Agreement, will supersede the provisions of the Area Representative Agreement relating to termination for cause, to the extent those provisions may be inconsistent with such prohibition.
- 3. Any provision in the Area Representative Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.
- 4. The covenant not to compete that applies after the expiration or termination of the Area Representative Agreement for any reason is hereby modified to the extent necessary to comply with Indiana Code 23-2-2.7-1 (9).
- 5. The following provision will be added to the Area Representative Agreement:

<u>No Limitation on Litigation</u>. Despite the foregoing provisions of this Agreement, any provision in the Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement will be void to the extent that any such contractual provision violates the Indiana Deceptive Franchise Practices Law.

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.

IOWA

Any provision in the Area Representative Agreement or Compliance Questionnaire which would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Iowa Business Opportunity Promotions Law (Iowa Code Ch. 551A) is void to the extent that such provision violates such law.

The following language will be added to the Area Representative Agreement:



NOTICE OF CANCELLATION

(enter date of transaction)

You may cancel this transaction, without penalty or obligation, within three (3) business days from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten (10) business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.
If you cancel, you must make available to the seller at your residence or business address, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's

If you do not agree to return the goods to the seller or if the seller does not pick them up within twenty (20) days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to Assisting Hands Home Care, LLC, 5700 E. Franklin Road, Suite #105, Nampa, Idaho 83687, or send a fax to Assisting Hands Home Care, LLC at (208) 321-5511 not later than midnight of the third business day after the Effective Date.

I hereby cancel this transaction.

expense and risk.

Franchisee:		
Ву:		
Print Name: _		
Its:		
Date:		

MARYLAND

AMENDMENTS TO FRANCHISE DISCLOSURE DOCUMENT AND AREA REPRESENTATIVE AGREEMENT

Item 17 of the FDD and the Area Representative Agreement are amended to state: "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."

Item 17 of the FDD and sections of the Area Representative Agreement are amended to state that you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the Franchise.



The Area Representative Agreement is amended to state that 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.

The Area Representative 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.).

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.

Fee Deferral

Item 5 and Item 7 of the Franchise Disclosure Document and Section 6.1 of the Area Representative Agreement are amended to state: 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 Area Representative Agreement.

MICHIGAN

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

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

- (a) A prohibition on your right to join an association of franchisees.
- (b) A requirement that you assent to a release, assignment, novation, waiver, or estoppel which deprives you of rights and protections provided in this act. This shall not preclude you, after entering into an Area Representative Agreement, from settling any and all claims.
- (c) A provision that permits us to terminate a Franchise prior to the expiration of its term except for good cause. Good cause shall include your failure to comply with any lawful provision of the Area Representative Agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits us to refuse to renew your Franchise without fairly compensating you by repurchase or other means for the fair market value at the time of expiration of your inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to us and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the Franchise business are not subject to compensation. This subsection applies only if: (i) the term of the Franchise is less than five (5) years; and (ii) you are prohibited by the Area Representative Agreement or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent



to the expiration of the Franchise or you do not receive at least six (6) months' advance notice of our intent not to renew the Franchise.

- (e) A provision that permits us to refuse to renew a Franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside the State of Michigan. This shall not preclude you from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits us to refuse to permit a transfer of ownership of a Franchise, except for good cause. This subdivision does not prevent us from exercising a right of first refusal to purchase the Franchise. Good cause shall include, but is not limited to:
 - (i) the failure of the proposed transferee to meet our then-current reasonable qualifications or standards.
 - (ii) the fact that the proposed transferee is a competitor of us or our subfranchisor.
 - (iii) the unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - (iv) your or proposed transferee's failure to pay any sums owing to us or to cure any default in the Area Representative Agreement existing at the time of the proposed transfer.
- (h) A provision that requires you to resell to us items that are not uniquely identified with us. This subdivision does not prohibit a provision that grants to us a right of first refusal to purchase the assets of a Franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants us the right to acquire the assets of a Franchise for the market or appraised value of such assets if you have breached the lawful provisions of the Area Representative Agreement and have failed to cure the breach in the manner provided in subdivision (c).
- (i) A provision which permits us to directly or indirectly convey, assign, or otherwise transfer our obligations to fulfill contractual obligations to you unless provision has been made for providing the required contractual services.

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

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
Consumer Protection Division
Attn: Franchise
670 Law Building
525 W. Ottawa Street
Lansing, Michigan 48913

Telephone Number: (517) 373-7117

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.

MINNESOTA

Despite anything to the contrary in the Area Representative Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Minnesota:

- 1. Any provision in the Area Representative Agreement which would require you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22 will be void to the extent that such contractual provision violates such law.
- 2. Minnesota Statute Section 80C.21 and Minnesota Rule 2860.4400J prohibit the franchisor from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the FDD or Area Representative 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 Minnesota.
- 3. Minn. Rule Part 2860.4400J prohibits a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes. Any provision in the Area Representative Agreement which would require you to waive your rights to any procedure, forum or remedies provided for by the laws of the State of Minnesota is deleted from any agreement relating to Franchises offered and sold in the State of Minnesota; provided, however, that this paragraph will not affect the obligation in the Area Representative Agreement relating to arbitration.
- 4. With respect to Franchises governed by Minnesota law, we will comply with Minnesota Statute Section 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Area Representative Agreement; and that consent to the transfer of the Franchise will not be unreasonably withheld.
- 5. Item 13 of the FDD is hereby amended to state that we will protect your rights under the Area Representative Agreement to use the Marks, or indemnify you from any loss, costs, or expenses arising out of any third-party claim, suit or demand regarding your use of the Marks, if your use of



the Marks is in compliance with the provisions of the Area Representative Agreement and our System standards.

- 6. Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release. As a result, the FDD and the Area Representative Agreement, which require you to sign a general release prior to renewing or transferring your Franchise, are hereby deleted from the Area Representative Agreement, to the extent required by Minnesota law.
- 7. The following language will appear as a new paragraph of the Area Representative Agreement:

<u>No Abrogation</u>. Pursuant to Minnesota Statutes, Section 80C.21, nothing in the dispute resolution section of this Agreement will in any way abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80.C.

- 8. Minnesota Statute Section 80C.17 states that no action for a violation of Minnesota Statutes, Sections 80C.01 to 80C.22 may be commenced more than three (3) years after the cause of action accrues. To the extent that the Area Representative Agreement conflicts with Minnesota law, Minnesota law will prevail.
- 9. Item 6 of the FDD and Section 6.5 of the Area Representative Agreement is hereby amended to limit the Insufficient Funds Fee to \$30 per occurrence pursuant to Minnesota Statute 604.113.
- 10. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

NEW YORK

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—THAT 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 CANNOT CAN NOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.



2.	The following is added at the end of Item 3:
	Except as provided With the exception of what is stated above, with regard the following applies to Franchisorthe 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 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 ten10-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. for fra transfe	The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements nchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of er"::"
	——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. franch	The following language replaces the "Summary" section of Item 17(d), titled "Termination by isee":



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

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

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

- 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.

