

FRANCHISE DISCLOSURE DOCUMENT



Right at Home, LLC
A Delaware Limited Liability Company
6700 Mercy Road, Suite 400
Omaha, Nebraska 68106
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www.rightathome.net

The franchisee will operate a Right at Home business that provides hands-on personal care, non-medical care, in-home care assistance and companionship care services to seniors and other adults, and (i) supplemental staffing services for nursing homes, hospitals and other medical institutional settings; (ii) specialized nursing services, and other in-home medical care; and (iii) other related products, materials, and equipment.

The total investment necessary to begin operation of a Right a Home franchise ranges from \$88,719,700 to \$157,669,160,725. This includes \$50,450,625 to \$51,375,52,125 in Initial Fees that must be paid to the franchisor.

If you choose to convert your existing home care business to a Right at Home Conversion Franchised Business, we may choose to reduce your Conversion Initial Franchise Fee. The total investment necessary to begin operation of a Conversion Franchised Business ranges from \$83,569,84,500 to \$160,869,164,675.

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 fourteen (14) calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this disclosure document.**

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, N.W., Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: March 29, 2023 27, 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 Exhibits F and G.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit D includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Right at Home business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Right at Home franchisee?	Item 20 or Exhibits F and G 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

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Nebraska. 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 Nebraska than in your own state.
2. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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

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Exhibits to Franchise Agreement:

~~A – Franchise Fee, Designated Area and Owners~~

~~B~~A - Guaranty and Assumption of Obligations

~~C~~B - Confidentiality and Non-Compete Agreement

~~D – Renewal Addendum~~

~~E – Form of~~C - Business Associate Agreement

~~F – Multiple Unit Amendment~~

~~G – Specialized Nursing Services Amendment~~

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

To simplify the language in this Franchise Disclosure Document, the word “**we**,” “**us**,” “**RAH**” or “**Right at Home**” means Right at Home, LLC, the Franchisor of this business; and the word “**Franchisee**” or “**you**” means the person who buys the franchise, whether you are an individual or a corporation, partnership, limited liability company or other legal entity.

The Franchisor and Its Parent, Predecessor and Affiliates

We originally formed as a Nebraska corporation on July 8, 1999. We converted to a Delaware limited liability company on August 12, 2016. Our principal business address is 6700 Mercy Road, Suite 400 Omaha, Nebraska 68106. We do business under our corporate name and the names “Right at Home” and “RAH Staffing Services.” We do not have a predecessor. We have offered franchises since May 5, 2000. We do not engage in any other business activities. We do not offer franchises in any other lines of business. Likewise, we do not have any predecessors offering franchises in this or any line of business.

Our agent and address for service of process in Nebraska is ~~John W. Herdzina~~[Kathryn A. Glissman](#) at 8712 West ~~Dodge~~[Dodge](#) Road, Suite 300, Omaha, Nebraska 68114. Our other agents for service of process are disclosed on **Exhibit A**.

Our parent company, RiseMark Holdings, LLC (“**RMH**”), a Delaware limited liability company, was organized on June 29, 2016, with Investors Management Corporation as its sole owner. RMH is located at 6700 Mercy Rd. Suite 400, Omaha, NE 68106. We became a wholly-owned subsidiary of RMH on August 15, 2016. Prior to becoming a wholly-owned subsidiary of RMH, we were a wholly-owned subsidiary of RiseMark Brands, Inc. (“**RMI**”). On August 15, 2016, RMI transferred its ownership interest in us to RMH and RMI acquired an ownership interest in our parent company, RMH. ~~RMI (formerly known as Caring Brands, Inc.) is located at 6700 Mercy Rd. Suite 400, Omaha, NE 68106. RMI does not franchise in this or any other line of business.~~

We have ~~15~~[12](#) affiliates as follows:

Right at Home International, LLC (“**RAHI**”) was incorporated in March 2009 as a Nebraska corporation. RAHI was converted to a Delaware limited liability company on August 12, 2016. RAHI is located at 6700 Mercy Road, Suite 400 Omaha, Nebraska 68106. RAHI is licensed by RAH to use its Marks and System. RAHI offers personal, non-transferable, and exclusive rights to master franchisees outside of the United States of America with the right of Master Franchisees to both use and sublicense the right to use our System and Marks. RAHI does not offer franchises in other lines of business. RAHI does not provide products or services to our franchisees in the United States. RAHI does not have any predecessors or affiliates (other than us) offering franchises. RAHI has been offering master franchises to operate businesses similar to the Franchised Businesses outside of the United States since March 2009. On January 8, 2014, RAHI became a wholly owned subsidiary of RMI. On August 15, 2016, RMI transferred its ownership interest in RAHI to RMH and RAHI became a wholly owned subsidiary of RMH.

Investors Management Corporation, (“**IMC**”) is a North Carolina corporation that was incorporated on July 8, 1971. IMC is located at 801 N. West Street, Raleigh, North Carolina 27603. IMC is an investment company that organized our parent company,

RMH, on June 29, 2016. IMC does not franchise in this or any other franchise business, however, it has an ownership interest in Fleet Feet Sports, LLC and Golden Corral Corporation.

Fleet Feet Sports, LLC ("**FFS**") is a North Carolina limited liability company that was incorporated on February 10, 2012. FFS is located at 310 East Main Street, Suite 200, Carrboro, North Carolina 27510. FFS offers franchises for a retail specialty running stores offering footwear, apparel, and accessories. FFS does not franchise in any other line of business.

Golden Corral Corporation ("**GCC**") is a North Carolina corporation that was incorporated on February 7, 1972. GCC is located at 5151 Glenwood Avenue, Raleigh, NC 27612. GCC offers franchises for a buffet style family ~~restaurant~~ restaurants. GCC does not franchise in any other line of business.

RAHCO, LLC ("**RAHCO**") is a Delaware limited liability company that was organized on March 12, 2019. RAHCO is located at 6700 Mercy Road, Suite 400 Omaha, Nebraska 68106. RAHCO or its subsidiaries will operate businesses similar to the Franchised Business. RAHCO does not franchise in this or any line of business. As of the date of this disclosure document, RAHCO does not operate any businesses, but it may do so in the future.

RAHCO Kentuckiana, LLC ("**RAHCOKT**") is a Delaware limited liability company that was organized on March 18, 2019. RAHCOKT is located at 6700 Mercy Road, Suite 400 Omaha, Nebraska 68106. RAHCOKT is a subsidiary of RAHCO. RAHCOKT does not franchise in this or any line of business. As of the date of this disclosure document, RAHCOKT operates a business similar to the business described in this disclosure document.

RAHCO PENSACOLA, LLC ("**RAHCOP**") is a Delaware limited liability company that was organized on June 27, 2019. RAHCOP is located at 6700 Mercy Road, Suite 400 Omaha, Nebraska 68106. RAHCOP is a subsidiary of RAHCO. RAHCOP does not franchise in this or any line of business. As of the date of this disclosure document, RAHCOP operates a business similar to the business described in this disclosure document.

RAHCO VIRGINA BEACH, LLC ("**RAHCOVB**") is a Delaware limited liability company that was organized on June 27, 2019. RAHCOVB is located at 6700 Mercy Road, Suite 400 Omaha, Nebraska 68106. RAHCOVB is a subsidiary of RAHCO. RAHCOVB does not franchise in this or any line of business. As of the date of this disclosure document, RAHCOVB operates a business similar to the business described in this disclosure document.

~~RAHCO Athens, LLC ("**RAHCOAT**") is a Delaware limited liability company that was organized on July 17, 2020. RAHCOAT is located at 6700 Mercy Road, Suite 400 Omaha, Nebraska 68106. RAHCOAT is a subsidiary of RAHCO. RAHCOAT does not franchise in this or any line of business. As of the date of this disclosure document, RAHCOAT operates a business similar to the business described in this disclosure document.~~

~~RAHCO Mobile, LLC ("**RAHCOMO**") is a Delaware limited liability company that was organized on October 22, 2020. RAHCOMO is located at 6700 Mercy Road, Suite 400, Nebraska 68106. RAHCOMO is a subsidiary of RAHCO. RAHCOMO does not franchise in this or any line of business. As~~

~~of the date of this disclosure document, RAHCOMO operates a business similar to the business described in this disclosure document.~~

RAHCO Portland, LLC ("**RAHCOPD**") is a Delaware limited liability company that was organized on February 15, 2021. RAHCOPD is located at 6700 Mercy Road, Suite 400 Omaha, Nebraska 68106. RAHCOPD is a subsidiary of RAHCO. RAHCOPD does not franchise in this or any line of business. As of the date of this disclosure document, RAHCOPD operates a business similar to the business described in this disclosure document.

~~RAHCO Houston, LLC ("**RAHCOHO**") is a Delaware limited liability company that was organized on April 6, 2021. RAHCOHO is located at 6700 Mercy Road, Suite 400 Omaha, Nebraska 68106. RAHCOHO is a subsidiary of RAHCO. RAHCOHO does not franchise in this or any line of business. As of the date of this disclosure document, RAHCOHO operates a business similar to the business described in this disclosure document.~~

RAHCO Hilton Head Savannah, LLC ("**RAHCOHHS**") is a Delaware limited liability company that was organized on March 10, 2022. RAHCOHHS is located at 6700 Mercy Road, Suite 400 Omaha, Nebraska 68106. RAHCOHHS is a subsidiary of RAHCO. RAHCOHHS does not franchise in this or any line of business. As of the date of this disclosure document, RAHCOHHS operates a business similar to the business described in this disclosure document.

RAHCO St. Louis, LLC ("**RAHCOSTL**") is a Delaware limited liability company that was organized on March 16, 2022. RAHCOSTL is located at 6700 Mercy Road, Suite 400 Omaha, Nebraska 68106. RAHCOSTL is a subsidiary of RAHCO. RAHCOSTL does not franchise in this or any line of business. As of the date of this disclosure document, RAHCOSTL operates a business similar to the business described in this disclosure document.

RAHCO Colorado Springs, LLC ("**RAHCOCOS**") is a Delaware limited liability company that was organized on December 15, 2022. RAHCOCOS is located at 6700 Mercy Road, Suite 400 Omaha, Nebraska 68106. RAHCOCOS is a subsidiary of RAHCO. RAHCOCOS does not franchise in this or any line of business. As of the date of this disclosure document, RAHCOCOS operates a business similar to the business described in this disclosure document.

The Franchised Business

Right at Home Franchised Businesses specialize in an array of services including, but not limited to, providing hands-on personal care, non-medical care, in-home care, assistance and companionship care services to seniors and other adults [and any related products, materials and equipment](#) ("**Core Services**") and (i) supplemental staffing services for nursing homes, hospitals, other home health agencies and other medical settings; (ii) specialized nursing services and other in-home medical care; and (iii) other [related](#) products, services, materials, and equipment that we have or may develop and implement that you are authorized, but not required, to provide ("**Ancillary Services**") (the Core Services and Ancillary Services are collectively referred to as a "**Franchised Business**"). We grant franchises for, and may periodically operate, businesses under the "Right at Home" trademark which is our principal mark; and we use a secondary mark "RAH Staffing Services" to identify our supplemental staffing services.

Unless prohibited by state or federal law, if you desire to offer to your clients Ancillary Services relating to specialized nursing ("**Specialized Nursing Services**"), you must apply to us for our prior written approval, which we have the right to provide or deny. To be eligible to offer Specialized Nursing Services (i) you must have operated your Franchised Business for at least 12 months (except in a case of a resale or Conversion Franchised Business that is already providing Specialized Nursing Services); (ii) you must have completed the RightStart Training Program; (iii) you must not have any uncured defaults under the Franchise Agreement; (iv) you must comply with all federal, state, and local laws and regulations, including obtaining all applicable licenses and permits (such as those required by applicable Nurse Practice's Act); (v) you, or a qualified person designated by you, must have successfully completed our applicable training program pertaining to Specialized Nursing Services and must have satisfactorily completed a third party accreditation program acceptable to us; (vi) you must purchase the third party policy and procedure manual from our ~~designated~~Approved Supplier; (vii) you must satisfy any other requirements established by us that we believe are necessary for a Franchised Business to offer Specialized Nursing Services, including insurance requirements; (viii) you must execute the Specialized Nursing Services Amendment to the Franchise Agreement in a form similar to **Exhibit G** to the Franchise Agreement; and (ix) you must engage a licensed registered nurse in good standing to deliver the Specialized Nursing Services. If permitted by applicable law, you may determine the referrals for services you will accept based on the skill level of your personnel; provided such services ~~are in compliance~~comply with our System ~~and business model~~ (as we may determine). We have the right to revoke our approval for you to offer Specialized Nursing Services if you fail or refuse to continue to meet any of these conditions. If you acquire the right to operate an existing Franchised Business or a Conversion Franchised Business, you must also meet these requirements (except as provided above) to offer Specialized Nursing Services.

Each Franchised Business operates in accordance with our system and system standards ("**System**"). The distinguishing characteristics of the System include ~~the Right at Home Confidential Digital Resource Library~~, the Brand Standards Manual, uniform operating methods, procedures, and techniques; other confidential operations procedures; and, methods and techniques for record keeping, and training, marketing and advertising and other information and materials located in the Right at Home Confidential Digital Resource Library (collectively, the "**Manuals**"); and, the "Right at Home" and "RAH Staffing Services" marks along with other means of identification including certain trademarks, service marks, and logos as are now designated or may be designated in the future (collectively, the "**Marks**"), all of which we may change, improve and further develop periodically.

As described in this Franchise Disclosure Document, we offer a franchise grant for a single Franchised Business under the terms and conditions of the Franchise Agreement attached as **Exhibit B**, which will be the actual contract between you and Right at Home, and which describes your rights and obligations. If you desire to develop more than one franchised business in a specified Development Area, you must sign a Franchise Agreement for each additional Franchised Business.

Market and Competition

You will compete with other businesses offering similar services, some of which are part of national or regional franchised and non-franchised chains. ~~The hands-on personal care, non-medical care, in-home care assistance, companionship care services,~~ The Core Services and

Specialized Nursing Services, if applicable, will be offered primarily to seniors or other individuals. ~~The~~ Supplemental staffing services in health care will be offered to nursing homes, hospitals, other home health agencies, and other medical settings. The market for in-home care services and for supplemental staffing services in health care is highly developed in most markets. Additionally, the market for in-home services and supplemental staffing services in health care may be affected by new regulations and financial changes due to the impact of Covid-19.

Industry Specific Regulations

You must comply with all federal, state and local laws and regulations that apply to your operations, including those pertaining to the health care industry, professional and facility licensing, minimum wage laws, workers' compensation, corporate, tax, environmental, sanitation, insurance, no smoking, EEOC, OSHA, non-discrimination, employment and sexual harassment laws—, [pay and billing practices, privacy rights, workplace respect, immigration, fraud and abuse, marketing and any other legal or regulatory obligation of the Franchised Business.](#)

You should consider the following types of regulation that may apply to the ownership and operation of your Franchised Business:

A. Licensure; Record Keeping

You must obtain and maintain any health care or employment related permits, licenses, certifications or other indications of authority necessary for the operation of your Franchised Business, including, for example, a home health agency license, nurse staffing and/or employment agency license and medication management licensing compliance. You cannot provide nursing services, Specialized Nursing Services or otherwise without complying with the Nurse Practices Act. The Nurse Practices Act varies by state and may include requirements regarding licensing, educational program standards, and supervision by a physician. Some jurisdictions may also require a Certificate of Need. Some states require you to obtain a license to provide employment services. Local law may require you to obtain a particular permit, license or accreditation. Some states have imposed a moratorium on the issuance of home health agency licenses, nurse staffing licenses, and other in-home healthcare licenses or permits. You are responsible for investigating the availability and requirements for obtaining all necessary licenses in your state and compliance with the Nurse Practices Act.

Many states have licensing, certification or registration requirements applicable to the services you will be providing as a Right at Home franchisee. You therefore may be required to register as a home health agency, nurse staffing and/or employment agency and to comply with the screening requirements of health care workers. State licensing, certification and registration statutes may require a minimum level of education or related work experience and/or the payment of a fee ~~in order~~ to obtain the license.

In addition to obtaining business licenses, your staff may also need to be licensed, registered, or certified to perform certain services. You may also be required to have a full-time registered nurse (RN) to comply with the regulations in your state governing nursing agencies and/or home health agencies and to provide services through licensed individuals. You should inquire about any applicable laws and your corresponding obligations and cost of compliance.

Some states may also have specific record-keeping or other requirements for health care providers. You will be responsible for investigating and complying with any such laws that may apply in your Designated Area.

B. Anti-Kickback Laws

Certain provisions of the Social Security Act, commonly referred to as the “Anti-Kickback Act,” prohibit the offer, payment, solicitation or receipt of any form of remuneration either in return for the referral of patients or patient care opportunities paid in whole or in part by a federal health care program, including the VA, or in return for the recommendation, arrangement, purchase, lease or order of items or services paid in whole or in part by a federal health care program, including VA benefits. The Anti-Kickback Act is broad in scope and has been broadly interpreted by courts in many jurisdictions. The Anti-Kickback Act prohibits many business courtesies and arrangements that are common outside the health care industry.

Additionally, ~~a number of~~[several](#) states have enacted laws which prohibit payment for referrals and other types of “kickback” arrangements. These state laws sometimes apply to all patients regardless of their insurance coverage.

C. Other Federal Regulations

There are ~~a number of~~[several](#) federal laws prohibiting certain activities and arrangements relating to services or items that are reimbursable by Medicare or Medicaid. While Medicare and Medicaid laws may not apply to your Franchised Businesses, these laws may apply to those facilities, including laws prohibiting Medicare- or Medicaid -participating facilities, from employing providers excluded from those programs. If a practitioner is an excluded provider from Medicare or Medicaid, he or she will be prohibited from receiving payment from that facility. It is your responsibility to determine whether and to what extent employees of your Franchised Business need to be screened for their possible excluded status in these or other payment programs. [It is also your responsibility to determine if applicable licensing requirements require your employees to provide drug tests and other health tests.](#)

To the extent your Franchised Business accepts reimbursement directly from the VA, it will be required to satisfy the applicable regulatory requirements the VA imposes on its vendors, including but not limited to the Federal Acquisition Regulations and various VA contract requirements. The False Claims Act imposes civil liability on persons or corporations, which submit or cause to be submitted false or fraudulent claims for payment to the government. A violation of the False Claims Act may result in liability for fines, treble damages, attorneys’ fees and exclusion from federal health care programs.

We require all-~~of~~ our franchisees to be compliant with the portions of the Health Insurance Portability and Accountability Act (“**HIPAA**”) which require health care providers to submit ~~transactions~~[transaction's](#) related to payment in standard electronic formats and regulate the security and privacy of health data, and HIPAA's implementing regulations, including the HIPAA Privacy Rule, HIPAA Breach Notification Rule, HIPAA Security Rule, HITECH Act, and Omnibus Rule. Under HIPAA's privacy and security regulations, you must implement privacy and security policies and safeguards, designate a privacy and security officer, inform individuals how their health information is used and disclosed, provide access to health information, and give notice of certain breaches of

protected data. To help you comply, we have designated a third-party supplier to provide you with various tools for implementing your own compliance program (See ITEM 11). In addition, if you engage a third party to perform functions that require access to patients' personal information, you are required to execute a business associate agreement ("**Business Associate Agreement**") in a form similar to the form of agreement between you and us (**Exhibit EC** to the Franchise Agreement).