NORTH DAKOTA

Sections of the FDD, the Area Representative Agreement, and the Supplemental Agreements requiring that you sign a general release, estoppel or waiver as a condition of renewal and/or assignment may not be enforceable as they relate to releases of the North Dakota Franchise Investment Law.

Sections of the FDD, the Area Representative Agreement, and the Supplemental Agreements requiring resolution of disputes to be outside North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law.

Sections of the FDD, the Area Representative Agreement, and the Supplemental Agreements relating to choice of law may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law.

Any sections of the FDD, the Area Representative Agreement, and the Supplemental Agreements requiring you to consent to liquidated damages and/or termination penalties may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law.

Any sections of the FDD, the Area Representative Agreement, and the Supplemental Agreements requiring you to consent to a waiver of trial by jury may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law.

Any sections of the FDD, the Area Representative Agreement, and the Supplemental Agreements requiring you to consent to a waiver of exemplary and punitive damages may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law.

Item 17(r) of the FDD and Section 16.5 of the Area Representative Agreement disclose the existence of certain covenants restricting competition to which Franchisee must agree. The Commissioner has held that covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statue, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The FDD and the Area Representative Agreement are amended accordingly to the extent required by law.

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.

OHIO

The following language will be added to the front page of the Area Representative Agreement:

You, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date you sign this agreement. See the attached notice of cancellation for an explanation of this right.

Initials	Date
	NOTICE OF CANCELLATION
	(enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five (5) business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten (10) business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to Assisting Hands Home Care, LLC, 5700 E. Franklin Road, Suite #105, Nampa, Idaho 83687, or send a fax to Assisting Hands Home Care, LLC at (208) 321-5511 not later than midnight of the fifth business day after the Effective Date.

	I hereby cancel this transaction.	Franchisee:
Date: _		By:
		Print Name:
		Its:

RHODE ISLAND

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in an Area Representative Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." The FDD, the Area Representative Agreement, and the Supplemental Agreements are amended accordingly to the extent required by law.

The above language has been included in this FDD as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Area Representative Agreement and the Supplemental Agreements, including all choice of law provisions, are fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Area Representative Agreement, the Supplemental Agreements, and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

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.

SOUTH DAKOTA

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.

VIRGINIA

Item 17(h). The following is added to Item 17(h):

"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 Area Representative Agreement or Supplemental Agreements involve the use of undue influence by the Franchisor to induce a franchisee to surrender any rights given to franchisee under the Franchise, that provision may not be enforceable."

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the FDD for Assisting Hands Home Care, LLC for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to Item 8 and 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 Area Representative Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.



No statement, questionnaire, or 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.

Fee Deferral

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

WASHINGTON

ADDENDUM TO THE AREA REPRESENTATIVE AGREEMENT, SUPPLEMENTAL AGREEMENTS (INCLUDING FRANCHISE DISCLOSURE QUESTIONNAIRE), AND FRANCHISE DISCLOSURE DOCUMENT, AND SUPPLEMENTAL AGREEMENTS

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted

annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

The franchisor uses the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees to ask them about their experience with the franchisor.

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.

Fee Deferral

In lieu of an impound of franchise fees, the franchisor will defer the collection of the initial franchise fee until the franchise has fulfilled its initial pre-opening obligations to franchisee and the franchisee is open for business.

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Area Representative Agreement if such provision is in conflict with that law. The Franchise Disclosure Document, the Area Representative Agreement and the Supplemental Agreements are amended accordingly.

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.

(Signatures on following page)



APPLICABLE ADDENDA

If any one of the preceding Addenda for specific states ("Addenda") is checked as an "Applicable Addenda" below, then that Addenda shall be incorporated into the Franchise Disclosure Document, Area Representative Agreement and any other specified agreement(s) entered into by us and the undersigned Franchisee. To the extent any terms of an Applicable Addenda conflict with the terms of the Franchise Disclosure Document, Area Representative Agreement and other specified agreement(s), the terms of the Applicable Addenda shall supersede the terms of the Area Representative Agreement.

	California Hawaii Illinois Iowa Indiana Maryland		Michigan Minnesota New York North Dakota Ohio		Rhode Island South Dakota Virginia Washington Wisconsin	
Dated:		, 20				
			FRANCHISOR:	HOME CA	DE LLC	
			ASSISTING HANDS By:			
			Title:			
			AREA REPRESENT	ATIVE:		
			By:			
			Title:			
					Re	v.



 $030123\underline{071823}$

EXHIBIT G

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CONTRACTS FOR USE WITH THE ASSISTING HANDS HOME CARE, LLC AREA REPRESENTATIVE FRANCHISE

The following contracts contained in Exhibit H are contracts that Area Representative is required to utilize or execute after signing the Area Representative Agreement. The following are the forms of contracts that Assisting Hands Home Care, LLC uses as of the Issuance Date of this Franchise Disclosure Document. If they are marked "Sample," they are subject to change at any time. Please refer to the Unit FDD for the contracts that Area Representative is required to utilize or execute after signing a franchise agreement.



ASSISTING HANDS HOME CARE FRANCHISE

SAMPLE GENERAL RELEASE AGREEMENT

WAIVER AND RELEASE OF CLAIMS

	This Waiver and Release of Claims ("Release") is made as of	, 20
by	, a(n)	("Area
Rep	resentative"), and each individual holding an ownership interest in Area Representative (co	llectively
with	n Area Representative, "Releasor") in favor of Assisting Hands Home Care, LLC, an Arizon	na limited
liabi	ility company ("Franchisor," and together with Releasor, the "Parties").	

WHEREAS, Franchisor and Area Representative have entered into an Area Representative Agreement ("<u>Agreement</u>") pursuant to which Area Representative was granted the right to own and operate an Assisting Hands Home Care Area Representative business;

WHEREAS, (Area Representative has notified Franchisor of its desire to transfer the Agreement and all rights related thereto, or an ownership interest in Area Representative, to a transferee/enter into a successor area representative agreement/amend the Agreement) or (the Agreement is being terminated/or indicate other reason for the requirement of this waiver and release), and Franchisor has consented to such (transfer/successor area representative agreement/amendment/termination/other reason); and

WHEREAS, as a condition to Franchisor's consent to (transfer the Agreement/enter into a successor area representative agreement/amend the Agreement/terminate the Agreement/other reason), Releasor has agreed to execute this Release upon the terms and conditions stated below.