D. General Matters

Laws and regulations may change at any level of government at any time, resulting in increased scrutiny applied to medical, home care, and/or staffing agencies by various levels of government. As such, the costs of compliance may increase. You are responsible for keeping informed about changes in legislation that may impact the operation of your Franchised Business. We strongly urge you to consult with competent local counsel regarding all of the laws and regulations described above and others that may be applicable to you and your Franchised Business.

This document does not include all laws that may apply to your Franchised Business. You should also be aware of pending legislation that may affect your Franchised Business in the future.

We have resources available as a reference to you, but you are solely responsible for investigating, understanding and complying with the laws, regulations and requirements applicable to you and your Franchised Business.

E. Conversion Franchise

If you currently own and operate an existing, independent business that provides hands-on personal care, non-medical care, in-home care assistance, specialized nursing services and companionship care services to seniors and other adults, you may qualify to convert your existing business to a Franchised Business ("**Conversion Franchised Business**") if you meet our then current qualifications. You will also be required to sign our Franchise Agreement and the Conversion Addendum (**Exhibit HJ** to the Franchise Agreement).

ITEM 2. BUSINESS EXPERIENCE

President and Chief Executive Officer: Margaret Haynes

Ms. Haynes has been our President and Chief Executive Officer ("**CEO**") since April 2022. Ms. Haynes has been RMH and RAHI President and CEO since April 2022. She has been CEO of our affiliates RAHCO, RAHCOKT, RAHCOP, RAHCOVB, [RAHCO Athens, LLC](#), ("[RAHCOAT](#)"), [RAHCO Mobile, LLC](#), ("[RAHCOMO](#)"), RAHCOPD, [RAHCO Houston, LLC](#), ("[RAHCOHO](#)"), RAHCOHHS and RAHCOSTL since April 2022. Ms. Haynes has served as CEO of our affiliate, RAHCOCOS since December 2022. Ms. Haynes ~~has held~~[holds](#) these positions in Omaha, Nebraska.

From January 2014 until April 2022, Ms. Haynes was our Chief Operating Officer ("**COO**") and COO of RAHI. She also served as the COO for the following affiliates in Omaha, Nebraska: RAHCO and RAHCOKT from March 2019 until April 2022; RAHCOP and RAHCOVB from June 2019 until April 2022; RAHCOAT from July 2020 until April 2022; RAHCOMO from October 2020 until April 2022; RAHCOPD from February 2021 until April

2022; RAHCOHO from April 2021 until April 2022; and RAHCOHHS and RAHCOSTL from March 2022 until April 2022. She holds these positions in Omaha, Nebraska.

Ms. Haynes served as a member of the Board of Directors of IKOR International, LLC from February 2014 until December 2019 in Omaha, Nebraska.

Chief Financial Officer: Jeffrey Vavricek

Mr. Vavricek has been our Chief Financial Officer ("**CFO**") since January 2015. Mr. Vavricek also serves as the CFO for the following affiliates in Omaha, Nebraska: RAHI since January 2015; RMH since August 2016; RAHCO and RAHCOKT since March 2019; RAHCOP and RAHCOVB since June 2019; RAHCOAT since July 2020; RAHCOMO since October 2020; RAHCOPD since February 2021; RAHCOHO since April 2021; RAHCOHHS and RAHCOSTL since March 2022; and RAHCOCOS since December 2022. He holds these positions in Omaha, Nebraska.

He has also served as IKOR International, LLC's CFO since August 2016 in Omaha, Nebraska.

Chief Operating Officer: Rodney Roberts

Mr. Roberts has been our Chief Operations Officer ("**COO**") since March 2023. He also serves as the COO for our parent RMH and our affiliates RAHI, RAHCO, RAHCOKT, RAHCOP, RAHCOVB, RAHCOAT, RAHCOMO, RAHCOPD, RAHCOHO, RAHCOHHS, RAHCOSTL and RAHCOCOS since March 2023. He holds these positions in Omaha, Nebraska.

Previously, Mr. Roberts was the Vice President of Franchise Operations for Home Instead, Inc., located in Omaha, Nebraska, from January 2021 until February 2023, the Director of Business Performance for Home Instead, Inc. from January 2011 until January 2021 and the Director of Canadian Operations for Home Instead, Inc. from October 2009 until January 2011.

Chief Marketing Officer: Dawn Drazdys

Ms. Drazdys has been our Chief Marketing Officer since August 2019. Prior to that, she served as Director of Marketing for AccuQuilt from February 2018 until August 2019 located in Omaha, Nebraska. Ms. Drazdys also served as Vice President of Sales and Marketing for Godfather's Pizza, Inc. from April 2013 to January 2018 located in Omaha, Nebraska.

Chief Growth Officer: Brady Schwab

Mr. Schwab has been our Chief Growth Officer since October 2022. Previously, Mr. Schwab was the Senior Director of Business Development for HearingLife, Inc., located in Somerset, New Jersey, from August 2022 until October 2022, the Director of Business Development for HearingLife, Inc. from September 2019 until August 2022, and the Regional Sales Director for HearingLife, Inc. from January 2018 until August 2019. Mr. Schwab was the Chief Executive Officer for Entheos Audiology Cooperative located in Fort Wayne, Indiana from April 2014 until December 2017.

Vice President of Franchise Development: Jen Chaney

Ms. Chaney has been our Vice President of Franchise Development since December 2020. Previously she served as the Senior Director of Franchise Development

from June 2019 until December 2020. Prior to that, she was the Vice President of Franchise Development for Scooter's Coffee, LLC in Omaha, NE from May 2015 to June 2019, Senior Director of Franchise Sales from May 2014 to May 2015, and Director of Franchise Sales from May 2012 to May 2014.

Vice President of ~~Strategic Operations: Emily Undajon~~ People Strategy: Nichole Holles

Ms. ~~Undajon~~ Holles has been our Vice President of ~~Strategic Operations~~ People Strategy since ~~January 2020. Previously Ms. Undajon was the Director of Strategic Operations~~ December 2023. She was our Vice President of Human Resources from ~~April~~ December 2019 until December 2023. From February 2018 until ~~January 2020. From March 2017 until April~~ September 2018, Ms. ~~Undajon~~ Holles was the Director of Human Resources for Midwest Medical Transport located in Omaha, Nebraska. Before that Ms. Holles was the ~~Manager of our Strategic Programs. Ms. Undajon was our Operations Coordinator~~ Vice President of Human Resources for Cushman & Wakefield, The Lund Company located in Omaha, Nebraska from ~~June 2013~~ August 2011 until ~~March 2017~~ February 2018.

ITEM 3. LITIGATION

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

ITEM 4. BANKRUPTCY

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

ITEM 5. INITIAL FEES

Single Unit Franchises

The standard initial franchise fee for one Franchised Business is \$49,500. The Initial Franchise Fee is deemed fully earned and nonrefundable upon payment.

The Initial Franchise Fee is charged for a franchise to operate from one location in an assigned specific territory that we describe as the "**Designated Area.**" The Initial Franchise Fee offsets the expenses that we incur in marketing, researching, awarding and training franchisees. When paid, the Initial Franchise Fee is fully earned by us and is non-refundable. The Initial Franchise Fee is payable at the time you sign the Franchise Agreement.

The Designated Area will be defined by zip codes and generally includes a population of at least 15,000 people aged 65 and older, as more thoroughly explained in Item 12. We currently use Maptive for demographic information; but we reserve the right to use the services of any reputable marketing information resource. Maptive is a brand owned by West Roots LLC with its principal office in San Francisco, California. During fiscal year ~~2023~~2022, the range of Initial Franchise fees collected was between \$37,125 (from a Multi-Unit discount or VetFran Program discount) and \$49,500.

Right at Home Personal Care Policy and Procedure Manual

You will pay an initial non-refundable fee to us for the Right at Home Personal Care Policy and Procedure Manual of \$750. You will also pay a setup fee and the first-year annual subscription fee to our ~~designated~~ Approved Supplier. For non-licensure states, the

current setup fee is \$100, and the annual subscription fee is \$25. For licensure states, the setup fee is \$250, and the annual subscription fee is \$100.

Applicant Tracking System ("ATS")

If you select our preferred vendor for the ATS, you will pay us the ATS Payment at the time you enroll in the ATS. The ATS Payment is an annual fee paid in advance each April (or such other ~~time~~ period we may determine) ("**Annual Term**"). You will pay an ATS Payment based on your month of enrollment and the pro-rata portion of the Annual Term for which you will be enrolled. The annual ATS Payment ranges from \$600 -~~\$900~~ \$1,500. If you select our preferred vendor, you will enroll in the ATS upon completion of Residence Week (See Item 11).

Other than stated above, you will not pay us any other fees or payments for services or materials before your Franchised Business opens.

Multiple Unit Owners

At our discretion, we may offer qualified candidates the right to open and operate multiple Franchised Businesses. If you enter into one or more other Franchise Agreements ~~at the same time~~, and the Designated Areas granted to you under the Franchise Agreements are contiguous, we may permit you to operate the Franchised Business under each Franchise Agreement from the same Office. If we authorize you to do so, you will execute the appropriate amendments to the various Franchise Agreements provided in **Exhibit FG** to the Franchise Agreement (See Item 11).

Under certain circumstances we may permit certain qualified franchisees to sign Additional Franchise Agreements at the same time. If we do so, we will discount the Initial Franchise Fee for those Additional Franchise Agreements by 25%~~if~~; provided that, you sign the Additional Franchise Agreements and pay the Initial Franchise Fees at the same time or ~~do so~~ prior to opening the Office of your for the first Franchise Agreement Franchised Business. t.

Conversion Franchises

If you qualify for a Conversion Franchise, we may, but are not obligated, to reduce the Initial Franchise Fee based on factors that include, but are not limited to, the length of time you have operated the business prior to converting to a Franchised Business, sales volume, historical earnings of the business, market demand, your experience, and growth potential of the business ("**Conversion Initial Franchise Fee**"). If you qualify for a Conversion Franchised Business, you will pay the Conversion Initial Franchise Fee at the time you sign the Franchise Agreement and sign the Conversion Addendum. The Conversion Initial Franchise Fee is deemed fully earned and nonrefundable upon payment. During our fiscal year 2023~~2022~~, we did not collect any Conversion Initial Franchise Fees.

Referral Program

We have developed a referral program, which provides an incentive to our current franchisees to attract new franchisees who will contribute to the ongoing growth of our franchise system.

VetFran

To honor those men and women who have served in the U.S. military, the Veterans Transition Franchise Initiative, known as “**VetFran**,” was developed to help those individuals’ transition to civilian life. This initiative is a voluntary effort of International Franchise Association (IFA) member-companies and is designed to encourage franchise ownership by offering financial incentives to honorably discharged veterans. We offer a 25% discount of the Initial Franchise Fee for all Franchised Businesses acquired by individuals who qualify under the VetFran program. This 25% discount does not apply to any Additional Franchise Agreements or Conversion Franchise Businesses if any other discounts apply.

ITEM 6. OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Continuing Royalty ^{1,2}	The greater of 5% of Net Billings (“ Royalty Fee ”) or the Minimum Royalty per Quarter	Payable weekly	<u>See</u> Definition of Net Billings and Minimum Royalty per Quarter and Item 6.
Local Advertising ³	1% ~~to~~ 2% of Net Billings	As incurred	Includes cost of local <u>marketing, sales</u> and ~~internet advertising~~ <u>promotion</u> . Payable to suppliers of advertising. <u>We may also permit you to spend a portion of the Local Advertising on incremental spend programs which include paid search, social, television and internet service the like.</u>

Type of Fee	Amount	Due Date	Remarks
Brand Marketing and Promotion Fee ⁴	The greater of 2% of weekly Net Billings on the first \$1,000,000 of Net Billings plus 1% of weekly Net Billings on the next \$2,000,000 of Net Billings for each calendar year ("Brand Marketing and Promotion Fee") or the Minimum Brand Marketing and Promotion Fee per Quarter.	Payable weekly	You are required to contribute to the Brand Marketing and Promotion Fund. We may increase, reduce or suspend the Brand Marketing and Promotion Fee with input and advice from the Strategic Leadership Council. If you own multiple Franchised Businesses within a defined geographical area (as determined by us) your required contribution will not exceed your MSA Cap each calendar year. See Item 11 and Section ~~9-6.2.3~~ , Franchise Agreement. See Minimum Brand Marketing and Promotion Fee.
Audit	Cost of audit and inspection plus interest on underpayment	On invoice	Payable if the audit shows an understatement in Net Billings of at least 2% and/or if inspection discloses you operated the Franchised Business in violation of the Franchise Agreement. See Sections ~~11.3~~ 12.2 and ~~11.5~~ 12.3 , Franchise Agreement.
Late Fee and Interest	\$50 per week for each item and/or payment not submitted when due: ~~We have the right to increase this up to \$250,~~ plus the highest allowable legal rate for open account business credit, not to exceed 1.5% per month. We may increase the Late Fee to up to \$250 per week.	Automatically incur after due and payable date	Applies to Weekly Reports, accounting and records, and all Royalty Fees, Minimum Royalty Fees , Brand Marketing and Promotion Fees , Minimum Brand Marketing and Promotion Fees , and any other amounts due under the Franchise Agreement , including for purchases from us or any affiliates. See Section ~~10~~ 12.2.5 , Franchise Agreement.

Type of Fee	Amount	Due Date	Remarks
Insurance Policies ⁵	Amount of unpaid premiums plus our administrative fee (if any)	Prior to opening your Franchised Business or commencement of any construction for leasehold improvements, you must have the issued policies	Payable to us only if you fail to maintain required insurance coverage and we elect to obtain coverage for you (<u>See</u> Item 8).
Renewal Fee	10% of the then current initial franchise fee <u>that corresponds to the type of Initial Franchise Fee initially paid by you</u> at the time of the renewal for each Renewal ~~of a~~ Term approved by us	~~At the time of closing on the renewal~~ <u>Prior to signing the Successor Franchise Agreement</u>	This amount is meant to offset the time and expense we will incur in handling each renewal. <u>See</u> Sections ~~6.2.1, 2.2, 2.3~~ <u>11</u> and Exhibit ~~AB~~ , Franchise Agreement.
Transfer Fee	Our ~~then~~ current Transfer Fee. Currently, our Transfer Fee for a transfer to an existing franchisee (where a broker is not engaged) is \$8,000. Our current Transfer Fee for a transfer to a non-current franchisee (where a broker is not engaged) is \$24,500. Our current Transfer Fee for any transfer where a broker is engaged is \$44,500	At the time of transfer	<u>The transfer fee must be paid by You or the Transferee (if approved by us).</u> This transfer fee does not apply to an assignment of interest to an entity under Section ~~18.4.1~~ <u>6.2.10</u> or an assignment to a Permitted Transferee under Section ~~18.7~~ <u>16.4</u> of the Franchise Agreement. ~~See Section 18.5, Franchise Agreement.~~

Type of Fee	Amount	Due Date	Remarks
Additional ~~Manager~~ Training	Current rates are \$300 per day plus expenses	Time of additional training	We provide initial training to your Operating Principal and two additional persons, at our cost. <u>See</u> Item 15. You pay for <u>the</u> costs of attending training and for additional training if you request it- <u>or if we determine that you or your Operating Principal need additional training.</u> <u>See</u> Item 11.
Additional Onsite Assistance	Current rates are \$300 per day per person plus expenses	Time of assistance	We provide approximately two days of onsite assistance within six months of the beginning of <u>the</u> operations of your Franchised Business at our cost. You pay for additional <u>on-site</u> assistance if you request it.
Right at Home Personal Care Policy and Procedure Manual	Current rates are \$750 up-front fee. You will also pay a setup fee and annual subscription fee. For non-licensure states, the current set up fee is \$100, and the current annual subscription fee is \$25. For licensure states, the current set up fee is \$250, and the annual subscription fee is \$100	Upon purchase	You will pay the upfront fee to Us. You will pay the setup fee and annual subscription fee to our ~~designated~~ <u>Approved</u> Supplier.
~~Integrity Selling~~ <u>Sales</u> Training	<u>The range of</u> current rates are ~~\$708~~ <u>\$700 - \$1,000</u> per person	Upon invoice by vendor	A required purchase payable to the vendor.
~~Coaching for Integrity Selling Training~~ <u>Applicant Tracking System Payment ("ATS Payment")</u> ⁶	Current rates ~~are~~ <u>\$186</u> for our preferred <u>ATS vendor is \$600-\$1,500</u> per ~~person~~ <u>year</u>	~~Annually~~ <u>Upon invoice by vendor</u>	~~A required purchase payable to the vendor. We may change the ATS Payment upon prior notice.~~

Type of Fee	Amount	Due Date	Remarks
<u>Educational Programs, Seminars, Convention⁷ Applicant Tracking System Payment ("ATS Payment")⁶</u>	~~Current rates for our preferred ATS vendor is \$600-\$900 per year~~ You are required to pay your expenses as well as your other participants' expenses in attending these educational programs, plus the fee we may charge to cover our costs of providing such programs	<u>Time of educational program</u> ~~Annually~~	<u>Attendance will not be required more than two times per calendar year and will not last more than five days. If your Franchised Business offers Specialized Nursing Services, we may require you or a qualified person designated by you to attend additional training relating to Specialized Nursing Services.</u> ~~If you select our preferred ATS vendor, you will pay the annual ATS payment to us. The ATS Payment may change upon prior notice to You if the preferred vendor changes the fees or We change preferred vendors.~~
<u>Cost of Enforcement or Defense</u> ~~Educational Programs, Seminars, Convention⁷~~	<u>All costs including attorneys' fees</u> ~~You are required to pay your expenses as well as your employees' expenses in attending these educational programs, plus the fee we may charge to cover our costs of providing such programs~~	<u>Upon settlement or conclusion of claim or action</u> ~~Time of educational program~~	<u>You will reimburse us for all costs in enforcing our obligations under the Franchise Agreement if we prevail. See Section 20.7, Franchise Agreement.</u> ~~Attendance will not be required more than two times per calendar year and will not last more than five days. If your Franchised Business offers Specialized Nursing Services, we may require you or a qualified person designated by you to attend additional training relating to Specialized Nursing Services.~~
<u>Indemnification</u> ~~Cost of Enforcement or Defense~~	All costs including attorneys' fees	Upon settlement or conclusion of claim or action	You will ~~reimburse~~ <u>defend suits at your own cost and hold us for all costs in enforcing our obligations under</u> <u>harmless against suits involving damages resulting from your operation of the Franchise Agreement if we prevail.</u> <u>Franchised Business. See Section 29.415.2, Franchise Agreement.</u>

Type of Fee	Amount	Due Date	Remarks
~~Management Fee~~ ~~Indemnification~~	<u>15% of Net Billings for the Franchised Business plus our out-of-pocket expenses.</u> ~~All costs including attorneys' fees~~	~~Upon settlement or conclusion of claim or action~~	You ~~will defend suits at your own cost and hold us harmless against suits involving damages resulting from your operation of~~ <u>may be required to pay this fee if we operate</u> the Franchised Business. ~~See Section 22.4, Franchise Agreement.~~ <u>due to your or your Operating Principal's absence or Incapacitation.</u>

Except where otherwise specified, no other fees or payments are to be paid to us, nor do we impose or collect any other fees or payments for any other third party. Any fees paid to us are non-refundable unless otherwise noted.⁷ Fees payable to third parties are refundable based on your agreement with those third parties.

NOTES:

1. Net Billings; Minimum Royalty. The term “**Net Billings**,” as used here and throughout this Franchise Disclosure Document, will mean and include the total of all revenues from the operation of the Franchised Business whether received in cash, in services in kind, from barter and/or exchange, on credit (whether or not payment is received therefor) or otherwise. There will be deducted from Net Billings for purposes of said computation (but only to the extent they have been included) the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to clients; provided, that such taxes were separately stated when the client was charged, and such taxes were paid to the appropriate taxing authority. There will be further deducted from Net Billings the amount of any documented refunds, chargebacks, credits and allowances given in good faith to clients by you, mileage expense, or any expense incurred by and reimbursed ~~expense to your employees.~~ (See Section ~~10.1.253~~, Franchise Agreement). Beginning on the first month that you have Net Billings for your Franchised Business, you will pay the Royalty Fee. Beginning on your 13th month ~~of operation of your Franchised Business~~ from the Active Grand Opening Date, you will be required to comply with the performance standards, and you will pay the greater of the Royalty Fee or the Minimum Royalty as further described in Item 12. If you are an existing Franchisee and you purchase an additional Franchised Business that will operate from an existing ~~Premise~~ Office (See Item 11), your Minimum Royalty and performance standard requirements will commence on the fourth month ~~of operation~~ from the Active Grand Opening Date of your additional Franchised Business (See Item 12 and the Multiple Unit ~~Addendum~~ Amendment, **Exhibit FG** to the Franchise Agreement). If you entered into a Franchise Agreement prior to 2021, and you are signing the Renewal Addendum to renew the right to operate a Franchised Business you will not be required to pay a Minimum Royalty during the first three Renewal Terms. You will be required to meet the Minimum Quarterly Net Billings. (See Item 12).

2. Conversion Franchised Business. If you are converting an existing business to a Conversion Franchised Business, your Minimum Royalty measurement period will commence on the earlier of (a) 90 days from the Effective Date of the Franchise Agreement; or (b) the date your website using the Right at Home domain name is live to

the public as further described in Item 11. Beginning on the first month ~~of operation~~ you generate Net Billings, you will pay the Royalty Fee. Beginning on the 13th month from ~~when the Minimum Royalty measurement period started~~ Conversion Active Grand Opening Date, you will pay the greater of the Royalty Fee or the Minimum Royalty as further described in Item 12. We may reduce the Royalty Fee for a period of time, based on, among other factors, the Gross Revenue of your existing business during a period immediately preceding the effective date of your Franchise Agreement and the market where your existing business is located.

3. Local Marketing and Sales. Each calendar month you must spend at least 2% of your Net Billings on local marketing, sales and ~~sales~~. ~~So long as the~~ promotion. However, if your Brand Marketing and Promotion Fee is ~~greater than 12%~~ of weekly Net Billings, then your local marketing, sales and promotion expenditures may be reduced to 1% of Net Billings so that your required total combined expenditures on local marketing, sales and promotion, ~~other Promotional Materials~~ and Brand Marketing and Promotion Fee payments will not exceed 3% of Franchisee's Net Billings ("**Cap**"). We may remove this Cap at any time upon 30 days prior notice to You. You will make the expenditures directly, subject to our approval and direction. If requested by us, within 30 days of the end of each calendar month, you must furnish to us, in a manner we approve, an accurate accounting of your expenditures on marketing, sales and ~~sales~~ promotion for the preceding calendar month just ended. We may provide guidelines for local advertising and any deviation from the guidelines requires our prior written approval ~~and you will maintain an Internet presence~~ (Section 9.2, Franchise Agreement). Also see Item 11 (B) (8).

4. Brand Marketing and Promotion Fee. The purpose of the Brand Marketing and Promotion Fund is to promote ~~expansion~~ market growth and increase brand awareness and preference of the System. The Brand Marketing and Promotion Fee is 2% of your weekly Net Billings on the first \$1,000,000 of Net Billings each calendar year plus 1% of your weekly Net Billings on the next \$2,000,000 of Net Billings each calendar year. See Item 11 (D). You will begin paying the Brand Marketing and Promotion Fee the same week you commence paying the Royalty Fee. Beginning on your 13th month ~~of operation of~~ after your Franchised Business Active Grand Opening Date you will be required to comply with the performance standards, and you will pay the greater of the Brand Marketing and Promotion Fee or the Minimum Brand Marketing and Promotion Fee per Quarter as further described in Item 12. If you purchase a Conversion Franchised Business, your Minimum Brand Fund Contribution will commence at the same time as your Minimum Royalty. If you are an existing Franchisee and you purchase an additional Franchised Business that will operate from an existing ~~Premise~~ Office (See Item 11), and such additional Franchised Business has a different Active Grand Opening Date from your existing Franchised Business, your Minimum Brand Marketing and Promotion Fee will commence on the fourth month ~~of operation of~~ after your Active Grand Opening Date for your additional Franchised Business (See Item 12 and the Multiple Unit ~~Addendum~~ Amendment, **Exhibit FG** to the Franchise Agreement). If your Franchised Businesses have the same Active Grand Opening Date, your Minimum Brand Marketing and Promotion Fee for the additional Franchised Business will commence on the 13th month after your Active Grand Opening Date.

5. Insurance Policies. You must maintain the insurance that we may require from time to time in our Brand Standards Manual and other information in our Digital Resource Library and as further described in Item 8. The coverages described in Item 8 must be in

full force and effect throughout the term of the Franchise Agreement. The coverages included in this Franchise Disclosure Document are the required minimums, but they may not be adequate for all losses of every type and size. We encourage you to make decisions with the advice of your insurance consultant and legal counsel.

6. ATS Payment. If you select our preferred vendor, you will pay the annual amount of the ATS Payment to us each April or such other time-period we designate. For the first year, if you are enrolled in the ATS for less than 12 months, you will pay a pro-rated fee based on the number of months from your enrollment though the end of the applicable 12-month Annual Term. If you elect a different ATS vendor, you will pay the fees required by such vendor. We estimate that such fees will range from \$50 -\$400 per month.

7. Educational Programs, Seminars and Conventions. As a franchisee you will have the opportunity to attend the Right at Home annual meeting ("**Home Improvement Annual Conference**" or "**HIAC**") held each year, where you can participate in various sessions that offer insight and learning opportunities to help you run your Franchised Business. New franchisees are currently required to attend the HIAC. The registration fee for the annual meeting is set several months prior to the meeting; but we do not currently expect it to exceed \$500 per attendee, but it may exceed that amount in the future. See Items 7 and Item 11 for more information on the HIAC. For your first HIAC, we will pay the registration fee for up to two people to attend. If you bring more than two people, you will pay the registration fee for the additional attendees.

After the Office for your Franchised Business has been open for approximately 12-24 months or as otherwise determined by us, you will be required to complete Profit Mastery University ("**PMU**"), an online training program which is provided by a third party, Business Resource Services ("**BRS**"). PMU will also be required of franchisees who desire to purchase additional Franchised Businesses. Currently, we anticipate that your cost to access PMU will be approximately \$395, which you will be required to pay directly to BRS. You will also be required to pay your expenses as well as your ~~employees'~~attendees' expenses to attend any such performance group meetings. If your Franchised Business is approved by us to offer Specialized Nursing Services, you or a qualified person designated by you must successfully complete our training program specifically relating to Specialized Nursing Services (See Item 11). We have the right to charge a fee for any of these additional continuing educational training programs, seminars, or webinars to cover our costs of providing such programs.

8. Range or Formula of Fees/Expenses. The ranges and categories of fees/expenses listed on the table above are based solely on the experience of franchisor to date and your expenses may be significantly different depending on the suppliers you use and local costs. See Items 7 and 8 that follow for additional information. You should expect to incur the same fees for each Franchised Business.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT FOR FRANCHISED BUSINESS

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment Is To Be Made
	Low	High			
Initial Franchise Fee ¹	\$49,500	\$49,500	Wire, Cashier's or Personal Check	Upon Signing Franchise Agreement	Us
Real Estate/Rent ²	\$2,550	\$6,150	As Arranged	As Arranged	Landlord
Rent Deposits ³	\$0	\$4,300	As Arranged	As Arranged	Landlord
Leasehold Improvements ⁴	\$0	\$3,000	As Arranged	As Arranged	Landlord, Required Suppliers
Insurance ⁵	\$6,000	\$10,000	As Arranged	As Arranged	Required Supplier
Furniture and Fixtures ⁶	\$2,700	\$6,000	As Arranged	As Arranged	Suppliers
Computer Hardware and Software ⁷	\$3,750	~~\$7,750~~ 9,250	As Arranged	As Arranged	Suppliers
Other Office Equipment and Supplies ⁸	\$1,000	\$6,000	As Arranged	As Arranged	Suppliers
Training ⁹	\$3,000	\$8,000	As Incurred	As Incurred	Transportation Lines, Hotels and Restaurants
Right at Home Personal Care Policy and Procedure Manual ¹⁰	\$750	\$750	EFT	As Incurred	Us
Setup Fee and First Year Annual Subscription Fee for Right at Home Personal Care Policy and Procedure Manual	\$125	\$350	As Arranged	As Arranged	Supplier
~~Integrity Selling~~ Sales Training Program ¹¹	~~\$708~~ 700	~~\$708~~ 1,000	As Arranged	As Arranged	Supplier
~~Coaching for Integrity Selling~~	~~\$186~~	~~\$186~~	~~As Arranged~~	~~As Arranged~~	~~Supplier~~
ATS Payment ¹²	~~\$200~~ 375	\$1, ~~125~~ 875	EFT	Upon Enrollment	Us or Supplier

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment Is To Be Made
	Low	High			
Initial Opening Marketing ¹³	\$750	\$4,350	As Arranged	As Arranged	Required Suppliers
Permits and Licenses ¹⁴	\$200	~~\$2,000~~ 700	As Arranged	As Arranged	Licensing Authority
Professional Fees ¹⁵	\$300	\$3,500	As Arranged	As Arranged	Licensing Authority
Signage ¹⁶	\$0	\$4,000	As Arranged	As Arranged	Suppliers
Additional Funds (Three Months) ¹⁷	\$17,000	\$40,000	As Arranged	As Necessary	You Determine
TOTAL ¹⁸	\$88,71970 0	~~\$157,669~~ 16 0.725			

All fees paid to us or our Affiliates are non-refundable under any circumstances once paid. Fees paid to vendors or other suppliers may or may not be refundable depending on your vendors and suppliers.

NOTES:

1. Initial Franchise Fee. The Initial Franchise Fee is \$49,500. The Initial Franchise Fee is deemed fully earned and nonrefundable upon payment. The Initial Franchise Fee is described in greater detail in Item 5 of this Franchise Disclosure Document. If you are a veteran of the U.S. military, see Item 5 for information on the Veterans Transition Franchise Initiative, known as "VetFran."

2. Real Property. You must provide a location other than a personal residence from which to operate the Franchised Business, and the open office must exist solely and exclusively for the operation of the Franchised Business. Normally, space is obtained on a leasehold basis. The floor area recommended for the Franchised Business is approximately 600 to 800 square feet. The estimate for rental property represents a high-end annual lease rate of \$23 per square foot for 800 square feet of space. The low-end estimate represents an annual lease rate of \$18 per square foot for 600 square feet of space. Additionally, there may be lease acquisition costs in the nature of deposits. It is extremely difficult to estimate lease acquisition costs because of the wide variation in these costs among various locations. We will not assist in financing this expenditure.

3. Rent Deposits. A rent deposit may be required by your landlord.

4. Leasehold Improvements. Minimal leasehold improvements are generally required before operation. These costs again vary based on the size of the business and requirements of a particular landlord, depending upon whether or not the improvements are capitalized as part of the lease.

5. Insurance. Requirements are described in greater detail in Item 8 of this Franchise Disclosure Document. This estimate is for estimated first year premiums of all insurance except office contents and workers' compensation insurance, which vary by location.

6. Furniture and Fixtures. The range represents the approximate costs associated with acquiring the furniture, including desks, chairs and shelves.

7. Computer Hardware and Software. The range represents the approximate costs associated with acquiring the Franchisor required computer hardware, designated software ("**Designated Software**") and high-speed internet service.

8. Other Office Equipment and Supplies. The range represents the approximate costs associated with acquiring basic office supplies, phone system and fax/copy machine.

9. Training. You are responsible for arranging transportation and paying the expenses for meals and lodging for any persons attending our RightStart Training Program and our HIAC as described below and for the on-site, onboarding training (See Item 11). The amount expended will depend on the distance you must travel and the type of accommodations you choose. New franchisees are currently required to attend the HIAC. We may waive this requirement during your first year of operations if the date you are scheduled to open your Franchised Business is within 30 days of the scheduled HIAC. For your first HIAC, we will pay the attendance fee for up to two people to attend. If you bring more than two people, you will pay the attendance fee, which will not exceed \$500 per person to attend. The low estimate does not include your attendance at the HIAC. The high estimate contemplates attendance by two people traveling to our headquarters or other designated location to attend our RightStart Training Program. The high estimate also includes the annual conference fee and travel expenses for one person to attend the HIAC. 11).

10. Right at Home [Personal Care Policy and Procedure Manual](#). This amount may change in the future depending on the vendor chosen by Franchisor to provide the Right at Home Personal Care Policy and Procedure Manual. [This fee will be paid prior to opening your Office.](#)

11. ~~Integrity-Selling~~[Sales Training Program](#). This amount may change in the future depending on the vendor chosen by Franchisor to provide the ~~Integrity-Selling~~[Sales Training Program](#).

12. ATS Payment. The ATS Payment is paid in advance each Annual Term for use of the preferred vendor's ATS. The initial payment in Item 7 will depend on when you enroll and how many months are left on the Annual Term. The low end reflects a pro-rata portion of the Annual Term for the enrollment month and three additional months based on an annual ATS Payment of \$1,500. The low end does not include the ATS Payment for the next Annual Term. The high end reflects a pro-rata portion of the Annual Term for the enrollment month, two additional months plus a full annual ATS Payment of ~~\$900~~1,500. If you do not use our preferred vendor, you will pay a fee directly to your selected ATS provider. The fee ranges from \$50 to \$400 per month. However, this amount may change depending on the vendor you choose.

13. Initial Opening Marketing. The range represents the approximate costs associated with promoting the opening of your location.

14. ~~Permits~~ [and License Fees](#). State and local government licensing and registration fees vary considerably from state to state, and you must check into and verify the amount of the fees. [California permits and licensing is \\$5,600. However, this figure is subject to change.](#)

15. Professional Fees. This range represents the approximate costs associated with attorney and CPA fees.

16. Signage. This range includes the cost of all requisite signage used in the Franchised Business.

17. Additional Funds. Such amounts are the minimum recommended levels to cover operating expenses, including employees' salaries for three months. However, we cannot guarantee that such an amount will be sufficient. The amounts do not include money for Franchise owner's compensation. Additional working capital may be required if sales are high or fixed costs are high. The disclosure laws require us to include this estimate of all costs and expenses to operate a franchise during the "initial phase" of your business, which is defined, for purposes of this Item, as three months or a longer period if "reasonable for the industry." We are not aware of any established longer "reasonable period" for the industry, so the disclosures cover a three-month period.

18. Total Investment. In compiling this list of expenditures, we relied on our experience involving Franchised Businesses and data from a sampling of recently opened Franchised Businesses. The amounts shown are estimates only and may vary for many reasons including the size of a Franchised Business, the capabilities of your management team, where you locate your Franchised Business, and your business experience and acumen. For planning purposes, please note that most costs and expenses listed in this Item 7 are not within our control and are affected more by general economic conditions than our actions. This does not include any personal living expenses, Franchise owner compensation, Royalty Fees, or Brand Marketing and Promotion Fees. You should review these estimates carefully with a business advisor or accountant before making any decision to buy a franchise. We do not offer direct or indirect financing to you for any part of the Estimated Initial Investment. All or part of your investment may be financed by a bank or other lending institution on terms we cannot estimate. Once you sign the Franchise Agreement, no payment you make to us is refundable.

YOUR ESTIMATED INITIAL INVESTMENT FOR CONVERSION FRANCHISED BUSINESS

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment Is To Be Made
	Low	High			
Conversion Initial Franchise Fee ¹	Up to \$49,500	Up to \$49,500	Wire, Cashier's or Personal Check	Upon Signing Franchise Agreement and Conversion Addendum	Us
Real Estate/Rent ²	\$2,550	\$6,150	As Arranged	As Arranged	Landlord
Rent Deposits ³	\$0	\$4,300	As Arranged	As Arranged	Landlord
Insurance ⁴	\$6,000	\$10,000	As Arranged	As Arranged	Required Suppliers
Furniture and Fixtures ⁵	\$0	\$6,000	As Arranged	As Arranged	Suppliers

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment Is To Be Made
	Low	High			
Computer Hardware and Software ⁶	\$3,000 ~~750~~	\$7,000 ~~9,250~~	As Arranged	As Arranged	Suppliers
Other Office Equipment and Supplies ⁷	\$450	\$5,800	As Arranged	As Arranged	Suppliers
Training ⁸	\$3,000	\$8,000	As Incurred	As Incurred	Transportation Lines, Hotels and Restaurants
Right at Home Personal Care Policy and Procedure Manual ⁹	\$750	\$750	As Arranged	As Incurred	Us
Setup Fee and First Year Annual Subscription Fee for Right at Home Personal Care Policy and Procedure Manual	\$125	\$350	As Arranged	As Arranged	Supplier
~~Integrity~~ ~~Selling~~ Sales Training Program ¹⁰	\$708 ~~700~~	\$708 ~~1,000~~	As Arranged	As Arranged	Supplier
~~Coaching for Integrity Selling~~	\$186	\$186	~~As Arranged~~	~~As Arranged~~	~~Supplier~~
ATS Payment ¹¹	\$200 ~~375~~	\$1,125 ~~875~~	EFT or as Arranged	As Arranged	Us or Supplier
Signage and Re-branding; Marketing ¹²	\$1,000	\$8,000	As Arranged	As Arranged	Suppliers
Permits and Licenses ¹³	\$0 ~~200~~	\$2,000 ~~700~~	As Arranged	As Arranged	Licensing Authority
Professional Fees ¹⁴	\$300	\$3,500	As Arranged	As Arranged	Licensing Authority
Additional Funds (Three Months) ¹⁵	\$15,800	\$47,500	As Arranged	As Necessary	You Determine
TOTAL ¹⁶	\$83,569 ~~84,500~~	\$160,869 ~~164,675~~			

NOTES:

1. Conversion Initial Franchise Fee. The Conversion Initial Franchise Fee may be reduced as described in Item 5. The Conversion Initial Franchise Fee is deemed fully earned and nonrefundable upon payment.

2. Real Property. You must provide a location other than a personal residence from which to operate the Conversion Franchised Business, and the open office must exist solely and exclusively for the operation of the Conversion Franchised Business. The estimate assumes that your current location meets our ~~then~~ current standards and that you will continue to pay rent per your existing lease. If your premises do not meet our ~~then~~ current location standards, you may be required to upgrade the premises or relocate. If you are required to relocate, the costs for office space can vary based on the size of your operations; however, the minimum floor area recommended is approximately 600 to 800 square feet. You may estimate a high-end annual lease rate of \$23 per square foot for 800 square feet of space and a low-end estimate of \$18 per square foot for 600 square feet of space. Additionally, if you are required to relocate there may be lease acquisition costs, including deposits. It is extremely difficult to estimate lease acquisition costs because of the wide variation in these costs among various locations. We will not assist in financing this expenditure.

3. Rent Deposits. If you are required to relocate, a rent deposit may be required by your landlord.

4. Insurance. Requirements are described in greater detail in Item 8 of this Franchise Disclosure Document. This estimate is for estimated first year premiums of all insurance except office contents and workers' compensation insurance, which vary by location. The low-end estimate assumes you have already paid your annual premium prior to operating the Conversion Franchised Business. You will be required to name us as an additional insured in accordance with the Brands Standards Manual and Digital Resource Library.