NOW, THEREFORE, in consideration of Franchisor's consent, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, Releasor hereby agrees as follows:

- 1. Representations and Warranties. Releasor represents and warrants that it is duly authorized to enter into this Release and to perform the terms and obligations herein contained, and has not assigned, transferred, or conveyed, either voluntarily or by operation of law, any of its rights or claims against Franchisor or any of the rights, claims, or obligations being terminated and released hereunder. Each individual executing this Release on behalf of Area Representative represents and warrants that he/she is duly authorized to enter into and execute this Release on behalf of Area Representative. Releasor further represents and warrants that all individuals that currently hold a direct or indirect ownership interest in Area Representative are signatories to this Release.
- 2. <u>Release</u>. Releasor and its subsidiaries, affiliates, parents, divisions, successors and assigns, and all persons or firms claiming by, through, under, or on behalf of any or all of them, hereby release, acquit, and forever discharge Franchisor, any and all of its affiliates, parents, subsidiaries, or related companies, divisions, and partnerships, and its and their past and present officers, directors, agents, partners, shareholders, employees, representatives, successors and assigns, and attorneys, and the spouses of such individuals (collectively, the "<u>Released Parties</u>"), from any and all claims, liabilities, damages, expenses, actions, or causes of action which Releasor may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, including



without limiting the generality of the foregoing, all claims, liabilities, damages, expenses, actions, or causes of action directly or indirectly arising out of or relating to the execution and performance of the Agreement and the offer and sale of the franchise related thereto, except to the extent such liabilities are payable by the applicable indemnified party in connection with a third-party claim. Releasor represents and warrants to the Released Parties, and agrees, that it may later learn of new or different facts, but that still, it is Releasor's intention to fully, finally, and forever release all of the claims that are released above. This includes the Releasor's waiver of state laws that might apply to limit a release (such as Calif. Civil Code Section 1542, which states that "[a] general release does not extend to claims which the creditor does not know or suspect exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor").

- 3. <u>Nondisparagement</u>. Releasor expressly covenants and agrees not to make any false representation of facts, or to defame, disparage, discredit, or deprecate any of the Released Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Released Parties, their business, or their reputation.
- 4. <u>Confidentiality</u>. Releasor agrees to hold in strictest confidence and not disclose, publish, or use the existence of, or any details relating to, this Release to any third party without Franchisor's express written consent, except as required by law.

5. Miscellaneous.

- a. Releasor agrees that it has read and fully understands this Release and that the opportunity has been afforded to Releasor to discuss the terms and contents of said Release with legal counsel and/or that such a discussion with legal counsel has occurred.
 - b. This Release shall be construed and governed by the laws of the State of Idaho.
- c. Each individual and entity that comprises Releasor shall be jointly and severally liable for the obligations of Releasor.
- d. In the event that it shall be necessary for any Party to institute legal action to enforce or for the breach of any of the terms and conditions or provisions of this Release, the prevailing Party in such action shall be entitled to recover all of its reasonable costs and attorneys' fees.
- e. All of the provisions of this Release shall be binding upon and inure to the benefit of the Parties and their current and future respective directors, officers, partners, attorneys, agents, employees, shareholders, and the spouses of such individuals, successors, affiliates, and assigns. No other party shall be a third-party beneficiary to this Release.
- f. This Release constitutes the entire agreement and, as such, supersedes all prior oral and written agreements or understandings between and among the Parties regarding the subject matter hereof. This Release may not be modified except in a writing signed by all of the Parties. This Release may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same document.
- g. If one or more of the provisions of this Release shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect or impair any other provision of this Release, but this Release shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.



	h.	Releasor agrees to do such further acts and things and to execute and deliver such
additional	agreements	and instruments as any Released Party may reasonably require to consummate
evidence,	or confirm th	e Release contained herein in the matter contemplated hereby.

i. This Release is inapplicable with respect to claims arising under the Washington Franchise Investment Protection Act, chapter 19.100 RCW, and the rules adopted thereunder in accordance with RCW 19.100.220.

IN WITNESS WHEREOF, Releasor has executed this Release as of the date first written above.

	AREA REPRESENTATIVE:
	, •
	BySign:
	Printed Name:
	Title:
Date	AREA REPRESENTATIVE'S OWNERS:
	Signature
	Typed or Printed Name
	Signature
	Typed or Printed Name

Rev. 092122031524



ASSISTING HANDS HOME CARE FRANCHISE

SAMPLE SYSTEM PROTECTION AGREEMENT

This System Protection Agreement ("<u>Agreement</u>") is entered into by the undersigned ("<u>you</u>" or "<u>your</u>") in favor of Assisting Hands Home Care, LLC, an Arizona limited liability company, and its successors and assigns ("<u>us</u>," "<u>we</u>" or "<u>our</u>"), upon the terms and conditions set forth in this Agreement.

1. **Definitions**. For purposes of this Agreement, the following terms have the meanings given to them below:

"Area Representative" means the Assisting Hands Home Care area representative for which you are a manager or officer.

"Area Representative Business" means the business of soliciting, screening, recruiting, developing, servicing and supporting Assisting Hands Home Care franchises in a specified geographical territory.

"Competitive Business" means any business that: (i) sells or offers to sellor sells franchises or other business opportunities offering products or services the same as or similar to the type of products those offered or sold by you in and/or from the Development Territory (including, but not limited to, the products we authorize); or (ii) provides or offers to provide or sells products or services the same as or similar to the type of services those sold by you in and/or from the Development Territory (including, but not limited to, the services we authorize), but excludes an Area Representative Business operating pursuant to an area representative agreement with us.

"Copyrights" means all works and materials for which we or our affiliate have secured common law or registered copyright protection and that we allow Assisting Hands Home Care franchisees to use, sell, or display in connection with the marketing and/or operation of an Assisting Hands Home Care business or Area Representative Business, whether now in existence or created in the future.

"Development Territory" means the territory or area granted to you pursuant to an area representative agreement with us.

"Intellectual Property" means, collectively or individually, our Marks, Copyrights, Know-how, and System.

"Know-how" means all of our trade secrets and other proprietary information relating to the development, construction, marketing, and/or operation of an Assisting Hands Home Care business or Area Representative Business, including, but not limited to, methods, techniques, specifications, proprietary practices and procedures, policies, marketing strategies, and information comprising the System and the Manuals.

"Manuals" means our confidential operations manuals for the operation of Assisting Hands Home Care businesses and Area Representative businesses, which may be periodically modified by us.

"Marks" means the logotypes, service marks, and trademarks now or hereafter involved in the operation of an Assisting Hands Home Care business or Area Representative Business, including "ASSISTING HANDS HOME CARE," and any other trademarks, service marks, or trade names that we designate for use by an Assisting Hands Home Care business or Area Representative Business. The term "Marks" also includes any distinctive trade dress used to identify an Assisting Hands Home Care business or Area Representative Business, whether now in existence or hereafter created.



"Prohibited Activities" means any or all of the following: (i) owning, operating, or having any other interest (as an owner, partner, director, officer, employee, manager, consultant, shareholder, creditor, representative, agent, or in any similar capacity) in a Competitive Business (other than owning an interest of five percent (5%) or less in a publicly-traded company that is a Competitive Business); and/or (ii) diverting or attempting to divert any business from us (or one of our affiliates or franchisees).