5. Furniture and Fixtures. The range represents the approximate costs associated with acquiring the furniture, including desks and chairs, shelves. The low end assumes you already have all necessary furniture and fixtures necessary to operate the Conversion Franchised Business.

6. Computer Software. The range represents the approximate costs associated with acquiring the Franchisor required designated software ("**Designated Software**").

7. Other Office Equipment and Supplies. The range represents the approximate costs associated with acquiring basic office supplies, phone system and fax/copy machine.

8. Training. You are responsible for arranging transportation and paying the expenses for meals and lodging for any persons attending our RightStart Training Program, our HIAC as described below and for the on-site, onboarding training (See Item 11). The amount expended will depend on the distance you must travel and the type of accommodations you choose. Conversion franchisees are currently required to attend

the HIAC. For your first HIAC, we will pay the attendance fee for up to two people to attend. If you bring more than two people, you will pay the attendance fee, which will not exceed \$500 per person to attend. The low estimate does not include your attendance at the HIAC during the first three months of operation of your Conversion Franchised Business. The high estimate contemplates attendance by two people traveling to our headquarters or other designated location to attend our RightStart Training Program. The high estimate also includes the annual conference fee and travel expenses for one person to attend the HIAC. (See Item 11).

9. Right at Home Policy and Procedure Manual. This amount may change in the future depending on the vendor chosen by Franchisor to provide the Right at Home Personal Care Policy and Procedure Manual. Payment for the Policy and Procedure Manual will be due approximately 5 weeks after completion of the RightStart program and approximately 3-5 weeks after the RightStart Training Program for resale franchisees.

10. ~~Integrity Selling~~Sales Training Program. This amount may change in the future depending on the vendor chosen by Franchisor to provide the ~~Integrity Selling~~Sales Training Program

11. ATS Payment. The ATS Payment is paid in advance each Annual Term for use of the preferred vendor's ATS. The initial payment in Item 7 will depend on when you enroll and how many months are left on the Annual Term. The low end reflects a pro-rata portion of the Annual Term for the enrollment month and three additional months based on an annual ATS Payment of \$1,500. The low end does not include the ATS Payment for the next Annual Term. The high end reflects a pro-rata portion of the Annual Term for the enrollment month, two additional months plus a full annual ATS Payment of \$~~900~~1,500. If you do not use our preferred vendor, you will pay a fee directly to your selected ATS provider. The fee ranges from \$50 to \$400 per month. However, this amount may change depending on the vendor you choose.

12. Signage; Re-branding and Marketing. This range includes the cost of all requisite signage used in the Conversion Franchised Business and the approximate costs associated with re-branding and promoting the re-launch as a Conversion Franchised Business.

13. Permits- and License Fees. State and local government licensing and registration fees vary considerably from state to state, and you must check into and verify the amount of the fees. The low end assumes you already have all required permits and licenses to operate the Conversion Franchised Business. California permits and fees are \$5,600. However, this amount is subject to change.

14. Professional Fees. This range represents the approximate costs associated with attorney and CPA fees.

15. Additional Funds. Such amounts are the minimum recommended levels to cover operating expenses, including employees' salaries for three months. However, we cannot guarantee that such an amount will be sufficient. We recommend a minimum cash reserve of one to three months current operating expenses for your Conversion Franchised Business. The amounts do not include money for Franchise owner's compensation. Additional working capital may be required if sales are high or fixed costs

are high. The disclosure laws require us to include this estimate of all costs and expenses to operate a franchise during the "initial phase" of your business, which is defined, for purposes of this Item, as three months or a longer period if "reasonable for the industry." We are not aware of any established longer "reasonable period" for the industry, so the disclosures cover a three-month period.

16. Total Investment. In compiling this list of expenditures, we relied on our experience involving Franchised Businesses, currently operating Franchised Business (for purpose of the Conversion Franchised Business) and data from a sampling of Franchised Businesses. The amounts shown are estimates only and may vary for many reasons including the size of a Conversion Franchised Business, the capabilities of your management team, where your Conversion Franchised Business is located, and your business experience and acumen. For planning purposes, please note that most costs and expenses listed in this Item 7 are not within our control and are affected more by general economic conditions than our actions. This does not include any personal living expenses, Franchise owner compensation, Royalty Fees or Brand Marketing and Promotion Fees. You should review these estimates carefully with a business advisor or accountant before making any decision to buy a franchise. We do not offer direct or indirect financing to you for any part of the Estimated Initial Investment. All or part of your investment may be financed by a bank or other lending institution on terms we cannot estimate. Once you sign the Franchise Agreement and Conversion Addendum, no payment you make to us is refundable.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Supplies and Suppliers

You must operate the Franchised Business according to our System standards. System standards include the matters in the Manuals, and they may regulate among other things, the types, models and brands of required equipment, signs, ~~stationary~~stationery, promotional materials and other items necessary to operate the Franchised Business. From time to time, we will provide you a list of approved manufacturers, suppliers and distributors authorized to supply items or services used to operate the Franchised Business ("**Required Suppliers List**") and a list of approved products, materials, equipment, signs, stationary, supplies and other items or services necessary to operate the Franchised Business or offer for sale to clients of a Franchised Business ("**Required Supplies List**"). You must purchase, sell and use only those suppliers and supplies that are listed on the Required Suppliers List or Required Supplies List. We do not have an affiliate that is a supplier of products or services to us or any franchisee. Currently neither we nor any of our affiliates are Required Suppliers or the only required suppliers of any good or service. Neither we nor any of our officers or principals owns an interest in any of our Required Suppliers. If you are converting an existing business to a Conversion Franchised Business, you must use our Required Suppliers and Required Supplies at the earlier of (a) 90 days from the Effective Date of your Franchise Agreement; or (b) the date your website using the Right at Home domain name is available to the public.

Any item used in the Franchised Business that is not specifically required to be purchased in accordance with the Required Suppliers List or the Required Supplies List must conform to our established standards and specifications.

We apply the following general criteria in approving a proposed supplier:

- Ability to provide sufficient quantity of product;
- Quality of products and/or services at competitive prices;
- Ability to meet liability insurance requirements or other industry standards;
- Production and delivery capability; and
- Dependability and general reputation.

We may revoke approval of a supplier if a supplier no longer meets these general criteria. You will receive notice of our approval or disapproval of a proposed supplier within 30 days of our receipt of all pertinent information.

If you would like to offer for sale to clients of the Franchised Business or use to operate the Franchised Business any product, material, equipment or supply or purchase any products from a supplier not on either of these lists, you must obtain our prior written approval. In that case, you must notify us and submit to us all information, specifications and samples that we may request regarding a supplier, service or product proposed by you. We may require that our representatives be permitted to inspect the proposed supplier's facilities and that samples from the proposed supplier be delivered to us for evaluation and testing. We have the absolute right to determine whether such supplier's goods or products meet the System standards and our specifications and may approve or disapprove of any proposed supplier. We will typically provide a response to such written request within 30 days from the date we receive your written request and the necessary items we require for review. Although products, services or suppliers may be approved by us, we and our affiliates expressly disclaim all warranties, including warranties of merchantability and fitness for any particular purpose, with respect to products, services, fixtures, furniture (including without limitation any required computer systems), signs, stationary, supplies or other approved items sold to or provided to you by us or any third-party, including any Required Supplier. We reserve the right to designate exclusive suppliers, the right to designate us or our affiliate(s) as an approved or exclusive supplier, and the right to earn fees on Franchisee purchases from suppliers. We do not charge you a fee to obtain our approval for a supplier.

Standards and Specifications

In addition to using services and products which are required to be purchased from Required Suppliers or must be Required Supplies, you may be obligated to purchase items that meet our minimum guidelines, standards and specifications. Our guidelines, standards and specifications may impose minimum requirements for quality, uniformity, design and appearance. Those will be communicated to you in our Brand Standards Manual or other communication used in our System. Presently, we have established guidelines, standards and specifications for all advertising, promotion and logo use. You must adhere to our guidelines, standards and specifications for content, size, color paper stock and typeface. All advertisements are subject to our approval or disapproval, and we must be given at least 10 business days to review your advertisements. If we or our designated agent fails to respond to you in 10 business days, then such advertisements will be deemed to be approved by us. We will also provide you with an array of operating forms and other supplies which you will reproduce and must use in the operation of your Franchised Business.

Computer Hardware and Designated Software

You are required to purchase and utilize computer hardware and Designated Software as more fully described in Item 11 of this Franchise Disclosure Document. [You may elect to use Customer Relationship Management Software \("CRM"\) and a social media and reputation management dashboard. If you elect to use a CRM and social media and reputation management dashboard we may require that you use our Approved Supplier.](#)

Right at Home Personal Care Policy and Procedure Manual

You are required to purchase the Right at Home Personal Care Policy and Procedure Manual. You will also be required to pay a one-time setup fee and an annual subscription fee. The amount of the setup fee and annual subscription fee will depend on the state licensing requirements where you operate your Right at Home Business.

Client Satisfaction Survey Program and Caregiver Satisfaction Survey Program

You are required to participate in the client satisfaction survey program ("**Client Satisfaction Survey Program**") and the caregiver satisfaction survey program ("**Caregiver Satisfaction Survey Program**"). You must use our Required Suppliers for both programs. There is no base cost to participate in either the Client Satisfaction Survey Program or the Caregiver Satisfaction Survey Program, however, we reserve the right to charge you a fee in the future. If you elect to have the Required Supplier interview more than 5% of your customers or caregivers, you will incur a fee. We may also change or eliminate the programs at any time. We do not review the results of the Client Satisfaction Survey Program or the Caregiver Satisfaction Survey Program on an individual franchisee basis. You are responsible for reviewing and responding to any comments and/or alerts provided to you by the Required Supplier as part of the Client Satisfaction Survey Program and/or Caregiver Satisfaction Survey Program. We may also require you to participate in other survey satisfaction programs. You may be required to pay fees to participate in such programs. We may set minimum client satisfaction survey scores and minimum caregiver satisfaction survey scores in our Brand Standards Manual and Digital Resource Library.

Applicant Tracking System

The Applicant Tracking System is software for employers to track candidates throughout the recruiting and hiring process. The software automates administrative tasks in recruitment and hiring and enables faster interview scheduling, easier job advertising, optimized referrals, and other automated processes. You may select our preferred vendor or vendor that meets our criteria. If you select our preferred vendor, you will pay us the ATS Payment fee each April (or such payment period we set) for use of the ATS. Otherwise, you will pay your selected vendor per their requirements.

Insurance

Your insurance policies must meet our minimum specifications as prescribed in this Item 8, the Brand Standards Manual and the Digital Resource Library. Coverage shall be maintained at all times according to the requirements that follow:

- a. Insurance must be purchased through our Required Suppliers List. Carriers must be rated A- / Excellent or better on the AM Best rating system.

- b. You must name Right at Home, LLC as “Additional Insured” on a primary basis on your insurance policies for Commercial General Liability and Medical Professional Liability and provide us or our third-party representative with an ACORD Form Certificate of Insurance for each policy prior to the commencement of operations of your Franchised Business. You must also provide us with the certificate of insurance upon renewal and when coverage changes.
- c. General liability and professional liability insurance policies must be written on an occurrence-form basis as opposed to a claims-made basis. Coverage must be for entire statute of limitations under Nebraska law.
- d. Should you, for any reason, not supply us with the required insurance certificate or procure and maintain such insurance coverage as required by the Franchise Agreement, we will have the right and authority (without, however, any obligation to do so) to procure such insurance coverage on your behalf and charge the cost of the such insurance to you, which charges, together with a reasonable fee for expenses incurred by us in connection with such procurement, will be payable by you immediately upon notice from us (See Item 6).

The following is a list of the required coverages with their respective minimum limits of coverage (See Section ~~4~~15.1.2 Franchise Agreement):

Required Minimum Coverage Limits

Insurance Coverages	Required Minimum Limits	Notes
	<i>Required limits according to the Franchise Agreement.</i>	
General Liability (GL) Must Include:	\$1,000,000 per occurrence \$3,000,000 aggregate	Coverage must insure us on a primary and noncontributory basis and you against claims, suits, etc. Coverage must be on an occurrence basis. Any claims - made in regard to general liability policies must have prior approval from us before binding coverage. General Liability insurance does not offer protection against claims arising out of business or professional practices such as negligence, malpractice or misrepresentation.
•Products/Completed Operations	\$3,000,000 aggregate	
•Personal and Advertising Injury	\$1,000,000 per occurrence	
•Fire Damage (Legal Liability)	\$50,000 per occurrence	

Insurance Coverages	Required Minimum Limits	Notes
Professional Liability (PL)	\$1,000,000 per occurrence \$3,000,000 aggregate	Professional Liability insurance protects professionals against negligence and other claims initiated by their clients.
Sexual Abuse & Molestation	\$500,000 per occurrence	Sexual abuse/molestation coverage limits are separate from the Professional and General Liability coverage. An abuse or molestation claim will not reduce the coverage available for Professional and General Liability losses.
Commercial Auto Liability (AL): Must Include: Hired/Non-Owned Auto (HNOA) coverage	\$1,000,000 per accident Maximum retention of \$5,000	
Umbrella Coverage (GL / PL / AL / EL)	\$1,000,000 minimum	Umbrella policy provides additional limits in the event of a large liability loss that exceeds the limits provided by the General Liability policy or other policies.
Cyber Liability Must Include: - Security and Privacy Liability - Regulatory Defense - Breach Response Costs - Cyber Extortion/Cyber Terrorism Minimum \$500,000 sublimit for each of above coverages	\$500,000 minimum	Cyber Liability covers exposure due to "private information" in your custody being disseminated to parties with no right to the information.
Employment Practices Liability (EPLI)	\$500,000 minimum	Employment Practices Liability coverage is for liability resulting from the actual, or alleged, wrongful termination of an employee, sexual harassment of an employee, or discrimination against an employee. It is excluded under your General Liability policy. Coverage does not extend to payments owed due to wage and hour losses.

Insurance Coverages	Required Minimum Limits	Notes
Crime Fidelity-Employee Dishonesty Must include: • 3rd party crime	\$25,000 minimum	Crime fidelity covers theft of money, securities and other property from you by an employee. Employees with previous employee dishonesty losses might be excluded.
Workers' Compensation/Employers Liability (EL)	Must meet state requirements	Workers' compensation insurance provides no-fault, statutory coverage that protects an injured worker. It includes both medical and indemnity payments. Workers' compensation laws serve to relieve employers of liability from common lawsuits involving negligence in exchange for assuming the costs of occupational disability without regard to any fault involved.
Commercial Property	No Requirement	We do not require Commercial Property insurance, but coverage may be required by the terms of any office building lease for the Franchised Business.

In addition to the required coverages described above, we also recommend and reserve the right to require you to purchase additional insurance coverages, as necessary, including Third Party Employment Practices Insurance.

Miscellaneous

There are currently no purchasing or distribution cooperatives. We may negotiate discounted group rates, as we deem appropriate, for purchases of office supplies, printing, and other items necessary for the operation of the Franchised Business. We currently have supply purchase agreements in effect for items including office supplies, insurance, payroll services, background checks, answering services, printing, and training.

We receive no revenue or other material consideration from any suppliers as a result of purchases by you or other franchisees. While we intend to pass through to our franchisees all revenue received from suppliers, we retain the right to offset administrative costs incurred by us because of franchisee purchases.

We estimate that approximately 15% to 25% of your expenditures for leases (excluding real estate) and purchases in establishing your Franchised Business and less than 25% of your expenditures on an ongoing basis will be for goods and services which are subject to sourcing restrictions (that is, for which supplies we must approve, or which must meet our standards or specifications).

We estimate that approximately 15% to 25% of your expenditures for leases (excluding real estate) and purchases in establishing your Conversion Franchised Business

and less than 25% of your expenditures on an ongoing basis will be for goods and services which are subject to sourcing restrictions (that is, for which supplies we must approve, or which must meet our standards or specifications).

For our fiscal year ended December 31, ~~2023~~2021, we did not receive any revenues from franchisees for purchases of services and products from us. We do not provide or withhold material benefits to you (such as renewal rights or the right to open additional businesses) based on whether or not you purchase through the sources we designate or approve; however, purchases of unapproved products or from unapproved vendors in violation of the Franchise Agreement will entitle us, among other things, to terminate the Franchise Agreement.

ITEM 9. FRANCHISEE'S OBLIGATIONS

FRANCHISEE'S OBLIGATIONS

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

	Obligation	Section in the Agreement	Item in the Franchise Disclosure Document
a.	Site selection and acquisition/lease	~~Section 3~~ Sections 3.1 and 10.4	Item 12
b.	Pre-opening purchase/leases	Sections ~~3,~~ 10.5, 10.6, 10.7 and ~~12~~ 10.9	Items 7 and 8
c.	Site development and other pre-opening requirements	Sections 3.1, 10.1, 10.3, 10.4 and ~~4~~ 10.5	Items 6, 7 and 11
d.	Initial and ongoing training	Section ~~4~~ 8	Items 6 and 11
e.	Opening	Sections ~~4, 6, and 12~~ 10.5	Item 11
f.	Fees	~~Sections 1, 2, 9, 10, 11, 12, 14, 16, 17, 18, and 21~~ Section 6	Items 5, 6 and 7
g.	Compliance with standards and policies/Manuals	Sections ~~6, 7, 8, 11, 12, 13, 15,~~ 9 and ~~22~~ 10.8,	Item 8
h.	Trademarks and proprietary information	Sections ~~5, 6, 7, 9,~~ 13 and ~~12~~ 14	Items 13 and 14
i.	Restrictions on products/services offered	Sections ~~6,~~ 9, 10.7 and ~~12~~ 10.8,	Items 8 and 16
j.	Warranty and customer service requirements	Section ~~12,~~ 10.15	N/A
k.	Territorial development and sales quotas	~~Sections 1 and 12~~ Section 10.14	Item 12
l.	Ongoing product/service purchases	Section ~~12~~ 10.7	Items 8 and 11

	Obligation	Section in the Agreement	Item in the Franchise Disclosure Document
m.	Maintenance, appearance and remodeling requirements	~~Sections 3, 6, 12, and 16~~ Section 10.4	Items 6 and 17
n.	Insurance	Section ~~14~~ 15	Items 6, 7 and 8
o.	Advertising	Section ~~9~~ 11	Items 6 and 11
p.	Indemnification	Section ~~22~~ 15	Item 6
q.	Owner's participation/management/staffing	Sections ~~3, 12,~~ 10.1 and ~~15~~ 10.12	Item 15
r.	Records and reports	Section ~~11~~ 12	Items 8 and 11
s.	Inspections and audits	~~Sections 5 and 11~~ Section 12	Items 6, 11 and 13
t.	Transfer	Sections ~~18, 19, and 20~~ 16	Items 6 and 17
u.	Renewal	Section ~~25~~	Item 17
v.	Post-termination obligations	Section ~~17~~ 19	Item 17
w.	Non-competition covenants	~~Sections 7 and 15~~ Section 14	Item 17
x.	Dispute resolution	Sections ~~29~~ 20	Item 17
y.	Licenses	Section ~~12~~ 10.8	Item 7

ITEM 10. FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or other obligation. We are unable to estimate whether you will be able to obtain financing for all or any part of your investment, and if you are able to obtain financing, we cannot predict the terms of such financing. We will not receive payment or other consideration from any person or persons for placing your financing with a lender.

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

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

A. Our Obligations Before the Franchised Business Opens

Before ~~you have an "open office"~~ [your Active Grand Opening Date](#), (See ~~Section 12~~ [10.5.2](#), Franchise Agreement) we will:

1. Provide you with general advice on locating and leasing appropriate office space to operate your Franchised Business. You select your site, although it must be within your Designated Area, and we must approve the location you propose to use (See ~~Section 3~~ [7.2.1](#), Franchise Agreement). Generally, we will not own the Office and lease it to you.

2. If you choose to convert your existing home care business to a Conversion Franchised Business, we will provide you with a pre-opening support plan, which will

include customized components and timing of your RightStart Training Program and a rebranding project plan (See Conversion Addendum).

3. Provide your Operating Principal (See Item 15) and up to two other persons with our RightStart Training Program. The RightStart Training Program consists of a combination of online, self-paced courses as well as instructor-led virtual and classroom training, including, when feasible, on-site training at our headquarters and/or another site we designate as more fully explained below. The RightStart Training Program is offered approximately five to seven times per year or as needed in our determination (See Section ~~4~~7.2.2, Franchise Agreement).

4. Provide you with password protected electronic access to the ~~Digital Resource Library~~, Brand Standards Manual and other confidential resources housed on the Digital Resource Library, within our intranet of approximately 49 pages. The Table of Contents of both the Digital Resource Library and Brands Standards Manual are attached to this Franchise Disclosure Document as **Exhibit C** (See Section ~~6~~7.2.5, Franchise Agreement).

5. Provide you with access to HIPAA compliance resources, prepared by our designated third-party supplier, for you to use to create and implement your own HIPAA compliance program (See Section ~~6~~7.2.5, Franchise Agreement).

6. Provide you with demographic statistics relating to your Designated Area. The statistics will include an approximation of the number of persons aged 65 and older in your Designated Area. (See Section 3.1 and 3.2, Franchise Agreement).

7. Give you a list of pre-opening and pre-training activities to accomplish prior to the opening of your Franchised Business (See Section ~~13.2~~7.3.4, Franchise Agreement). The pre-opening and pre-training activities may be different for a Conversion Franchised Business (See Conversion Addendum).

8. Provide you with various software templates for the operation of your Franchised Business (See Sections ~~11.4~~7.3.6 and ~~12.4~~10.15, Franchise Agreement).

B. Our Obligations During the Operation of the Franchised Business:

1. Provide a minimum of one on-site visit of approximately two days at your Franchised Business Office within six months of commencement of operations, such visit lasting approximately two days (See Section 47.2.3 and 8.2, Franchise Agreement).

2. Make available to you phone and/or e-mail support during our normal business hours for franchise operations questions and general advice (See Section ~~13~~7.3, Franchise Agreement).

3. Host a website for our franchisees that will include three to four content pages of our design of information to promote your Franchised Business (See Section ~~13~~7.2.6, Franchise Agreement).

~~4. You are required to check the background of all employees prior to employment according to standards provided in the Brand Standards Manual. You may select the vendor to conduct background checks from our provided vendor list or you~~

~~may select your own vendors to conduct background checks. (See Section 12.10, Franchise Agreement). We will not take part in the approval of your hiring of employees. You are prohibited from using independent contractors to provide services to clients of your Franchised Business.~~

5. We will approve or disapprove within 10 business days of receipt any advertising or promotion which you wish to use which has not been previously approved by us. If we or our designated agent ~~fails~~fail to respond to you in 10 business days, then the advertisement or promotion will be deemed to be approved by us. While we permit you to use your own advertising materials, we must approve it prior to use by you (See Section ~~9-11.4~~11.4, Franchise Agreement).

C. Optional Assistance During the Operation of the Franchised Business:

1. Provide to you, from time to time, as we, in our sole discretion, deem appropriate, advice and written materials concerning techniques of managing and operating your Franchised Business, including camera-ready artwork for advertising, forms and promotional materials including, stationary, brochures and business cards, which are designed to enhance the quality and effectiveness of your Franchised Business (See Section ~~137.3.4~~7.3.4, Franchise Agreement).

2. We may, in our discretion, update the Required Supplies List and Required Suppliers List from time to time, as necessary (See Section ~~127.2.6~~7.2.6, Franchise Agreement).

3. We may change or modify the System, including the adoption and use of new or modified trade names, trademarks, service marks or copyrighted materials, new computer programs and systems, new types of inventory, supplies, merchandise and products, new equipment or new techniques (See Section ~~89~~9, Franchise Agreement).

4. We may arrange, from time to time, as we, in our sole discretion, deem appropriate for certain strategic alliances with third parties. You may, but are not required, to participate in any strategic alliance program. If you do elect to participate, you will be required to comply with the terms of such strategic alliance program. We do not currently charge you a fee to participate in strategic alliance programs.).

D. Advertising Programs:

Local Advertising. Each month you are required to spend at least 2% of your Net Billings on local marketing, sales and promotion, and other promotional materials. unless a Cap applies (See below). These expenditures will be made directly by you, except as provided for below. We may provide guidelines for conducting local marketing and promotional programs, and any proposed deviations from such guidelines will be approved by us in writing prior to use. If requested by us, within 30 days after the end of each calendar month, you will furnish to us, in a manner approved by us, an accurate accounting of your expenditures on local marketing, sales and promotion for the preceding calendar month just ended.

Brand Marketing and Promotion Fee. We established a brand marketing and promotion fund to promote ~~expansion~~market growth and increase brand awareness and preference of the System ("**Brand Marketing and Promotion Fund**"). You are required to participate in the Brand Marketing and Promotion Fund and pay the Brand Marketing and Promotion Fee. The Brand Marketing and Promotion Fee is described in Item 6. When the Brand Marketing and Promotion Fee is ~~greater than~~12% of weekly Net Billings, then your

local marketing, sales and promotion expenditures detailed in Section [9.6.411.2](#) of the Franchise Agreement may be subject to the Cap described in Item 6. However, we may remove the Cap upon 30 days prior notice. (See Item 6 and Section [9.6.411.2](#), Franchise Agreement).

If you operate more than one Franchised Business in Designated Areas within the same Metropolitan Statistical Area (as that term is defined by the U.S. Government from time to time) or other similar geographic area designed by us, then your maximum Brand Marketing and Promotion Fee will be based on the Net Billings from all Designated Areas in the same Metropolitan Statistical Area or other similar geographic area designated by us ("**MSA Cap**"). You must pay the Brand Marketing and Promotion Fees weekly in the same manner as the Royalty Fee or as otherwise prescribed in the Brand Standards Manual and Digital Resource Library until you pay the maximum amount that you are obligated to contribute each calendar year. [Except as provided above,](#) all franchisees are required to contribute to the Brand Marketing and Promotion Fund on the same basis. The Brand Marketing and Promotion Fees will be paid directly into the Brand Marketing and Promotion Fund and will be used by us to develop and implement programs to promote ~~expansion~~[market growth](#) and increase awareness and preference of the Right at Home brand. We reserve the right to increase, reduce, terminate or suspend the Brand Marketing and Promotion Fee at any time during the initial term, or any renewal term, with input and advice from the Strategic Leadership Council (as defined below); provided, that the contribution will not exceed the MSA Cap each calendar year. ~~(if applicable).~~ The Brand Marketing and Promotion Fund will not be commingled with our funds or considered to be income of ours; but, will be held in the separate account to be expended as set forth in the Franchise Agreement. Any business operated by us or our Affiliates under the same Marks as the Franchised Business will contribute to the Brand Marketing and Promotion Fund on the same basis as franchisees. If we terminate the Brand Marketing and Promotion Fund, any unused Brand Marketing and Promotion Fees in the Brand Marketing and Promotion Fund will be paid back to all franchisees in the System in proportion to their contributions to the Brand Marketing and Promotion Fund during the preceding 12 months.

The Brand Marketing and Promotion Fund will be used for the following:

- The development of programs and materials to build brand awareness and preference with referral sources, strategic alliances, consumers, insurance companies or related businesses, caregivers, health care providers, facilities, social service organizations and others at the local, regional, and/or national level.
- Local, regional, or national advertising, promotions, marketing, public relations, and/or direct sales including print, social media, Internet or web based, direct mail, radio or television; development and maintenance of any Internet and/or e-commerce programs, which may include utilizing employees or third parties to administer and/or update approved Internet and social media websites used by franchisees; Internet promotions and on-line marketing activities, and related expenses.
- The creation, production and placement of commercial advertising; agency costs and commissions; creation and production of video, audio

and written advertisements; market research and research agency fees; administering local, regional, or national advertising programs, direct mail, promotions, public relations, Internet/e-commerce, social media, and other media advertising.

- The attendance or participation in local, regional, or national tradeshows, conferences, exhibitions where promoting the brand would be appropriate; affiliate with national/community organizations to leverage the brand.
- Developing and administering sales, marketing, and/or public relations training or support programs for franchisees to develop, administer, or conduct the training or support programs and such other programs designed to promote or enhance the brand, including but not limited to, client quality and satisfaction programs, with the advice of the Strategic Leadership Council.
- Reimbursing us for administrative expenses incurred in administering the Brand Marketing and Promotion Fund and the Strategic Leadership Council.

The Brand Marketing and Promotion Fund will not be used for advertising or marketing activities whose principal purpose is to solicit new franchisees. We may engage a third-party agency or agencies to assist us with these initiatives in addition to our own in-house efforts. Any expenditures from the Brand Marketing and Promotion Fund may or may not be proportionate to contributions made by you or provide a direct or any benefit to you. We, with input and advice from the Strategic Leadership Council, have the right to direct expenditures from the Brand Marketing and Promotion Fund for the purposes described above. Subject to these foregoing limitations, we may accumulate these funds, and the balance may be carried over to subsequent years and used for the purposes stated in the Franchise Agreement. If the Brand Marketing and Promotion Fund needs additional funds at any time to pay for expenditures, with input and advice from the Strategic Leadership Council, we may loan such funds to the Brand Marketing and Promotion Fund at an interest rate not to exceed 5% per annum and with repayment terms that will not unreasonably burden the Brand Marketing and Promotion Fund or prevent it from performing its obligations. An unaudited annual financial statement and report of the Brand Marketing and Promotion Fund will be prepared and delivered to the Strategic Leadership Council members and all franchisees participating in the Brand Marketing and Promotion Fund within 120 days after the end of our fiscal year. The report will show the total Brand Marketing and Promotion Fees collected and expenditures from the Brand Marketing and Promotion Fund during the previous fiscal year. We reserve the right to change the name of the Brand Marketing and Promotion Fund from time to time.

For the twelve-month period ending December 31, ~~2023~~2022, our Brand Marketing and Promotion Fund expenditures were the following percentages of total expenditures: Production Development (~~2.87~~1.5%), Media Placement (~~94.23~~95.98%), Administrative (0%); and, Other (sponsorships, referral source lead generation, test marketing and technology) (~~2.90~~49%). None of the expenditures were principally to solicit new franchise sales.

Strategic Leadership Council

We established a committee composed of franchisees and members of our staff ("Strategic Leadership Council"). The objectives for the Strategic Leadership Council include, in part, providing oversight for the Brand Marketing and Promotion Fund regarding the Brand Marketing and Promotion Fund's alignment with defined marketing strategies. The Strategic Leadership Council will have 12 franchisee members (eight elected and four appointed) and selected members of the Franchisor's senior management team. The Strategic Leadership Council will have the authority to alter the representation on the Strategic Leadership Council as needed. ~~The franchisee members will serve two year terms, which will be staggered to provide for continuity. For the initial franchisee members, six members will serve until an election in 2022 and the remaining six initial franchisee members will serve until an election in 2023.~~ Franchisee members may serve up to two consecutive terms. The Strategic Leadership Council adopted Bylaws that will govern the operation of the Strategic Leadership Council.

E. Computer System:

We have the right, under the Franchise Agreement, to require you to purchase and use any and all computer software programs, which we may develop and/or designate for use in or by the System, and to purchase all computer hardware, which we deem necessary for the efficient operation of the software. If we require you to use any software developed by us, we reserve the right to charge a fee for the use of such software, but the fees will not exceed the fees or charges for similar software developed by third parties. The approximate costs associated with acquiring the required computer hardware and software range from \$3,750 to ~~\$7,750~~\$2,250. You must also use our Designated Software. You will pay a license fee or user fee to the supplier or us for the Designated Software. We reserve the right to change or eliminate the Designated Software at any time.

To operate your business, you will need a minimum of two workstation computers, one must remain in the Office to house any required databases and act as a 'server', the other workstation could be a laptop that can travel with the user, a laser or desk jet printer, and certain required Designated Software. You are required to have the following computer system; however, we do not recommend any specific brand.

SERVER

- 2.4ghz Quad Core Processor or Greater
- 16GM Of RAM
- 60 GB of Available Hard Drive Disk Space
- 100/1000 Network Adapter
- High Speed Internet Access
- Microsoft.Net Framework 4.0
- Backup Device or Service

WORKSTATION (DESKTOP)

- PC with 2.4GHz Dual Core Processor or Faster (Must Be Running Windows 10 or most current version)
- 16 GB of Ram or Higher
- 40 GB of Available Hard Drive Disk Space
- Available USB Port

- 22" Monitor or Larger With Dual Monitor Capability Is Strongly Recommended (Especially for Schedulers)
- Suggested Screen Resolution of 1920x1080 (Minimum Required Resolution of 1024 x 768)
- Keyboard and Mouse
- High Speed Internet Access
- Microsoft .NET Framework 4.0
- Sound Card And Speakers
- 100/1000 Network Adapter

WORKSTATION MAC (if you select a MAC instead of a PC)

- 21.5 Inch iMac
- 2.8GHz Quad Core Intel Core i5 Processor
- Turbo Boost up to 3.3GHz
- 8GB of Onboard Memory, Configurable up to 16GB
- 1TB Hard Drive1 (Consider Upgrade to the 1TB Fusion Drive)
- Intel Iris Pro Graphics 6200
- 1920 x 1080 sRGB Display

WORKSTATION (LAPTOP)

- 2.4GHz Dual Core Processor or Faster
- 16 GB of Ram or Higher
- 40 GB of Available Hard Drive Disk Space
- Multiscreen Support or Docking Station for Multiple Monitors
- Suggested Screen Resolution of 1920x1080 (Minimum Required Resolution of 1024 x 768)
- HDMI or Display Port
- Keyboard and Mouse
- High Speed Internet Access
- Microsoft .NET Framework 4.0
- Sound Card And Speakers
- 100/1000 Network Adapter

PRINTER

- Laser Printer or Desk Jet Printer

OPERATING SYSTEM

- Windows 10 Pro (or most current version)

In addition to the hardware, you are required to have high-speed internet access with a minimum of 50Mbps download speed. You will also need certain Designated Software including the most current version of Microsoft 365, QuickBooks, Adobe Acrobat, ~~and~~ the Applicant Tracking System [and Zeewise or Qvinci, financial software programs.](#)

You may obtain all hardware meeting our specifications from any authorized reseller. We will provide you with certain proprietary templates used in conjunction with the Designated Software. We have the right to independently access and/or copy all information collected or compiled by or in accordance with your use of the Designated Software.

You must update or upgrade computer hardware components and/or software as we determine is necessary, but not more than ~~one time~~once per year. We have no obligation to provide ~~for~~ maintenance, repairs, updates and upgrades to your computer system. The approximate cost of maintenance for the required computer hardware ranges from \$100 to \$1,200 per year.

We will have independent access to all information that will be generated by or stored in any computer system. Subject to applicable laws, such as HIPAA and privacy-related laws, there are no contractual limitations on our right to access the information. You will be required to comply with any data security obligations required by law or necessary to meet insurance policy requirements, which may include the requirement to use different or additional computer hardware and software.

If you accept payment by credit or debit cards, you are responsible for and must pay the costs necessary to ensure that you comply with the Payment Card Industry Data Security Standard ("PCI"). You are also responsible for complying with all applicable federal and state laws (including the California Consumer Privacy Act, as applicable) and regulations concerning data security, data privacy, collecting, using, selling, disposing and maintaining personal information and security breaches.

F. Methods Used to Select the Office for Your Franchised Business:

We do not assign a specific office location in your Designated Area. You must lease or own a conventional office location to operate your Franchised Business. ~~You select your office although it must be~~ within your Designated Area, ("Office"). Your Office and ~~we must approve the office~~its location ~~you propose~~are subject to ~~use. We have the right to grant or deny the location of your open Office.~~our approval. Generally, we will not own the Office and lease it to you. You may relocate your Office within your Designated Area ~~after we if we~~approve your request to relocate and approve the location you propose to use. ~~We have the right to grant or deny the relocation of your Office.~~

We will use reasonable efforts to help you analyze your market area, determine site feasibility and to assist you in the designation of the ~~franchise location~~Office; however, it is your sole responsibility to undertake site selection activities and otherwise secure the Office for the Franchised Business.

You must operate the Franchised Business or a Conversion Franchised Business from a conventional Office located outside of any personal residence, nursing facility, assisted living facility (or similar facility) or executive suites. ~~The premises must be located within your Designated Area, and the open office (defined below)~~Your Office must exist solely and exclusively for the operation of the Franchised Business or Conversion Franchised Business ("Office"). ~~The Office is subject to~~Our approval, and such approval of your Office only indicates ~~only~~ that we believe the Office falls within the acceptable criteria we have established in the Brand Standards Manual and Digital Resource Library as of the approval date. We do not: (i) select your office location, (ii) assist you in conforming it to local ordinances and building codes, (iii) assist you with constructing or decorating it, or (iv) provide for necessary equipment, signs or fixture. The Brands Standards Manual and Digital Resource Library includes the criteria for your Office.

G. Typical Length of Time Before Operation:

The typical length of time between the signing of the Franchise Agreement and the opening of your Franchised Business is approximately between 125 and 187 days. Factors that may affect the time-period are obtaining any necessary licenses to operate your Franchised Business (such time may vary considerably among states); obtaining a lease, financing, or building permits; zoning and local ordinances; or successful completion of the RightStart Training Program, delayed installation of equipment, fixtures, signs, etc., together with the variance in performance among franchisees.

If you are converting an existing business to a Conversion Franchised Business your [Active Grand Opening Date](#) is the earlier of (i) 90 days from the Effective Date of your Franchise Agreement and Conversion Addendum; or (ii) the date your website under the Right at Home domain name is live to the public ("[Conversion Active Grand Opening Date](#)"). We estimate that the typical [Conversion Active Grand Opening Date](#) is 30-90 days after signing the Franchise Agreement and Conversion Addendum. You must convert the signage and other identification of the Conversion Franchised Business prior to the Opening Date.

It is your obligation ~~to locate a site for your Office and~~ to provide us with all necessary information in accordance with the timing requirements established in the Franchise Agreement so that we may approve your Office in time for you to open your Franchised Business in accordance with the requirements established in the Franchise Agreement. Specifically, if you do so, we will approve your Office in time for you to open your Franchised Business and have an "Open Office" no later than six months after signing the Franchise Agreement, ~~;~~ ("[Active Grand Opening Date](#)"), unless otherwise agreed upon in writing by us or due to licensing requirements imposed by applicable law in the Designated Area.

If the Franchise Agreement is for an additional Franchised Business, we will determine if you can operate your Franchised Businesses from the same Office when you sign your Franchise Agreement or if you will need to open another Office in the Designated Area of your additional Franchised Business. If you fail to provide us with all such necessary information in accordance with the timing requirements established in the Franchise Agreement, your failure to do so will be a default of the Franchise Agreement and we may, in addition to all other remedies provided for under the Franchise Agreement, terminate the Franchise Agreement.