"Restricted Period" means the one year period after you cease to be a manager or officer of Area Representative's Area Representative Business; provided, however, that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then the "Restricted Period" means the nine-month period after you cease to be a manager or officer of Area Representative's Area Representative Business.

"Restricted Territory" means the geographic area within: (i) a 50-mile radius from the Development Territory; or the development territory of (ii) a 50-mile radius from any other Assisting Hands Home Care area representative Business or Area Representative Business; provided, however, that if a court of competent jurisdiction determines that the foregoing Restricted Territory is too broad to be enforceable, then the "Restricted Territory" means the geographic area within a 25-mile radius from the Development Territory or a 25-mile radius of any Assisting Hands Home Care unit or area representative franchise.

"System" means our system for the establishment, development, operation, and management of Assisting Hands Home Care businesses and Area Representative Businesses, including Know-how, proprietary programs and products, Manuals, and operating system.

- **2. Background**. You are a manager or officer of Area Representative. As a result of this relationship, you may gain knowledge of our System. You understand that protecting the Intellectual Property and our System are vital to our success and that of our franchisees and that you could seriously jeopardize our entire System if you were to unfairly compete with us. In order to avoid such damage, you agree to comply with the terms of this Agreement.
- 3. Know-How and Intellectual Property. You agree: (i) you will not use the Know-how in any business or capacity other than the Area Representative Business operated by Area Representative; (ii) you will maintain the confidentiality of the Know-how at all times; (iii) you will not make unauthorized copies of documents containing any Know-how; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Know-how; and (v) you will stop using the Know-how immediately if you are no longer a manager or officer of Area Representative's Area Representative Business. You further agree that you will not use all or part of the Intellectual Property or all or part of the System for any purpose other than the performance of your duties for Area Representative and within the scope of your employment or other engagement with Area Representative. These restrictions on Know-how, Intellectual Property and the System shall not apply to any information which is information publicly known or becomes lawfully known in the public domain other than through a breach of this Agreement or is required or compelled by law to be disclosed, provided that you will give reasonable notice to us to allow us to seek protective or other court orders.
- **4. Unfair Competition During Relationship**. You agree not to unfairly compete with us at any time while you are a manager or officer of Area Representative's Area Representative Business by engaging in any Prohibited Activities.
- 5. Unfair Competition After Relationship. You agree not to unfairly compete with us during the Restricted Period by engaging in any Prohibited Activities; provided, however, that the Prohibited Activity relating to having an interest in a Competitive Business will only apply with respect to a Competitive Business that is located within or provides competitive goods or services to customers who are located within the Restricted Territory. If you engage in any Prohibited Activities during the Restricted



Period, then you agree that your Restricted Period will be extended by the period of time during which you were engaging in the Prohibited Activity.

- 6. Immediate Family Members. You acknowledge that you could circumvent the purpose of this Agreement by disclosing Know-how to an immediate family member (i.e., spouse, parent, sibling, child, grandparent or grandchild). You also acknowledge that it would be difficult for us to prove whether you disclosed the Know-how to family members. Therefore, you agree that you will be presumed to have violated the terms of this Agreement if any member of your immediate family: (i) engages in any Prohibited Activities during any period of time during which you are prohibited from engaging in the Prohibited Activities; or (ii) uses or discloses the Know-how. However, you may rebut this presumption by furnishing evidence conclusively showing that you did not disclose the Know-how to the family member.
- 7. Covenants Reasonable. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE, OR OTHERWISE UNENFORCEABLE.
- 8. Breach. You agree that failure to comply with the terms of this Agreement will cause substantial and irreparable damage to us and/or other Assisting Hands Home Care franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of the terms of this Agreement will entitle us to injunctive relief. You agree that we may apply for such injunctive relief without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours in the event of the entry of such injunction will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed \$1,000. None of the remedies available to us under this Agreement are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages. Any claim, defense, or cause of action that you may have against us, our owners or our affiliates, or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

9. Miscellaneous.

- a. If we pursue legal remedies against you because you have breached this Agreement and prevail against you, you agree to pay our reasonable attorneys' fees and costs in doing so.
- b. This Agreement will be governed by, construed, and enforced under the laws of Idaho, and the courts in that state shall have jurisdiction over any legal proceedings arising out of this Agreement.
- c. Each section of this Agreement, including each subsection and portion thereof, is severable. If any section, subsection, or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection, or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration, and geographic area.
- d. You and we both believe that the covenants in this Agreement are reasonable in terms of scope, duration, and geographic area. However, we may at any time unilaterally modify the terms of this Agreement upon written notice to you by limiting the scope of the Prohibited Activities, narrowing



the definition of a Competitive Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory, and/or reducing the scope of any other covenant imposed upon you under this Agreement to ensure that the terms and covenants in this Agreement are enforceable under applicable law.

EXECUTED on the date stated below	w.	
Date	Signature	
	Typed or Printed Name	
		Rev. 120619

ASSISTING HANDS HOME CARE FRANCHISE

SAMPLE CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement ("<u>Agreement</u>") is entered into by the undersigned ("<u>you</u>") in favor of Assisting Hands Home Care, LLC, an Arizona limited liability company, and its successors and assigns ("<u>us</u>"), upon the terms and conditions set forth in this Agreement.

1. **Definitions**. For purposes of this Agreement, the following terms have the meanings given to them below:

"Area Representative" means the Assisting Hands Home Care area representative for which you are an employee, independent contractor, agent, representative, or supplier.

"Area Representative Business" means a business that solicits, screens, recruits, develops, services, and supports third-party franchisees that operate Assisting Hands Home Care businesses within a specified territory using our Intellectual Property.

"Copyrights" means all works and materials for which we or our affiliate(s) have secured common law or registered copyright protection and that we allow Assisting Hands Home Care franchisees or area representatives to use, sell, or display in connection with the marketing and/or operation of an Assisting Hands Home Care business or Area Representative Business, whether now in existence or created in the future.

"Intellectual Property" means, collectively or individually, our Marks, Copyrights, Know-how, Manuals, and System.

"Know-how" means all of our trade secrets and other proprietary information relating to the development, construction, marketing, and/or operation of an Assisting Hands Home Care business or Area Representative Business, including, but not limited to, methods, techniques, specifications, proprietary practices and procedures, policies, marketing strategies, and information comprising the System and the Manuals.

"Manuals" means our confidential operations Manuals for the operation of Assisting Hands Home Care businesses or Area Representative Businesses.

"Marks" means the logotypes, service marks, and trademarks now or hereafter involved in the operation of an Assisting Hands Home Care business or Area Representative Business, including "ASSISTING HANDS HOME CARE" and any other trademarks, service marks, or trade names that we designate for use by an Assisting Hands Home Care business or Area Representative Business. The term "Marks" also includes any distinctive trade dress used to identify an Assisting Hands Home Care business or Area Representative Business, whether now in existence or hereafter created.