An "Open Office" is defined ~~as in our Brands Standards Manual.~~ [Currently, an Open Office means](#) (i) an Office, ~~and (ii) such Office will~~ [that](#) at all times ~~have~~ [has](#) at least two full-time equivalent staff members, one of whom may be the Operating Principal and one of whom must have the authority to hire and manage employees and actively market and sell the [Core Services](#) and ~~products, materials and equipment~~ [Ancillary Services](#) of the Franchised Business, and ~~(iii)~~ such Office continuously provides and supervises home care and/or staffing services, and ~~(iv)~~ such Office produces and delivers all the Weekly Reports and other reports required under the Franchise Agreement. Within the context of a Franchised Business that is re-sold, ~~at~~ [the Active Grand Opening Date for the](#) "Open Office" is ~~defined as~~ the date on which the Franchised Business's Office was originally opened.

You are required to check the background of all employees prior to employment according to standards provided in the Brand Standards Manual. You may select the vendor to conduct background checks from our provided vendor list or you may select your own vendors to conduct background checks. (See Section 10.12.1, Franchise Agreement). We do not have an employment relationship with your employees. We will not take part in the approval of your hiring or firing of employees. You are prohibited from using independent contractors to provide services to clients of your Franchised Business.

H. Training:

We will provide our RightStart Training Program as described below to your Operating Principal (See Item 15) and (at your election) up to two other persons, ~~one of whom may~~ who will be either another owner or ~~your general manager, as described below.~~ management personnel. The RightStart Training Program is a resource exclusively for the benefit of Franchisees designed to bring awareness to the guidelines, tools and resources available to assist you with the operation of your Franchised Business. We do not require your employees to attend the RightStart Training Program. It is solely your decision to include any management or other personnel in RightStart Training or any other training offered by us.

The RightStart Training Program consists of Onboarding Training, Residence Week Training and Office Open Training. The RightStart Training Program includes training on various milestones and subject matter expert (SME) calls. The RightStart Training Program includes:

- Onboarding Training is virtual instructor-led training and individual self-paced online instruction. Onboarding Training may include other training participants.
- Residence Week Training is instructor-led classroom training. When feasible, Residence Week will take place in-person at our headquarters or other designated location. If in-person training is not feasible, Residence Week Training will be provided through virtual learning tools. Residence Week Training may also be one-on-one training (in our determination). Residence Week Training will be up to five business days. Generally, if you will be operating your Franchised Business in a territory that requires licensure, you will attend Residence Week Training after completing the licensing requirement for your Franchised Business. If you will not be operating your Franchised Business in a territory that requires licensure, you will generally attend Residence Week Training after you complete your software set up (as part of Onboarding Training).
- Office Open Training is virtual instructor-led training and individual self-paced online instruction. Office Open Training may include other training participants and will commence after you complete Residence Week Training.

The RightStart Training Program begins after you sign the Franchise Agreement and must be successfully completed within 30 days of operating your Franchised Business and before you may have an open office. Although we charge no tuition for the RightStart

Training Program (See Items 5, 6 and 7), you must pay all travel, lodging and meal expenses for you and your attendees to attend Residence Week. (See Items 7 and 15).

The instructional materials used in the RightStart Training Program consist of our Brand Standards Manual, Digital Resource Library, Right at Home Personal Care Policy and Procedure Manual, online tutorials, job aids, e-learning guides, videos, checklists, demonstrations, practice and quizzes. The subjects covered, the amount of time for instruction and method of delivery are described below:

RIGHTSTART TRAINING PROGRAM OVERVIEW

Content	Hours of Instructor-Led Training	Hours of Self-Paced Online Training	Location / Method
Onboard Training Preparing to open office for your Franchised Business and preparing to attend Residence Week	20	40	Virtual instructor-led and self-paced online learning
Residence Week Training Preparing to service clients and hire caregivers, engaging employees, marketing overview, sales process.	40	0	Classroom instruction virtual or in-person at our headquarters or other location we designate
Office Open Training Entering the market, deploying recruitment plan and operating the Franchised Business.	10	20	Virtual instructor-led and self-paced online learning
Total Hours	70	60	130

Prior to opening but after successfully completing the Residence Week Training, you are required to visit an existing pre-approved business selected by Us as on-site, onboarding training. The on-site visit to a pre-approved franchise business location applies to new owners, buying a new territory, but does not apply to resales. Your two-day visit provides you with the opportunity to observe business practices and shadow the existing owner. You may incur travel costs to complete the on-site, Onboarding Training.

Upon completion of RightStart Training Program and within ~~90 days of providing your first completed care shift for a client of your Franchised Business~~ the period we designate, you will also be required to complete the ~~Integrity Selling Training and the Coaching for Integrity Selling~~ additional sales training program provided by our designated vendor. The ~~Integrity Selling~~ sales training will consist of a two-day virtual workshop and eight-weekly, one-hour virtual enforcement sessions that are required for all new franchises and are available for tenured and office staff. ~~Upon satisfactorily completing the Integrity Selling training program, you will also be required to complete the Coaching for Integrity Selling training program. The Coaching for Integrity Selling training will be comprised of one, two-hour virtual session with two, one-hour virtual reinforcement sessions. The Coaching for Integrity Selling training should be completed immediately after completing the Integrity Selling training program.~~

Within six months after you begin operating your Franchised Business, and at our expense, we will send a representative to your Franchised Business Office for approximately two days for the purpose of facilitating the early stages of your Franchised Business. During this period, our representative will assist you in establishing and standardizing procedures and techniques essential to the operation of your Franchised Business. If you request additional assistance from us to facilitate the early stages of your Franchised Business, or if we deem it necessary to provide such additional assistance to you, you will pay the Additional Onsite Assistance fee at the then-current rate (see Item 6). This on-site visit will apply to new owners buying a new territory but does not apply to resales.

Our RightStart Training Program leadership and instructors include:

Carla Zak is our Director Organizational Learning. Ms. Zak oversees the planning and execution of all training activities as well as supervision of training personnel for the company. Ms. Zak has ~~26~~27 years of training experience and over ~~one year~~three years of home care experience.

In addition to Ms. Zak, key members of our staff, who have subject matter expertise, may conduct designated segments of the RightStart Training Program.

We periodically may provide and require ~~that previously trained and experienced franchisees, and their managers,~~certain executive management personnel to attend and successfully complete additional refresher and updated training programs to be conducted at our headquarters or at another site we designate. Attendance at refresher training programs will be at your sole expense, however, attendance may be required at Residence Week Training in addition to self-directed online learning and SME calls. The subject matter for self-directed online learning and SME calls will be based on a franchisee's specific needs. We have the right to charge a fee for any continuing educational training programs, seminars, or webinars to cover our costs of providing such programs. You are required to pay your expenses as well as your additional attendees' expenses when attending these programs.

New Franchisees, Conversion Franchisees and Franchisees that are not meeting the required minimums, described in Items 6 and 12, are currently required to attend the HIAC. We have the right to charge an attendance fee. For your first HIAC, we will waive the registration fee for up to two attendees. You will pay the travel and living expenses incurred by you and your attendees when attending the HIAC (See Item 6 and Item 7). We may waive the requirement that you attend the HIAC during your first year of operation if your Active Grand Opening Date is within 30 days of the scheduled HIAC. If we waive the attendance requirement for your first year of operation, you will be required to attend your second year of operation. We may require all franchisees to attend the HIAC in the future. The HIAC is intended exclusively for the benefit of Franchisees. It is designed to provide general guidelines and resources to Franchisees to assist them with the operation of their Franchised Business by bringing awareness to the tools and resources available for more effective operation of the Franchised Business. We do not require your employees to attend the HIAC.

If you are eligible to offer Specialized Nursing Services, and you voluntarily elect to offer such service in your Franchised Business, you or a qualified person you designate

must successfully complete ~~our~~the training program relating to Specialized Nursing Services conducted by our Approved Supplier. Specialized Nursing Services training includes a combination of online, self-paced courses and instructor-led virtual training. This training program is approximately five days in duration. You or a qualified person designated by you may also be required to attend additional training relating to Specialized Nursing Services, ~~as directed by us~~, which may include online training through our learning management system, teleconferences, and webinars. ~~We have~~We or our Approved Supplier has the right to charge a fee for any of these continuing educational training programs, seminars, or webinars to cover ~~our~~the costs of providing such programs. You are required to pay your expenses as well as your ~~employees'~~attendees' expenses when attending these programs.

After the Office for your Franchised Business has been open for approximately 12-24 months and as determined by us, you will be required to complete PMU. PMU allows for self-paced learning, and once you gain access to PMU, you will continue to have access to the program as long as you are a Right at Home franchisee. You will not be allowed to participate in any facilitated performance groups (continuing education opportunities that focus on your business performance) until you have completed PMU. PMU will also be required of franchisees who desire to purchase additional Franchised Businesses. See Item 6 for costs to participate in PMU training.

We may periodically conduct additional training sessions and if we do, we will determine its duration, curriculum, and location. We strongly encourage you to attend these training sessions and we reserve the right to require you to do so. Currently, attendance at these training sessions is optional and you must pay all travel and living expenses for you and your ~~personnel~~attendees.

ITEM 12. TERRITORY

Designated Area

Your Designated Area will be defined by zip codes and generally ~~includes~~include a population of at least 15,000 people who are age 65 and older. ~~A list as shown in the Basic Terms of the zip codes will be attached to the Franchise Agreement as Exhibit A.~~ Zip codes are a system of postal codes used by the United States Postal Service ("USPS") and are changed by the USPS from time to time. Changes by the USPS may affect the zip codes and the geographic area that makes up your Designated Area. You maintain rights to your Designated Area even though the population increases.

If you choose to convert your existing home care business to a Conversion Franchised Business, your Designated Area may have more or less population than as stated above depending on factors that include the location of your Conversion Franchised Business, our Designated Area criteria, and your current trade area. Your Designated Area will be defined in the Franchise Agreement after our completion of a review of your prior business operations.

Right to Additional Franchises

You do not have rights or options to acquire additional franchises after executing a Franchise Agreement. You may apply for the right to operate additional Franchised Businesses under separate Franchise Agreements.

Providing Services Outside Your Designated Area

You must confine the performance of all Core Services and Ancillary Services and the supply of all related products, materials and equipment to clients located in your Designated Area, except as we may approve as follows:

An “**Open Territory**” is defined as a territory that is not designated to another franchisee. You may provide Core Services and Ancillary Services to clients located in the Open Territory (“**Open Territory Clients**”) in accordance with our then current policies. Notwithstanding the foregoing, we may withdraw our approval to provide Core Services and Ancillary Services to Open Territory Clients at any time.

You ~~may also provide~~ are prohibited from providing Core Services ~~and/or~~ Ancillary Services to ~~a client located~~ clients in another franchisee's designated area without approval. To receive approval to provide Core Services or Ancillary Services to clients in another franchisee's designated area (“**Other Franchisee's Designated Area Client**”) ~~if (1) you and the other Franchisee~~ you must (1) first enter into our then current form of Authorization to Provide Services in Designated Area Agreement with the other franchisee; and (2) ~~you~~ receive our prior written consent. Notwithstanding the foregoing, we may withdraw our approval to provide Core Services and Ancillary Services to Other Franchisee's Designated Area Client at any time. As such, you understand that the privilege to perform services outside of your Designated Area may be withdrawn at any time in our sole discretion and thus any operation outside of your Designated Area is at your risk.

Open Territory Clients and Other Franchisee's Designated Area Clients are Grandfathered Clients. Open Territory Clients and Other Franchisee's Designated Area Clients are Grandfathered Clients. To preserve continuity of care, your rights to provide the Core Services and Ancillary Services to Grandfathered Clients will continue until there is a break in such service for greater than 30 consecutive days or we withdraw our approval.

If you are converting an existing business to a Conversion Franchised Business and have clients outside the Designated Area (“**Conversion Grandfathered Client(s)**”), to preserve continuity of care, you may continue to provide the Core Services and Ancillary Services to such Conversion Grandfathered Clients if (1) you receive our prior written approval; (2) in the event the Conversion Grandfathered Client is located in another franchisee's Designated Area at the time you convert your existing business, you and such other franchisee first enter into our then current form of Authorization to Provide Services in Designated Area Agreement; and (3) there is not a break in such Core Service and Ancillary Services by you to such Conversion Grandfathered Client for greater than 30 consecutive days. Notwithstanding the foregoing, we may withdraw our approval to provide Core Services and Ancillary Services to such Conversion Grandfathered Clients at any time.

The Designated Area set out in your Franchise Agreement may include Grandfathered Clients and Conversion Grandfathered Clients as described above.

If you are granted the right to enter into more than one Franchise Agreement and the Designated Areas granted to you under the Franchise Agreements are contiguous, we can authorize you to operate the Franchised Businesses under the Franchise Agreements from the same Office. If we authorize you to do so, you will execute the appropriate amendments to the various Franchise Agreements provided in **Exhibit FG** to the Franchise Agreement (See Item 5).

You may relocate your Office ~~used~~ within your Designated Area after we approve the location you propose to use. We have the right to grant or deny the relocation of your Office based on the following factors: whether ~~or not~~ the Office is located within the Designated Area, or a contiguous Designated Area described in an additional Franchise Agreement between you and us; the condition of the Office and whether the Office is ~~located in a private residence~~ separate from any personal residence, nursing facility, assisted living facility (or similar facility) or executive suites.

For your Franchised Business, except as explained below, you will not receive ~~an~~ exclusive territory. You may face competition from other channels of distribution or competitive brands that we control. While the Franchise Agreement is in effect, you have an open office (if required), and you are in compliance with all of the terms and conditions of the Franchise Agreement, including but not limited to complying with the Minimum ~~requirement~~ Quarterly Net Billings for your franchise (described below), we will not grant the right to another franchisee to operate a Franchised Business in the Designated Area and we will not establish a company-owned or affiliate-owned Right at Home business in your Designated Area.

You do not have the right to use other channels of distribution, such as the Internet, telemarketing or other direct marketing to make sales outside of your Designated Area, unless otherwise permitted in writing by us. We retain the sole right to:

1. Establish and/or license other Franchised Businesses at any location outside of the Designated Area as we deem appropriate;
2. Establish and license others to establish businesses under other systems using the Marks or other proprietary marks, including but not limited to Ancillary Services, which businesses may be located within or outside the Designated Area, provided, however, that, except as specifically provided in this Agreement, we will not license or establish a business substantially offering the Core Services within your Designated Area;
3. Advertise and sell the Core Services and Ancillary Services under other trademarks, service marks and commercial symbols through similar or dissimilar channels of distribution, including without limitation, by electronic means such as the Internet and websites we establish and according to terms we deem appropriate outside your Designated Area;
5. Advertise the System and communicate about the System, its products and services on the Internet (including social media) and to create, operate, maintain and modify, or discontinue the use of one or more websites using the Marks;
6. Offer for sale products that are ancillary or related to the Core Services and Ancillary Services and needs of clients and customers through our website(s) or through

such dissimilar channels of distribution as we determine at our discretion within and outside your Designated Area;

7. Acquire the assets or ownership interest of one or more businesses providing Core Services and Ancillary Services similar to those provided at your Franchised Business, and franchise under a service mark or trademark other than the Marks, license or grant the right to others to operate those businesses once acquired, regardless of whether these businesses are located or operating within your Designated Area; provided, however, that such businesses will not be granted the rights to use the Marks;

8. To be acquired by an entity providing services, products, materials and equipment similar to those provided at your Franchised Business, even if such business operates, franchises and /or licenses competitive businesses in your Designated Area; provided, however, that any business operated directly or indirectly by such acquirer that is similar to the Franchised Business will not be granted the right to operate using the Marks in the Designated Area;

9. Engage in joint marketing programs with partner companies and all forms of sales through the Internet or any other form of electronic media (including social technology, social media and social networking platforms); and

10. Engage ~~in~~ any other ~~activities~~ activities not expressly prohibited in ~~this~~ the Franchise Agreement.

Presently, we have no plans to provide substantially similar services or products under a different mark either through similar or alternative channels of distribution, but we reserve the right to do so.

In consideration of our agreement not to grant another Right at Home franchise in your Designated Area, you must at all times use your best efforts to promote and increase the sales and service of the Franchised Business and to affect the widest and best possible distribution, sale and placement, solicitation and servicing of all potential clients for authorized Right at Home services throughout the Designated Area.

You cannot, without our prior written permission, market and promote the Franchised Business or otherwise solicit sales ~~or perform services~~ for the Franchised Business s outside your Designated Area. You must confine all efforts (including any advertising, promotion or client solicitation), as well as performing all services to clients at sites located in the Designated Area unless we otherwise grant permission in advance in writing. ~~If you wish to provide Core Services or Ancillary Services or any other related products, materials and equipment outside of your Designated Area, in unassigned areas, then you must have our prior written approval. As described above.~~ Even if we have given our approval, we may, in our discretion, at any time for any reason, withdraw our permission to you ~~to perform further services for either preexisting or new Outside Territory Clients and Other Franchisee's Designated Area Client. As such, you understand that the privilege to perform services outside of your Designated Area may be withdrawn at any time in our sole discretion and thus any operation outside of your Designated Area is at your risk.~~ These conditions on soliciting sales or performing services outside of your Designated Area pertain to all channels of distribution including, without limitation, by electronic means such as the Internet and websites..

Minimum Royalty; Minimum Brand Fund Contribution; Minimum Quarterly Net Billings

As a performance-based franchise system, we have implemented a Minimum Royalty and a Minimum Brand Fund Contribution structure to strengthen the Right at Home brand and increase market penetration. You will begin paying the Royalty Fee and the Brand Marketing and Promotion Fee the first month you have Net Billings for your Franchised Business. However, ~~in order~~ for you to maintain the exclusivity rights to your Designated Area, beginning on your 13th month ~~of operation~~ after you commence operations of your Franchised Business (("Active Grand Opening Date")) (unless you are an existing Franchisee acquiring an Additional Franchised Business as addressed below), you will need to meet defined minimum revenue targets as outlined below.