"System" means our system for the establishment, development, operation, and management of an Assisting Hands Home Care business or Area Representative Business, including Know-how, proprietary programs and products, confidential operations manuals, and operating system.

2. Background. You are an employee, independent contractor, agent, representative, or supplier of Area Representative. Because of this relationship, you may gain knowledge of our Intellectual Property. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees, and that you could seriously jeopardize our entire Franchise System if you were to use such



Intellectual Property in any way other than as described in this Agreement. In order to avoid such damage, you agree to comply with this Agreement.

3. Know-How and Intellectual Property: Nondisclosure and Ownership. You agree: (i) you will not use the Intellectual Property in any business or capacity other than for the benefit of the Area Representative Business operated by Area Representative or in any way detrimental to us or to Area Representative; (ii) you will maintain the confidentiality of the Intellectual Property at all times; (iii) you will not make unauthorized copies of documents containing any Intellectual Property; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Intellectual Property; and (v) you will stop using the Intellectual Property immediately if you are no longer an employee, independent contractor, agent, representative, or supplier of Area Representative. You further agree that you will not use the Intellectual Property for any purpose other than the performing your duties for Area Representative and within the scope of your employment or other engagement with Area Representative.

The Intellectual Property is and shall continue to be the sole property of Assisting Hands Home Care, LLC. You hereby assign and agree to assign to us any rights you may have or may acquire in such Intellectual Property. Upon the termination of your employment or engagement with Area Representative, or at any time upon our or Area Representative's request, you will deliver to us or to Area Representative all documents and data of any nature pertaining to the Intellectual Property, and you will not take with you any documents or data or copies containing or pertaining to any Intellectual Property.

- 4. Immediate Family Members. You acknowledge you could circumvent the purpose of this Agreement by disclosing Intellectual Property to an immediate family member (i.e., spouse, parent, sibling, child, or grandchild). You also acknowledge that it would be difficult for us to prove whether you disclosed the Intellectual Property to family members. Therefore, you agree you will be presumed to have violated the terms of this Agreement if any member of your immediate family uses or discloses the Intellectual Property. However, you may rebut this presumption by furnishing evidence conclusively showing you did not disclose the Intellectual Property to the family member.
- 5. Covenants Reasonable. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE, OR OTHERWISE UNENFORCEABLE.
- 6. Breach. You agree that failure to comply with this Agreement will cause substantial and irreparable damage to us and/or other Assisting Hands Home Care franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of this Agreement will entitle us to injunctive relief. You agree that we may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed \$1,000. None of the remedies available to us under this Agreement are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages. Any claim, defense, or cause of action you may have against us or against Area Representative, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

7. Miscellaneous.

- a. Although this Agreement is entered into in favor of Assisting Hands Home Care, LLC, you understand and acknowledge that your employer/employee, independent contractor, agent, representative, or supplier relationship is with Area Representative and not with us, and for all purposes in connection with such relationship, you will look to Area Representative and not to us.
- b. If we pursue legal remedies against you because you have breached this Agreement and prevail against you, you agree to pay our reasonable attorney fees and costs in doing so.
- c. This Agreement will be governed by, construed, and enforced under the laws of Idaho, and the courts in that state shall have jurisdiction over any legal proceedings arising out of this Agreement.
- d. Each section of this Agreement, including each subsection and portion, is severable. If any section, subsection, or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection, or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms enforceable.

EXECUTED on the date stated below.	
Date	
	Signature
	Typed or Printed Name

Rev. 032916

SAMPLE AUTOMATED CLEARING HOUSE PAYMENT AUTHORIZATION FORM

Franchisee Information:		
Franchisee Name		Business No.
Franchisee Mailing Address	(street)	Franchisee Phone No.
Franchisee Mailing Address	(city, state, zip)	
Contact Name, Address and	Phone number (if different from abo	ove)
Franchisee Fax No.		Franchisee Email Address
Bank Account Information	<u>:</u>	
Bank Name		
Bank Mailing Address (stree	et, city, state, zip) Checking Savings	
Bank Account No.	(check one)	Bank Routing No. (9 digits)
Bank Mailing Address (city,	state, zip)	Bank Phone No.
Authorization:		
Franchisee's account with the amount of such entries to F sufficient to cover any fee Franchisee as well as to cove Franchisee agrees to be bour administration of these delauthorization is to remain in Franchisee of its termination opportunity to act on it. Franchise	e Bank listed above, and Franchisee ranchisee's account. Each debit shars payable to Franchisor pursuant rany purchases of goods or services and by the National Automated Clearing tentries. Debit entries will be n full force and effect until Franchin such time and in such manner as to	authorizes the Bank to accept and to debit the all be made from time to time in an amount to any agreement between Franchisor and from Franchisor or any affiliate of Franchisor. Ing House Association (NACHA) rules in the initiated only as authorized above. This hisor has received written notification from a afford Franchisor and the Bank a reasonable of changes to any of the information contained comes effective.
Signature:	Dat	re:
Its:		
Federal Tax ID Number:		Rev. 03

NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO THE BANK ACCOUNT.



ASSISTING HANDS HOME CARE FRANCHISE

SAMPLE APPROVAL OF REQUESTED ASSIGNMENT

This Approval of Reques	ted Assignment ("Agreement") is entered into this day of , between Assisting Hands Home Care, LLC ("Franchisor"), an				
Arizona limited liability company,					
undersigned owners of	Former Area Representative ("Owners") and, a [State] [corporation/limited liability company] ("New Area				
Representative").					
RECITALS					

WHEREAS, Franchisor and Former Franchisee entered into that certain franchise agreement dated ________, 20___ ("Former Area Representative Agreement"), in which Franchisor granted Former Area Representative the right to operate an Assisting Hands Home Care Area Representative franchise located at ("Franchised Business"); and

WHEREAS, Former Area Representative desires to assign ("Requested Assignment") the Franchised Business to New Area Representative, New Area Representative desires to accept the Requested Assignment of the Franchised Business from Former Area Representative, and Franchisor desires to approve the Requested Assignment of the Franchised Business from Former Area Representative to New Area Representative upon the terms and conditions contained in this Agreement, including that New Area Representative sign Franchisor's current form of area representative agreement together with all exhibits and attachments thereto ("New Area Representative Agreement"), contemporaneously herewith.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements herein contained, the parties hereto hereby covenant, promise, and agree as follows:

- 1. <u>Payment of Fees</u>. In consideration for the Requested Assignment, Former Area Representative acknowledges and agrees to pay Franchisor the Transfer Fee, as required under the Area Representative Agreement ("**Franchisor's Assignment Fee**").
- 2. <u>Assignment and Assumption</u>. Former Area Representative hereby consents to assign all of its rights and delegate its duties with regard to the Former Area Representative Agreement and all exhibits and attachments thereto from Former Area Representative to New Area Representative, subject to the terms and conditions of this Agreement, and conditioned upon New Area Representative's signing the New Area Representative Agreement pursuant to Section 5 of this Agreement.
- 3. <u>Consent to Requested Assignment of Franchised Business</u>. Franchisor hereby consents to the Requested Assignment of the Franchised Business from Former Area Representative to New Area Representative upon receipt of the Franchisor's Assignment Fee from Former Area Representative and the mutual execution of this Agreement by all parties. Franchisor waives its right of first refusal set forth in the Former Area Representative Agreement.
- 4. <u>Termination of Rights to the Franchised Business</u>. The parties acknowledge and agree that effective upon the date of this Agreement, the Former Area Representative Agreement shall terminate and



all of Former Area Representative's rights to operate the Franchised Business are terminated and that from the date of this Agreement only New Area Representative shall have the sole right to operate the Franchised Business under the New Area Representative Agreement. Former Area Representative and the undersigned Owners agree to comply with all of the covenants in the Former Area Representative Agreement that expressly or by implication survive the termination, expiration, or transfer of the Former Area Representative Agreement. Unless otherwise precluded by state law, Former Area Representative shall execute Franchisor's current form of General Release Agreement.

- 5. <u>New Franchise Agreement</u>. New Area Representative shall execute the New Area Representative Agreement for the Franchised Business (as amended by the form of Addendum prescribed by Franchisor, if applicable), and any other required contracts for the operation of an Assisting Hands Home Care Area Representative franchise as stated in Franchisor's Franchise Disclosure Document.
- 6. <u>Former Area Representative's Contact Information</u>. Former Area Representative agrees to keep Franchisor informed of its current address and telephone number at all times during the three-year period following the execution of this Agreement.
- 7. Acknowledgement by New Area Representative. New Area Representative acknowledges and agrees that the purchase of the rights to the Franchised Business ("Transaction") occurred solely between Former Area Representative and New Area Representative. New Area Representative also acknowledges and agrees that Franchisor played no role in the Transaction and that Franchisor's involvement was limited to the approval of Requested Assignment and any required actions regarding New Area Representative's signing of the New Area Representative Agreement for the Franchised Business. New Area Representative agrees that any claims, disputes, or issues relating New Area Representative's acquisition of the Franchised Business from Area Representative are between New Area Representative and Former Area Representative and shall not involve Franchisor.
- 8. <u>Representation</u>. Former Area Representative warrants and represents that it has not heretofore assigned, conveyed, or disposed of any interest in the Former Area Representative Agreement or Franchised Business. New Area Representative hereby represents that it received Franchisor's Franchise Disclosure Document and did not sign the New Area Representative Agreement or pay any money to Franchisor or its affiliate for a period of at least 14 calendar days after receipt of the Franchise Disclosure Document.
- 9. <u>Notices</u>. Any notices given under this Agreement shall be in writing, and if delivered by hand, or transmitted by U.S. certified mail, return receipt requested, postage prepaid, or via telegram or telefax, shall be deemed to have been given on the date so delivered or transmitted, if sent to the recipient at its address or telefax number appearing on the records of the sending party.
- 10. <u>Further Actions</u>. Former Area Representative and New Area Representative each agree to take such further actions as may be required to effectuate the terms and conditions of this Agreement, including any and all actions that may be required or contemplated by the Former Area Representative Agreement.
- 11. <u>Affiliates</u>. When used in this Agreement, the term "**Affiliates**" has the meaning as given in Rule 144 under the Securities Act of 1933.
- 12. <u>Miscellaneous</u>. This Agreement may not be changed or modified except in a writing signed by all of the parties hereto. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same document.



This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

13. <u>Governing Law</u>. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Idaho.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal, with the intent that this be a sealed instrument, as of the day and year first above written.

FRANCHISOR:
ASSISTING HANDS HOME CARE, LLC
BySign:
Printed Name:
Title:
FORMER AREA REPRESENTATIVE:
BySign:
Printed Name:
Title:
NEW AREA REPRESENTATIVE:
BySign:
Printed Name:
Title:

Rev. 031821





ASSISTING HANDS HOME CARE, LLC

PROMISSORY NOTE

\$, 20
	FOR	VALU	JE RI		,	undersign		ler of Assisting I	Jands Home
Care,	LLC,	an A	Arizona		liability	company	("Holder"),	the principal), as set f	sum o
	orincipal writing		payable	pursuant			` 	r may designate	
	1.	Payme	ent and M	<u>laturity</u> .					
	on the	a. last day		_	•	Note will b nding balar		%, compound	ded monthly
		b.	<u>Payme</u>	nt Terms.	·				·

- 2. <u>Prepayment</u>. Debtor may prepay any portion of this Promissory Note at any time without penalty. Any prepayments shall be first applied to any other sums due hereunder and then to the outstanding principal balance.
- 3. <u>Acceleration and Defaulting Interest</u>. At the option of Holder, the entire outstanding principal balance of this Promissory Note shall become immediately due and payable, without notice or demand, upon the occurrence of any one or more of the following events of default: (a) the failure of Debtor to make any required payment on or before the date such payment is due; (b) the filing of a petition by or against Debtor under the provisions of any state insolvency law or the Federal Bankruptcy Act; or (c) any assignment by Debtor for the benefit of creditors. In this event, interest and principal shall, from and after the date of such default, bear interest at the rate of ten percent (10%) per annum.
- 4. <u>Attorney Fees</u>. Debtor agrees to promptly reimburse Holder for all reasonable costs and expenses, including attorney fees and court costs, incurred to collect this Promissory Note or any installment hereunder, if not paid when due.
- 5. <u>No Waiver</u>. No failure on the part of Holder to exercise, and no delay in exercising any right hereunder, shall operate as a waiver of such right; nor shall any single or partial exercise by Holder of any right hereunder preclude the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.
- 6. <u>Waiver</u>. Debtor hereby waives presentment, demand for payment, protest for nonpayment, notice of dishonor, diligence in collection, and all other indulgences.
- 7. <u>Idaho Law</u>. This Promissory Note shall be governed by and interpreted in accordance with the laws of the State of Idaho.



- 8. <u>Security</u>. This Promissory Note and the indebtedness evidenced hereby are secured by the Security Agreement attached hereto as <u>Attachment A</u>.
- 9. <u>General Provisions</u>. This Promissory Note may not be amended, modified, or changed, nor shall any waiver of any provision hereof be effective, except by an instrument in writing and signed by the party against whom enforcement of any waiver, amendment, change, modification, or discharge is sought.

Whenever used herein, the words "Debtor" and "Holder" shall be deemed to include their respective heirs, legal representatives, successors, and assigns.

IN WITNESS WHEREOF, the undersigned has duly executed this Promissory Note on the day and year first above written.