Beginning on your 13th month of ~~operation of~~ the Active Grand Opening Date for your Franchised Business, for each consecutive 13-week period ("**Quarter**"), you will be required to pay the greater of the Royalty Fee (See Item 6) and a minimum royalty ("**Minimum Royalty**"). Additionally, beginning on your 13th month of ~~operation of~~ the Active Grand Opening Date for your Franchised Business, ~~you for each Quarter, you will be contributing to the~~ Brand Marketing and Promotion Fund ~~each Quarter will be~~ the greater of the Brand Marketing and Promotion Fee (See Item 6) and a minimum brand marketing and promotion fee ("**Minimum Brand Marketing and Promotion Fee**"). ~~The Minimum Royalty and the Minimum Brand Marketing and Promotion Fee per Quarter are based on~~ Beginning on your 13th month of the Active Grand Opening Date for your Franchised Business, you will also be required to generate per Quarter the minimum quarterly net billings ("**Minimum Quarterly Net Billings**") from your Franchised Business all of which are set forth in the following schedule:

Months of Operation <u>from the Active Grand Opening Date</u>	Minimum Royalty Requirement Per Quarter	Minimum Brand Marketing and Promotion Fee Per Quarter	Minimum Quarterly Net Billings
13-24	\$2,275	\$910	\$45,500
25-36	\$3,738	\$1,495	\$74,750
37-48	\$5,200	\$2,080	\$104,000
49-60	\$7,475	\$2,990	\$149,500
61-72	\$8,938	\$3,575	\$178,750
73 and thereafter, including Renewal Term, if any	\$10,563	\$4,225	\$211,250

If you are an existing Franchisee purchasing an additional Franchised Business that will operate from your existing Office (See Item 11), you will pay a Royalty Fee and Brand Marketing and Promotion Fee from the first month you have Net Billings for your Franchised Business. If the additional Franchised Business has a different Active Grand Opening Date than your existing Franchised Business, your Minimum Royalty, Minimum

Brand Marketing and Promotion Fee ~~per Quarter~~ and Minimum Quarterly Net Billings ~~schedule~~ for the additional Franchised Business is ~~as~~ described below:

Months of Operation <u>from the Active Grand Opening Date</u>	Minimum Royalty Requirement Per Quarter	Minimum Brand Marketing and Promotion Fee Per Quarter	Minimum Quarterly Net Billings
4-15	\$2,275	\$910	\$45,500
16-27	\$3,738	\$1,495	\$74,750
28-39	\$5,200	\$2,080	\$104,000
40-51	\$7,475	\$2,990	\$149,500
52-63	\$8,938	\$3,575	\$178,750
64 and thereafter, including Renewal Term, if any	\$10,563	\$4,225	\$211,250

If you are an existing Franchisee purchasing an additional Franchised Business that will not operate from an existing Office or has the same Active Grand Opening Date, your Minimum Royalty, Minimum Brand Marketing and Promotion Fee ~~Per Quarter~~ and Minimum Quarterly Net Billings will begin on the 13th month of ~~operation~~ the Active Grand Opening Date of your additional Franchised Business as described in the first chart above.

If you are purchasing a Franchised Business as part of a transfer, you will pay a Royalty Fee and Brand Marketing and Promotion Fee from the first month you have Net Billings for your Franchised Business. Your ~~Months of Operation~~ Active Grand Opening Date for purposes of determining the amount of your Minimum Royalty, Minimum Brand Marketing and Promotion Fee ~~Per Quarter~~ and Minimum Quarterly Net Billings will be based on the ~~date the Office~~ original Active Grand Opening Date for the Franchised Business ~~was originally opened by the transferring franchisee~~, unless we agree to a different date for ~~Months of Operation~~ the Active Grand Opening Date.

If you are a Conversion Franchised Business your Minimum Royalty, Minimum Brand Marketing and Promotion Fee ~~per Quarter~~ and Minimum Quarterly Net Billings will commence on the 13th month of ~~operation~~ your Conversion Active Grand Opening Date. The amount of your Minimum Royalty ~~Requirement Per Quarter~~, Minimum Brand Marketing and Promotion Fee ~~Per Quarter~~ and Minimum Quarterly Net Billings will be based on the Net Billings of your existing business prior to you converting to a Conversion Franchised Business and will be set out in your Conversion Addendum.

If you own multiple Franchised Businesses within the same MSA, your Brand Marketing and Promotion Fee and your Minimum Brand Marketing and Promotion Fee ~~will be calculated based on the Minimum Quarterly Net Billings for all the Franchised Businesses owned and operated by you in the same MSA and~~ will not exceed the MSA Cap (See Item 11). All other minimum requirements (including Minimum Royalty and Minimum Quarterly Net Billings requirements) will be applicable to each individual Franchised Business.

If at the end of each Quarter the Royalty Fee and Brand Marketing and Promotion Fee you paid during the Quarter does not meet or exceed the Minimum Royalty and ~~or~~ the Minimum Brand Marketing and Promotion Fee, (as the case may be), you will pay us

or contribute to the Brand Marketing and Promotion Fund (as the case may be), the difference. The difference will be included with the last weekly invoice for such Quarter.

If you do not meet the Minimum Quarterly Net Billings in any Quarter, you will participate in our Performance Improvement Plan. A Performance Improvement Plan is designed to help Franchisees improve the performance of their Franchised Business and will include, among other things, your submission of a detailed business plan that describes how you will meet the Minimum Quarterly Net Billings within a reasonable time frame, not to exceed six months ("**Performance Improvement Plan**"). ~~Details~~[Details](#) as to the form and content ~~required~~[required](#) for the Performance Improvement Plan and the process described above will be more specifically explained and modified in the Brand Standards Manual and the Digital Resource Library. You will submit the Performance Improvement Plan in the form and substance acceptable to us within 30 calendar days of our request. We will approve or disapprove your Performance Improvement Plan within 14 calendar days of our receipt. If we, in our sole judgment, believe that the Performance Improvement Plan is reasonably achievable within the ~~time~~-period set out in the Performance Improvement Plan (but in no event longer than six months), we will grant you additional time to meet the [Minimum](#) Quarterly Net Billing requirements, as applicable, in accordance with the Performance Improvement Plan. If you do not provide the Performance Improvement Plan within the time prescribed, we do not approve the Performance Improvement Plan, you do not execute the Performance Improvement Plan, or you fail to meet the Minimum Quarterly Net Billings as applicable within the time period set out in the Performance Improvement Performance Improvement Plan, we may exercise the remedies described below. Additionally, if you do not meet the Minimum Royalty and/or Minimum Brand Marketing and Promotion Fee (even if you pay the difference) for four consecutive Quarters or more than four Quarters in any 24-month period, we may exercise the remedies described below.

Our remedies include decreasing, reducing or otherwise changing the size of the Designated Area; establishing other Franchised Businesses within the Designated Area; permitting other Franchisees to provide services to clients located within the Designated Area; and/or terminating the Franchise Agreement as provided in the Franchise Agreement.

Any Royalty Fee and Brand Marketing and Promotion Fees paid in any Quarter in excess of the Minimum Royalty or Minimum Brand Marketing and Promotion Fee, as applicable, will not apply toward any such minimums for any future Quarter. We reserve the right to increase the Minimum Royalty, ~~and~~[Minimum Band Marketing and Promotion Fee, the](#) Minimum Quarterly Net Billings [and the Brand Marketing and Promotion Fee Net Billings \(except for the percentage\)](#) requirements for our franchisees by up to 5% per year upon notice to them.

As the demand for home care services continues to grow so will the likelihood of competition. One could expect to find that the home care market is competitive but not saturated. The needs of the market will provide opportunities for organizations providing quality, dependable services.

ITEM 13. TRADEMARKS

We grant you the right to use certain trademarks, service marks and other commercial symbols in operating a Franchised Business ("**Marks**") including the "RIGHT

AT HOME" mark ("**Principal Mark**"). The principal Right at Home commercial symbol which we will license to you appears on the cover of this Franchise Disclosure Document. If you are converting an existing business to a Conversion Franchised Business, you will use the Marks in the Conversion Franchised Business no later than the [Conversion Active Grand Opening Date](#).

We have been granted an effective registration of the following Marks on the Principal Register of the United States Patent and Trademark Office:

Mark	Application/ Registration Number	Application/ Registration Date	Register
RAH STAFFING SERVICES	2,419,096	January 9, 2001	Principal
 	2,458,983	June 12, 2001	Principal
RIGHT AT HOME	2,569,014	May 14, 2002	Principal
RIGHT AT HOME	2,683,630	February 4, 2003	Principal
 	2,702,381	April 1, 2003	Principal
~~CARE REWARDS~~ CARE REWARDS	3,087,675	May 2, 2006	Principal

Mark	Application/ Registration Number	Application/ Registration Date	Register
~~VOLUNTEERING WITH A PAYCHECK~~ VOLUNTEERING WITH A PAYCHECK 	3,192,866	January 2, 2007	Principal
CARING RIGHT AT HOME	3,220,065	March 20, 2007	Principal
~~RIGHTTRANSITIONS~~ RIGHTTRANSITIONS 	4,104,203	February 28, 2012	Principal
<del>  </del> 	3,971,008	May 31, 2011	Principal
<del>  </del> 	4,826,304	October 6, 2015	Principal
<del>  </del> 	4,817,562	September 22, 2015	Principal

Mark	Application/ Registration Number	Application/ Registration Date	Register
~~ADDING JOY TO EACH DAY~~	4,282,305	January 29, 2013	Principal
~~GIVE THE GIFT OF CARE~~	4,277,099	January 15, 2013	Principal
~~INTRODUCE SOMEONE YOU CARE ABOUT TO SOMEONE YOU TRUST~~	3,845,317	September 7, 2010	Principal
To Improve the Quality of Life for Those We Serve	4,481,215	February 11, 2014	Principal
THE RIGHT CARE, RIGHT AT HOME	4,680,962	February 3, 2015	Principal
THE CARE THAT'S RIGHT, AT HOME	4,466,267	January 14, 2014	Principal
THE RIGHT PEOPLE DOING THE RIGHT THINGS THE RIGHT WAY FOR THE RIGHT REASON	5,014,509	August 2, 2016	Principal
RIGHTMISSION	4,831,969	October 13, 2015	Principal
RIGHTAPPROACH	4,831,968	October 13, 2015	Principal
RIGHTSERVICES	4,831,967	October 13, 2015	Principal
RIGHTPEOPLE	4,831,966	October 13, 2015	Principal
ADDING MORE LIFE TO YOUR YEARS	4,480,761	February 11, 2014	Principal
CARING RIGHT AT HOME	4,484,604	February 18, 2014	Principal
RIGHTSTART	4,566,579	July 15, 2014	Principal
RIGHTTRANSITIONS	4,705,285	March 17, 2015	Principal
RIGHTSTEP	4,709,248	March 24, 2015	Principal
RIGHTTEAM	5,816,844	July 30, 2019	Principal
	6,281,650	March 2, 2021	Principal

Mark	Application/ Registration Number	Application/ Registration Date	Register
LET'S START TALKING ABOUT LIVING	6,848,078	September 13, 2022	Principal
RIGHTSTART	98/251,450	November 2, 2023	Pending

Currently, there are no effective material determinations of the United States Patent and Trademark Office, trademark trial and appeal board, state trademark administrators or any court involving the Principal Mark. Currently, there are no pending infringement, opposition or cancellation proceedings or any pending material litigation involving the Principal Mark.

There are no infringing or prior superior uses actually known to us that could materially affect the use of the Principal Mark in this state or any other state in which the Franchised Business is to be located. All required affidavits, including required declarations for renewal of registrations have been filed.

There are no other agreements currently in effect which significantly limit our rights to use or license the use of the Principal Mark in any manner material to your franchise.

All of your usage of the Marks and any goodwill established from their use will inure to our benefit.

You acknowledge that we are the owner of all right, title and interest in the Marks. You will not receive any interest in the Marks. You may not at any time contest the validity or ownership of the Marks, including any Marks that we license to you after you sign the Franchise Agreement.

You must promptly notify us of any claim, demand or cause of action based upon or arising from any attempt by any person, firm or corporation to use the Marks or any colorable imitation of the Marks. We will take whatever action it deems appropriate to protect the Marks. We are not required to defend or otherwise protect you against a claim of infringement or unfair competition arising out of your use of the Marks. We have the right to control any administrative proceedings or litigation involving a Mark. We are not required to participate in your defense or in your indemnification for expenses and damages if you are party to an administrative or judicial proceeding involving a trademark licensed to you, or if the proceeding is resolved unfavorably to you.

You must modify or discontinue using any Mark upon direction to do so from us within a reasonable time after receiving notice from us. We may add to, delete, substitute or modify any or all of our Marks from time to time. You must accept, use or cease using, as may be appropriate, the Marks, including modified or additional Marks in accordance with our prescribed directives, procedures, policies, rules and regulations whether contained in the Brand Standards Manual, Franchise Agreement or otherwise. If You fail or refuse to do so, we may execute in Your name and on Your behalf any and all documents necessary, in our judgment, to comply with this Section; and we are hereby irrevocably appointed and designated as Your attorney-in-fact to do so. You will not be compensated or otherwise reimbursed for expenses resulting from or related to any discontinuance or modification of any of the Marks.

Except as approved by us in writing, you must not use any Mark or part of any Mark as part of any corporate name, corporate title, or trade name, in any modified form, nor may you use any Mark in connection with the sale of any unauthorized product or service, or in any other manner we do not authorize in writing. You must give notices of trademark and service mark registrations as we specify and obtain such fictitious or assumed name registrations as may be required under the law.

You may not establish a Web site or any other Web presence on the Internet using any domain name without obtaining our prior written approval. Any domain name cannot contain the words "RIGHT AT HOME", "RAH", "RAH STAFFING SERVICES" or any variation without our written consent. We retain the sole right to advertise on the Internet and create Web sites using the "RIGHT AT HOME", "RAH" and "RAH STAFFING SERVICES" domain names. You acknowledge that we are the owner of all right, title and interest in and to such domain names as we designate in the Brand Standards Manual. We retain the right to pre-approve your use of linking and framing between our Web pages and all other Web sites and any other Web presence. If we request, you will, within 5 days, dismantle any frames and links between your Web pages and any other Web sites and Web presences.

We and our agents will have the right to enter and inspect your Franchised Business, during normal business hours, to ensure you are complying with our standards.

ITEM 14. PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

No patents are material to the franchise, and we do not have any pending patent applications that are material to the franchise. We own certain copyrights in the Brand Standards Manual, content in the Digital Resource Library, marketing materials, certain forms and reports and other copyrightable items. While we claim copyrights in these and similar items used in operating a Franchised Business, we have not registered these copyrights with the United States Registrar of Copyrights but need not do so to protect them. You may use these items only as we specify while operating your Franchised Business and must stop using them immediately if we direct you to do so and also at such time when the franchise is terminated.

You will receive proprietary, confidential and trade secret information of Right at Home. Our confidential information will include services, equipment, technologies, systems of operation, programs, policies, standards, techniques, requirements and specifications, the Brand Standards Manual, the identity of and services to clients, records of clients and billings, methods of advertising and promotion, instructional materials, and other matters all being part of the Right at Home System. You are required to maintain the confidentiality of this information and may not use such information in any other business or in any manner we do not specifically authorize in writing. You may never, during the term of the Franchise Agreement, or after the Franchise Agreement expires or is terminated, reveal any of our confidential information, which will then include contracts for clients served by you, client lists and details of service, to another person or use it for any other person or business. You may not copy any of our confidential information or give it to a third party except as we authorize. Although we own client lists and certain client-related data, we are not responsible for complying with HIPAA. You are responsible for complying with HIPAA and for maintaining the confidential nature of client information as required by HIPAA. You are prohibited from transferring client information, except as required by HIPAA.

You will divulge confidential information only to your employees, owners, operating principal, and management personnel who must have access to it in order to operate the Franchised Business. All information, knowledge and know-how which we designate as confidential will be deemed confidential for purposes of the Franchise Agreement, except information which you can demonstrate lawfully came to your attention before our disclosure of it; or which, at the time of our disclosure to you, had lawfully become a part of the public domain, through publication or communication by others; or which, after our disclosure to you, lawfully becomes a part of the public domain, through publication or communication by others.

~~You~~ You, your owners, operating principal, trustees, their immediate family with access to confidential information and any of your employees having access to confidential information will be required by us to sign a confidentiality agreement in the form attached as **Exhibit CB** to the Franchise Agreement.

If you make or acquire any improvements, including any enhancements, adaptations, derivative works, modifications or new processes in the operation of the Franchised Business, you will grant-back rights in these improvements to us in consideration of the grant of the franchise and without the payment of additional consideration. If we seek patent protection or copyright registration for any improvements, it will do so at our own expense. You will sign or have the creator sign all documents necessary to enable us to apply for intellectual property rights protection and to secure all rights to these improvements. You will have each of your employees sign an agreement requiring employee cooperation with the foregoing requirements. You agree that this does not constitute our consent to your modification of any Right at Home intellectual property, or the creation of any derivative work based on any Right at Home copyright, and you must obtain our written consent before making the modification or derivative work.

The Brand Standards Manual, information and materials in the Digital Resource Library and all resources used in the operation of the Franchised Business belongs to us and we have the right to terminate your access upon the expiration or termination of the Franchise Agreement. You may not make any disclosure, duplication, or other unauthorized use of any portion of the Brand Standards Manual or the Digital Resource Library.

You must keep the passwords and any access codes to the Brand Standards Manual and to the Digital Resource Library confidential. If there is a dispute with the contents of the Brand Standards Manual or the Digital Resource Library, the terms of our master version will control.

You must not use, in advertising or any other form of promotion, the copyrighted materials, trademarks, service marks or commercial symbols of Right at Home without the appropriate notices which may be required by law or us, including ©, ® or other copyright registration notices or the designations TM, SM where appropriate or an indication that the Marks described in Item 13 and any other Right at Home trademarks or service marks are the trade names, trademarks and service marks of Right at Home or an affiliate. The contents of all material available from us are copyrighted by us unless otherwise indicated. All rights are reserved by us, and content may not be reproduced, disseminated, published, or transferred in any form or by any means, except with our prior

written permission. Despite anything stated or implied to the contrary in this Agreement, Franchisee must not use any of the Marks or copyrighted materials in any manner which has not been specified or approved by us.

To establish the validity of the sale of any Franchised Business for comparable purposes, we reserve the right to disclose information about any such transaction, including, but not limited to, the transaction's terms, financing structure, and related marketing materials; the Franchised Business operations and financial performance; and any other related material information.

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

Upon executing the Franchise Agreement, you will designate and retain an individual to serve as your Operating Principal ("**Operating Principal**"). The Operating Principal will have ~~the~~ full authority to act on your behalf in all matters related to the performance of the Franchise Agreement and the operation of the Franchised Business. We have the right to rely on any and all directions, elections, information and other communication from your Operating Principal as being made on your behalf, even if we receive information from any other owner or person who claims to have an ownership interest in you which may be contrary to or different from the information provided by your Operating Principal. We have no duty or obligation to inquire into or resolve any conflicting information provided by your Operating Principal and any other person on your behalf. If you are an individual, you will perform all the obligations of the Operating Principal.

The Operating Principal will, during the entire period he or she serves as such: (i) unless agreed upon in writing by us, maintain a direct or indirect ownership interest in you equal to at least 25% of the ownership interests in you; (ii) establish the operation of the Franchised Business as his or her primary business focus and devote his or her best efforts to the supervision and conduct of the Franchised Business; (iii) meet our standards and criteria for such individual, as outlined in the Brand Standards Manual or otherwise in writing by us; and (iv) satisfy the training requirement discussed in Item 11(H). You must have a designated Operating Principal for the entire term of the Franchise Agreement and You must keep us informed of the identity of your Operating Principal.

You must at all times faithfully, honestly and diligently perform your obligations under the Franchise Agreement(s) and you must not engage in any business or other activities that will conflict with your obligations under the Franchise Agreement.

You are not an agent, legal representative, joint venturer, partner or employee of ours. You will be an independent contractor and are in no way authorized to make any contract, agreement, warranty or representation or to create any obligation, express or implied, on behalf of us. You will independently own and operate the Franchised Business. We do not have any employment relationship with your employees, and we will not have any direct or indirect control over your employees or the terms of their employment. You will be responsible for training your employees.

You, your spouse, Operating Principal, and all holders of a legal or beneficial interest in the franchisee entity must personally guarantee the obligations of franchisee to us and enter into a Confidentiality and Non-Compete Agreement.

All of your employees having access to confidential information may be required to sign ~~employment agreements with~~ confidentiality agreements in a form approved by us as described in Item 14.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only those services and products that we approve as part of the System. You may not offer any products or perform any services that we have not authorized. We periodically may change approved services and/or add products, and there are no limits on our right to do so.

You must not, without our written consent, place in, on or upon the location of the Franchised Business, or in any communication media, any form of advertising, or list with any business, real estate broker, agent or attorney any information concerning the sale of the Franchised Business, or the rights granted under the Franchise Agreement.