DEBTOR :		

EXHIBIT H-6 Attachment A

ATTACHMENT A TO PROMISSORY NOTE

SECURITY AGREEMENT

ASSISTING HANDS HOME CARE, LLC

1. <u>Security Interest</u> . Ef	ffective as of the	day of	20
		("Debtor"),	with a mailing address at
		hereby grants	to Assisting Hands Home
Care, LLC, an Arizona limited liabilit	ity company ("Secured	Party"), with an	address at 5700 E. Franklin
Road, Suite #105, Nampa, Idaho 8368	687, and its successors a	nd assigns, a secu	rity interest in the following
assets, together with all replacements	ts, proceeds, accessorie	s, parts, addition	s, and accessions thereof or
related thereto, now or hereafter affi	fixed or used in conne	ction therewith,	and whether now owned or
hereafter acquired (the "Collateral")	():		

All accounts receivable (including rights to payment under insurance claims), contract rights (including all executory contracts pertaining to or arising from the operation of the Debtor's business), franchise's lease and rights, customer lists, customer profiles, promotional brochures, mailing lists, goodwill, general intangibles, and causes of action, of every sort now owned or hereafter acquired by Debtor, wherever located, in any way related to the operation of the business.

Debtor agrees to execute such other documentation as may be necessary under applicable law to allow Secured Party continuously to hold and perfect a security interest in the Collateral.

- 2. <u>The Obligation</u>. The security interest granted hereby is to secure payment and performance of all of the liabilities and obligations of Debtor to Secured Party pursuant to that certain Promissory Note of even date herewith (the "**Note**").
- 3. <u>Representations and Warranties Respecting the Collateral</u>. Debtor hereby warrants that Debtor shall not allow any liens to attach to the Collateral that are senior to the Secured Party's interest in the Collateral.
- 4. <u>Default</u>. Time is of the essence under this Security Agreement, and Debtor shall be in default ("**Default**") under this Security Agreement upon the happening of any of the following events or conditions: (1) the occurrence of a default under the Promissory Note; or (2) Debtor's failure to use the Collateral as provided herein; or (3) Debtor's failure to prevent liens from attaching to the Collateral, except as provided herein. Waiver of any Default by the Secured Party shall not constitute a waiver of any subsequent Default.
- 5. Remedies. Upon the occurrence of any Default pursuant to Section 4 above, Secured Party may, by written notice to the Debtor, declare the commitments of Secured Party under the Franchise Agreement between Debtor and Secured Party to be terminated, whereupon such commitments shall forthwith terminate regardless of when such event occurs. Secured Party, by written notice to the Debtor, may terminate the Franchise Agreement, whereupon all amounts due to Secured Party shall become and be forthwith due and payable, without presentment, demand, protest, or further notice of any kind, all of which are hereby expressly waived by the Debtor.



Without limiting the foregoing, upon the occurrence of a Default, Secured Party shall have all the rights of a secured party under the Uniform Commercial Code, including the right to take possession of and to sell all, or any part of, the Collateral at public or private sale. Upon the request of Secured Party, the Debtor shall assemble and deliver the Collateral to such location as Secured Party shall request. If any notification of intended disposition of any of the Collateral is required by law, such notification shall be deemed to have occurred if mailed, in accordance with Section 12 of this Security Agreement, at least seven days before such disposition. Any proceeds of a disposition of the Collateral or any part thereof may be applied by Secured Party to the payment of expenses in connection with the collateral (including, without limitation, the storage and/or disposition thereof), including reasonable attorney fees and legal expenses, and any balance of such proceeds may be applied by Secured Party towards the payment of the any obligation of Debtor arising under this Security Agreement or the Franchise Agreement in such order of application as Secured Party may from time to time deem appropriate.

- 6. <u>Debtor's Right To Possession</u>. Unless and until the occurrence of a Default as defined herein or in the Agreement, and unless possession is required to perfect a security interest, Debtor shall have possession of the Collateral and may use the same in any lawful manner not inconsistent with or contrary to this Agreement.
- 7. <u>Termination</u>. Upon payment to Secured Party of all obligations of Debtor pursuant to the Franchise Agreement, this Security Agreement shall terminate and Secured Party hereby agrees to execute and deliver any and all necessary documents to effectuate a release of the Collateral and termination of any security interest granted pursuant hereto.
- 8. <u>Complete Agreement; Amendments.</u> This Security Agreement, along with the Promissory Note, is the entire agreement, and supersedes any prior agreements and contemporaneous oral agreements of the parties concerning its subject matter. No amendment of, or waiver of, a right under this Security Agreement will be binding unless it is in writing and signed by the party to be charged.
- 9. <u>Governing Law</u>. This Security Agreement will be governed by the laws of the State of Idaho, without giving effect to conflicts of law principles.
- 10. <u>Severability</u>. To the extent a provision of this Security Agreement is unenforceable, this Security Agreement will be construed as if the unenforceable provision were omitted.
- 11. <u>Successors and Assigns</u>. A successor to or assignee of Secured Party's rights and obligations under the Security Agreement will succeed to Secured Party's rights and obligations under this Security Agreement.
- 12. <u>Notices</u>. A notice or other communication to a party under this Security Agreement will be in writing (except that entitlement orders may be given orally), will be sent to the party's address set forth above, or to such other address as the party may notify the other parties of, and will be effective on receipt.
- 13. <u>JURY WAIVER</u>. EACH OF THE PARTIES WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS SECURITY AGREEMENT, ANY RIGHTS, REMEDIES, OBLIGATIONS, OR DUTIES HEREUNDER, OR THE PERFORMANCE OR ENFORCEMENT HEREOF OR THEREOF.
- 14. <u>Counterparts</u>. This Security Agreement may be executed and acknowledged in counterparts, all of which executed and acknowledged counterparts shall together constitute a single document. Facsimile signature pages will be acceptable and shall be conclusive evidence of execution.



- 15. <u>Time</u>. Time is of the essence with regard to each provision of this Security Agreement as to which time is a factor.
- 16. <u>Attorney Fees.</u> If any legal action or any arbitration or other proceeding is brought for the enforcement of this Security Agreement, or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Security Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorney fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled.

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be duly executed and delivered as of the date first above written.

DERTOR.

DEDIOK.
SECURED PARTY:
ASSISTING HANDS HOME CARE, LLC,
an Arizona Limited Liability Company
D. C.
BySign:
Nama
Name:
Title:
11110.

ASSISTING HANDS HOME CARE FRANCHISE

SBA ADDENDUM TO FRANCHISE AGREEMENT¹

THIS ADDENDUM ("Ac	Idendum ") is made and entered into on	, 20	, by and between
Assisting Hands Home Ca	are, LLC ("Franchisor"), located at 5700 E.F.	ranklin Road,	Suite #105, Nampa,
Idaho 83687, and	("Franchisee"), located at	·	
Franchisor and Franchisee	entered into a Franchise Agreement on	20	(such Agraement
	lments, the "Franchise Agreement"). Ara		
•	,		1100
financing(s) from a lender	in which funding is provided with the assista	ance of the U	. S. Small Business
Administration ("SBA").	SBA requires the execution of this Addendum	as a condition	for obtaining SBA-
assisted financing.	-		_

In consideration of the mutual promises below and for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree that notwithstanding any other terms in the Franchise Agreement:

CHANGE OF OWNERSHIP

• If Franchisee is proposing to transfer a partial interest in Franchisee and Franchisor has an option to purchase or a right of first refusal with respect to that partial interest, Franchisor may exercise such option or right only if the proposed transferee is not a current owner or family member of a current owner of Franchisee. If the Franchisor's consent is required for any transfer (full or partial), Franchisor will not unreasonably withhold such consent. In the event of an approved transfer of the franchise interest or any portion thereof, the transferor will not be liable for the actions of the transferee franchisee.

FORCED SALE OF ASSETS

• If Franchisor has the option to purchase the business personal assets upon default or termination of the Franchise Agreement and the parties are unable to agree on the value of the assets, the value will be determined by an appraiser chosen by both parties. If the Franchisee owns the real estate where the franchise location is operating, Franchisee will not be required to sell the real estate upon default or termination, but Franchisee may be required to lease the real estate for the remainder of the franchise term (excluding additional renewals) for fair market value.

COVENANTS

• If the Franchisee owns the real estate where the franchise location is operating, Franchisor has not and will not during the term of the Franchise Agreement record against the real

While relationships established under license, jobber, dealer and similar agreements are not generally described as "franchise" relationships, if such relationships meet the Federal Trade Commission's (FTC's) definition of a franchise (see 16 CFR § 436), they are treated by SBA as franchise relationships for franchise affiliation determinations per 13 CFR § 121.301(f)(5).



H-22

estate any restrictions on the use of the property, including any restrictive covenants, branding covenants or environmental use restrictions. If any such restrictions are currently recorded against the Franchisee's real estate, they must be removed in order for the Franchisee to obtain SBA-assisted financing.

EMPLOYMENT

• Franchisor will not directly control (hire, fire or schedule) Franchisee's employees. For temporary personnel franchises, the temporary employees will be employed by the Franchisee not the Franchisor.

As to the referenced Franchise Agreement, this Addendum automatically terminates when SBA no longer has any interest in any SBA-assisted financing provided to the Franchisee.

Except as amended by this Addendum, the Franchise Agreement remains in full force and effect according to its terms.

Franchisor and Franchisee acknowledge that submission of false information to SBA, or the withholding of material information from SBA, can result in criminal prosecution under 18 U.S.C. 1001 and other provisions, including liability for treble damages under the False Claims Act, 31 U.S.C. §§ 3729 -3733.

AUTHORIZED REPRESENTATIVE OF FRANCHISOR:	AUTHORIZED REPRESENTATIVE OF FRANCHISEE:
ASSISTING HANDS HOME CARE, LLC	(Entity Name)
By:	By: Sign: Printed Name: Title:
	By:

Note to Parties: This Addendum only addresses "affiliation" between the Franchisor and Franchisee. Additionally, the applicant Franchisee and the franchise system must meet all SBA eligibility requirements.

SBA Form 2462 (01-2018)

Page 2



EXHIBIT I

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 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	Pending
Illinois	Pending
Indiana	April 27, 2023 Pending
Michigan	Pending
Minnesota	Pending
Virginia	April 28, 2023 Pending
Washington	Pending

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

EXHIBIT J

RECEIPT



RECEIPT (Candidate 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 Assisting Hands Home Care, 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, the franchisor or an affiliate in connection with the proposed franchise sale.

Under Iowa law, if applicable, Assisting Hands Home Care, LLC must provide this disclosure document to you at your first personal meeting to discuss the franchise. Michigan requires Assisting Hands Home Care, LLC to give you this disclosure document at least ten business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires you to receive this disclosure document at the earlier of the first personal meeting or ten business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Assisting Hands Home Care, 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, DC 20580, and the appropriate state agency identified on Exhibit A.

The name, principal business address, and telephone number of each franchise seller offering the franchise is:
Lane Kofoed, 5700 E Franklin Road, Suite #105, Nampa, Idaho 83687; Telephone: (208) 321-5510
Andrew Dahle, 5700 E Franklin Road, Suite #105, Nampa, Idaho 83687; Telephone: (208) 321-5510
Daniel Durney, 5700 E Franklin Road, Suite #105, Nampa, Idaho 83687; Telephone: (208) 321-5510

Issuance Date: April 20, 202318, 2024

I received a disclosure document issued April 20, 202318, 2024 which included the following exhibits:

Date	Signature	Printed Name	Rev. 012417	
Date	Signature	Printed Name		
Exhibit J	Receipt			
Exhibit I	State Effective Dates			
Exhibit H	Contracts for use with the Assisting Hands Franchise			
Exhibit G	Area Representative Operations Manual Table of Contents			
Exhibit F	State Addenda and Agreement Riders			
Exhibit E	Financial Statements			
Exhibit D	List of Current and Former Area Representative Franchisees			
Exhibit C	Franchise Disclosure Questionnaire			
Exhibit B	Area Representative Agreement			
Exhibit A	List of State Administrators/Agents for	Service of Process		

PLEASE RETAIN THIS COPY FOR YOUR RECORDS.



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 Assisting Hands Home Care, 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, the franchisor or an affiliate in connection with the proposed franchise sale.

Under Iowa law, if applicable, Assisting Hands Home Care, LLC must provide this disclosure document to you at your first personal meeting to discuss the franchise. Michigan requires Assisting Hands Home Care, LLC to give you this disclosure document at least ten business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires you to receive this disclosure document at the earlier of the first personal meeting or ten business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Assisting Hands Home Care, 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 appropriate state agency identified on Exhibit A.

The name, principal business address, and telephone number of each franchise seller offering the franchise is:
Lane Kofoed, 5700 E Franklin Road, Suite #105, Nampa, Idaho 83687; Telephone: (208) 321-5510
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Issuance Date: April 20, 202318, 2024

I received a disclosure document issued April 20, 202318, 2024 which included the following exhibits:

Exhibit A	List of State Administrators/Agents for	or Service of Process		
Exhibit B	Area Representative Agreement			
Exhibit C	Franchise Disclosure Questionnaire			
Exhibit D	List of Current and Former Area Representative Franchisees			
Exhibit E	Financial Statements			
Exhibit F	State Addenda and Agreement Riders			
Exhibit G	Area Representative Operations Manual Table of Contents			
Exhibit H	Contracts for use with the Assisting Hands Franchise			
Exhibit I	State Effective Dates			
Exhibit J	Receipt			
	-			
Data	S:	Deints I Nome		
Date	Signature	Printed Name		
Date	Signature	Printed Name		
			Dov. 01241	

Please sign this copy of the receipt, date your signature, and return it to Assisting Hands Home Care, LLC, 5700 E. Franklin Road, Suite #105, Nampa, Idaho 83687.