You must, at all times, hold yourself out as an independent contractor. You must take whatever actions we suggest which clearly indicates that the Franchised Business is independently owned and operated as a Right at Home Franchised Business and not as an agent of ours.

You must cooperate with us by maintaining high standards in the operation of the franchise and you must at all times, give prompt, courteous and efficient service to your clients and not engage in any business or other activities that will conflict with your obligations under the Franchise Agreement. The Franchised Business will, in all dealings with its clients, suppliers and the public, adhere to the highest standards of honesty, integrity, fair dealing, moral and ethical conduct.

We reserve the right to designate certain national or regional accounts that we may develop for the Right at Home System. We also reserve the right to develop certain national or regional alliance programs. Your obligation to participate and our policies and procedures for national or regional alliance programs will be included in the Brand Standards Manual and the Digital Resource Library. These obligations may include, but are not limited to, completing our form owner profile for use in credentialing with national or regional accounts in the form and timing set out in the Brand Standards Manual and the Digital Resource Library, maintaining your credentialing with national or regional accounts (that you participate in) annually or such other required frequency and naming such national or regional accounts as an additional insured.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

FRANCHISE AGREEMENT

Provisions	Section in Franchise Agreement	Summary
a. Length of the franchise term	~~Section 2~~ Section 4.1	~~The~~ The term is 10 years from the date the Franchise Agreement is signed by us .
b. Renewal or extension of the term	~~Section 2~~ Section 5.2	~~If you continuously complied with all of the provisions in the Franchise Agreement, you have three separate options intended to renew for the period of five years each, subject to the terms and conditions of the then current form of the Franchise Agreement. There is a renewal fee payable to us for each term renewal approved by us equal to 10% of the then current franchise fee at the time of each renewal. The renewal Franchise Agreement will also contain three separate options intended to renew for the period of five years each, subject to the terms and conditions of the renewal Franchise Agreement.~~ If the conditions for renewal are met, you may renew your right to operate the Franchised Business for an additional five-year renewal term.
c. Requirements for franchisee to renew or extend	~~Sections 2.2 and 2.3~~ Section 5.3 and ~~2.3~~ 5.4	~~For you to~~ You may renew your right to operate the Franchised Business if you meet the conditions in the Franchise Agreement; ~~These conditions include,~~ (1) you must not be in default under any terms of the Franchise Agreement and substantially have complied with all obligations under the Franchise Agreement; maintain ~~(2) you provide evidence that you are not in default of the lease for the Office and have the right to remain possession of the Office; have brought for the duration of the Renewal Term or you have secured a new Office for the duration of the Renewal Term that is approved by us; (3) the Franchised Business into~~ and the Owners are in full compliance with our current standards; have given timely ~~(4) you gave us notice of renewal to us; your intent to renew between eight and 14 months before the Franchise Agreement expires; ; (5) you have satisfied all monetary obligations owed to us and any affiliate; (6) you have paid the renewal fee, if any; (7) you and your Owners have executed a general release, in form prescribed by Franchisor, of all claims – except those not permitted to be waived under applicable law – against Franchisor, affiliates and our agents; (8) you have signed a current renewal~~ Successor Franchise Agreement which may have materially different terms and conditions than in your original contract; and current Francise Agreement; (9) you have met current qualifications and training requirements. ~~You must~~

Provisions	Section in Franchise Agreement	Summary
		~~give us notice of your intent to renew between eight; and (10) you have all required licenses, insurance, registrations and 14 months before approvals to operate the Franchise Agreement expires. “Renew” or “renewal” means the continuation of your franchise relationship.~~ <u>Franchised Business in your Designated Area.</u>
d. Termination by franchisee	~~Section 16.1~~ <u>Section 18.1 and Section 20</u>	~~You~~ <u>You</u> may terminate the Franchise Agreement if you are in compliance with the Franchise Agreement, ~~and we materially breach the Franchise Agreement, which breach results in a material adverse effect on Franchisee and fails~~ <u>we fail</u> to cure or begin to cure <u>such material breach</u> within 30 days of receiving your written notice <u>and you comply with the dispute resolution process.</u>
e. Termination by franchisor without cause	~~Not~~ <u>Not</u> Applicable	~~The~~ <u>The</u> Franchise Agreement does not provide for termination without cause.
f. Termination by franchisor with cause	~~Sections 16.2, 16.3, 16.4, and 16.5~~ <u>Sections 18.2, 18.3, and 18.3</u>	~~We~~ <u>We</u> may terminate the Franchise Agreement if you default under the terms of the Franchise Agreement.
g. “Cause” defined - curable defaults	~~Sections 16.3, 16.4, 16.5, and 12.13~~ <u>Section 18.3</u>	~~The~~ <u>The</u> following events constitute curable defaults: <u>(1) failure to satisfactorily complete training; violation within 30 days of and failure to cure required Active Grand Opening Date; (2) violation of</u> any health, safety or sanitation law, <u>regulation or conduct your operation in a manner creating a safety hazard; default under ordinance applicable to the lease for the Office; Franchised Business and</u> failure to ~~establish and continuously maintain an open office~~ <u>cure</u> within the ~~Designated Area; later of the cure period required by such regulation or ordinance or within 10 days; (3)~~ failure to timely meet with Franchisor after receiving notice from Franchisor ~~(Section 25 Notice); default under any covenant in Section 15; providing franchise services or products in another franchisee’s designated area in violation of the encroachment policy;~~ <u>(4) failure to cure a default under the lease for the Office; (5) failure to pay the Minimum Royalty or contribute the Minimum Brand Marketing and Promotion Fee when make payment of any amount due; payments of Royalty Fee and Brand Marketing and Promotion Fee that are not equal Franchisor or greater than the Minimum Royalty and/or Minimum Brand</u>

Provisions	Section in Franchise Agreement	Summary
		~~Marketing and Promotion Fee for four consecutive Quarters or four Quarters in a 24-month period;~~<u>its affiliates within five business days after failing to meet the Minimum Quarterly Net Billings you</u>~~written notice;~~ (6) failure to establish and continuously maintain an open office within the Designated Area; (7) fail ~~or refuse~~ to submit a Performance Improvement Plan, ~~get our approval of a~~ <u>acceptable to Franchisor within the period required;</u> (8) failure to execute the Performance Improvement Plan ~~or comply with a Performance Improvement Plan;~~ <u>;</u> (9) failure to meet the Minimum Quarterly Net Billings within the time period ~~specified~~ <u>set out in the Performance Improvement Plan;</u> (10) <u>providing Core Services or Ancillary Services in another franchisee's designated area in violation of the encroachment policy or providing Core Services or Ancillary Services in another franchisees designated area without entering into an Authorization to Provide Services in Designated Area Agreement;</u> (11) failure to obtain or maintain any required accreditation; (12) failure to participate in ~~a Performance Improvement Plan;~~ <u>your</u> any required survey programs; (13) failure to meet performance criteria regarding surveys; and (14) failure or refusal to comply with any provision of the Franchise Agreement or any mandatory specification, standard, or operating procedure prescribed in the Manuals or otherwise directed in writing by us.
h. "Cause" defined – non-curable defaults	~~Sections 16.2 and 12.13~~ <u>Section 18.2</u>	~~The~~<u>The</u> following ~~events constitute~~ <u>are</u> non-curable defaults: (1) making a material misrepresentation or omission in the application for the franchise; (2) conviction or plea of no contest to a felony or other crime or offense that can adversely affect <u>your or our reputation or</u> the reputation of ~~you~~<u>the System,</u> or the Franchised Business; (3) making unauthorized use, <u>disclosure or duplication</u> of any ~~trade secret, confidential information, proprietary software, your misuse of the Marks, or any portion of the Brand Standards Manual or Digital Resource Library, copyrighted or copyrightable material~~<u>Manuals, passwords Confidential Information, Trade Secrets or patents;</u> <u>Proprietary Information;</u> (4) abandonment of the <u>Franchised</u> Business for five business days in any consecutive 12 month period; (5) an attempt

Provisions	Section in Franchise Agreement	Summary
		to or in fact does: (i) surrender or transfer of control of business, or (ii) make unauthorized assignment, or (iii) refuse to assign the Agreement or interest of a deceased or incapacitated controlling Owner; ~~(6)~~ submission of reports on three or more separate occasions understating ~~Royalty Fees~~ <u>Net Billings</u> by more than 2% for any accounting periods during the term of the franchise and you do not satisfactorily demonstrate that understatements resulted from inadvertent error; ~~(7)~~ <u>misuse of the Marks or commits any act that can reasonably be expected to impair the goodwill associated with the Marks</u> ~~(8)~~ <u>misuse any of Franchisor's proprietary software</u>; ~~(9)~~ failure to submit payments on two or more occasions within any 12 month period; ~~(10)~~ any other franchise agreement with us is terminated by us as a result of your default, other than a default due to your failure to meet the <u>Minimum</u> Quarterly ~~Minimum~~ Net Billings requirements of that agreement; ~~(11)~~ you are adjudicated bankrupt, insolvent or make a general assignment for the benefit of creditors; ~~(12)~~ attempt to assign, transfer or sell the clients or identity of clients without our consent; ~~(13)~~ perform Core Services or Ancillary Services in another franchisee's designated area on two or more occasions; ~~fail~~ <u>without entering into an Authorization to Provide Services in Designated Area Agreement or without our continuing approval</u>; ~~(14)~~ <u>defaults under Section 14</u>; ~~(15)~~ <u>failure</u> to meet the Minimum ~~Royalty or Minimum Brand Marketing and Promotion Fee~~ <u>Quarterly Net Billing requirements</u> for <u>more than</u> four consecutive Quarters or more than four Quarters in any consecutive 24 ~~months; or~~ <u>month period</u>; ~~(16)~~ failure to timely submit to arbitration any franchisee quarrel for which we have provided a Notice to Arbitrate; ~~(17)~~ <u>failure to have a qualified Operating Principal</u>; ~~(18)~~ <u>failure to maintain any required licenses</u>; and ~~(19)~~ <u>three or more notices of default have been issued by Franchisor within any 12-month period regardless of whether such defaults have been cured.</u> Termination upon bankruptcy may not be enforceable under the federal bankruptcy law (11 U.S.C. Section 101 et seq.).

Provisions	Section in Franchise Agreement	Summary
i. Franchisee's obligations on termination/non-renewal	~~Section 17~~ Section 19	~~Your~~ Your obligations include: ~~cease operations of the Franchised Business;~~ (1) assign any assumed names to us; (2) assign lease to us, at our option; ~~stop using the Marks~~ (3) pay all sums owed to us and items bearing the Marks; ~~assign any assumed names to us;~~ pay all damages and costs incurred in enforcing the termination provisions of the Franchise Agreement (if any); (4) return all Manuals, copyrighted material, and other Confidential Information, Trade Secrets and Proprietary Information to us; (5) transfer signage to us; (6) assign your telephone, domain names, social media accounts, facsimile number, and email addresses used in association with the Franchised Business to us; (7) comply with Section 12 and Section 14 in the Franchise Agreement; (8) provide contact information; (9) de-identify the Office from any confusingly similar decoration, design or other imitation of a Right at Home Franchised Business; ~~stop advertising as a Franchised Business; terminate all agreements with Required Suppliers; pay all sums owed to us; pay all damages and costs incurred in enforcing the termination provisions of the Franchise Agreement; return all manuals, copyrighted material, and other confidential information to us;~~ (10) cease operations of the Franchised Business; (11) cease all use of the Confidential Information, Trade Secrets and Proprietary Information (12) stop using the entity used to operate the Franchised Business; (13) stop using the Marks and items bearing the Marks and (14) sell to us, at our option, all assets of the Franchised Business, including signs, equipment, supplies and items bearing the Marks; ~~assign your telephone and facsimile number, internet and email addresses to us and comply with the covenants not to compete.~~
j. Assignment of contract by franchisor	~~Section 18~~ Section 16.1	~~There~~ There are no restrictions on our right to assign except that assignee must be financially responsible and economically capable of performing our obligations under the Franchise Agreement and assignee must expressly agree to assume such obligations.
k. "Transfer" by franchisee-defined	~~Sections 18~~ Sections 16.2 and 16.3	~~Includes transfer of assets or sale of equity. You may transfer the assets of the Franchised Business and all rights subject to certain restrictions. A Transfer means a~~ (1) sale, assignment, transfer, conveyance, gift, or

Provisions	Section in Franchise Agreement	Summary
		<u>encumbrance; or (2) the issuance of shares of common or preferred voting stock, membership interests or partnership interests (of whatever nature) in Franchisee, to any person, partnership, trust, foundation, limited liability company, corporation or other party.</u>
l. Franchisor approval of transfer by you	~~Section 18.4~~ <u>Section 16.2.3</u>	~~We~~ <u>We</u> have the right to approve all transfers ~~and transferees but will~~ , <u>such approval</u> not <u>to be</u> unreasonably ~~withhold approval~~ <u>withheld</u> .
m. Conditions for franchisor approval of transfer	~~Section 18.4~~ <u>Section 16.2.3</u>	~~For~~ <u>For</u> a transfer to a third party, <u>(1) the transferee must meet our current conditions and qualifications, including successfully completing (2) you must provide a final executed purchase agreement to us; (3) the transferee's Operating Principal must complete the RightStart Training Program or other training program, signing programs required by us; (4) transferee must sign the</u> current Franchise Agreement (and Exhibits thereto), current confidentiality agreement and current transfer agreement (" ACCT ") ~~and agree~~ <u>which requires transferee</u> to assume all of the previous franchisee's obligations; <u>(5) You will be required to pay all sums owed to us, including; (6) you or the transferee will have paid</u> the Transfer Fee. If you are transferring to ~~an~~ <u>a newly formed</u> entity; you owned and formed solely for the purposes of operating the Franchised Business; you must remain the owner of the majority interest of that entity.
n. Franchisor's right of first refusal to acquire your business	~~Section 20~~ <u>Section 16.6</u>	~~We~~ <u>We</u> have the right of first refusal to purchase a Franchised Business that is for sale and for which you have received a good faith offer to purchase. We have 30 days from notice of the offer to <u>give you notice that we will exercise our right of first refusal to</u> purchase the Franchised Business or its assets at the same terms as those contained in the offer. <u>We have 90 days from our notice to conduct due diligence and 120 days from the date of our notice to close.</u>
o. Franchisor's option to purchase your business	~~Section 17.10~~ <u>Section 19.3</u>	~~We~~ <u>We</u> are not obligated to do so, but, if the franchise is terminated or expires, we may purchase <u>(a) the fixed</u> assets of the Franchised Business at <u>the depreciated value; (2) the real property at</u> fair market value ~~within~~ ; and <u>(3) all other asset/property at fair market value. We will</u>

Provisions	Section in Franchise Agreement	Summary
		~~have~~ 30 days <u>to deliver notice of our intent to exercise our option</u> after ~~expiration or the~~ termination <u>or expiration</u> of the Franchise Agreement.
p. Death or disability of franchisee	~~Section 15.3~~ <u>Section 17</u>	~~Your~~ <u>Your</u> heirs, beneficiaries, devisees or legal representatives can apply to us to continue operation of the Franchised Business or sell or otherwise transfer interest in the Franchised Business for 180 days after the death or incapacity. If they fail to do so, the Franchise Agreement will terminate, and we will have the option to buy the assets used to operate the Franchised Business.
q. Non-competition covenants during the term of the franchise	~~Section 15.3~~ <u>Section 14.2</u>	~~You~~ <u>The Restricted Parties</u> must not (i) ~~divert or attempt to divert any business or client to a competitor;~~ (ii) ~~perform any act which may harm the goodwill associated with the Marks and the System;~~ (iii) <u>2</u> own or otherwise have any interest in any business (including a business operated before entry into the Franchise Agreement) specializing in offering or providing <u>non-medical</u> in-home assistance, companionship or <u>medical</u> staffing services, ~~related~~ <u>or other</u> services, <u>products, materials or services</u> ~~equipment~~ that are the same as or similar to ~~any product or service provided~~ <u>those Core Services, Ancillary Services or other services offered and/or sold</u> in the System or ~~provided in the~~ Franchised Business; ~~or (iv) offering or providing services or products that are the same as or similar to any~~ <u>component of the operation or services of the Franchised Business or System</u> ~~thereof~~ (referrals to provide Services are excluded).

Provisions	Section in Franchise Agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	~~Section 15~~ Section 14.2.2	~~You must not own, otherwise have an interest in, or operate a business or become an employee of a business, which specializes or provides in home assistance, companionship or staffing services, related services or services that are the same as or similar to any product or service provided in the System or provided in the Franchised Business for a period of 1½ years after the Franchise Agreement terminates, expires or is transferred within 10 miles of the outer boundaries of the Designated Area. You must not solicit current or past customers, accounts, or clients serviced by the Franchised Business or any other franchisee's franchised business or referral sources for a period of 1½ years after the Franchise Agreement terminates, expires or is transferred. You must not, for a period of 1½ years after the Franchise Agreement terminates, expires or is transferred provide services or products that are the same as or similar to a component of the operation or services of the Franchised Business or System to any party.~~ For a period of 1½ years after the termination, assignment or expiration of the Franchise Agreement, the Restricted Parties must not (as an agent, consultant, independent contractor, owner, stockholder, partner, director, officer, manager, or otherwise (1) engage or become interested in or operate any business which engages in the services and business of the System or the Franchised business or services and businesses that are substantially similar to the System or Franchised Business within a 10 mile radius of the outer boundaries of the Franchisee's Designated Area; (2) become an employee of any business that engages in the services and business of the System or the Franchised Business anywhere within a radius of 10 miles from the outer boundaries of the Franchisee's Designated Area; (3) directly or indirectly solicit any current or past customers, accounts or clients served by the Franchised Business or other franchisee's franchised business for the purpose of including customer s accounts or clients to become the customer, client or account of a competing business; (4) directly or indirectly, solicit any of the then current or past referral sources and contacts utilized by the Franchised Business during the Restricted Party's affiliation with the Franchised Business, for the purpose of obtaining referral of customers or business from such referral sources for a competing business; (5) directly or indirectly

Provisions	Section in Franchise Agreement	Summary
		<u>provide services or products, materials or equipment that are the same as, or similar to the System, the Franchised Business or a component to the operation of the Franchised Business, Core Services, Ancillary Services or other services offered or sold in the Franchised Business or the System to any part.</u>
s. Modification of the agreement	~~Section 26~~ <u>Sections 22.14 and 9</u>	~~The~~ <u>The</u> Franchise Agreement can be modified only by written <u>and signed</u> agreement between us and you. We may modify or change the System through changes in the Brand Standards Manual.
t. Integration/merger clause	~~Sections 26 and 27~~ <u>Sections 22.14</u>	~~Only~~ <u>Only</u> the terms of the Franchise Agreement, <u>the exhibits attached thereto</u> are binding (subject to state law). Any representations or promises outside of the disclosure document and

Provisions	Section in Franchise Agreement	Summary
		franchise agreement may not be enforceable. No claim made in any franchise agreement is intended to disclaim the representations made in this Franchise Disclosure Document.
<u>U.</u> Dispute resolution by arbitration or mediation	~~Section 29~~ <u>Sections 20 and 10.10</u>	~~Any~~ <u>Any</u> dispute or claim relating to or arising out of the Franchise Agreement must be resolved exclusively by <u>negotiation and</u> mandatory arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (" AAA ") or another arbitration service agreed to by the parties. Any proceedings will be conducted at the AAA's Omaha, Nebraska office. In addition, Owners of your Franchised Business are obligated to submit arguments between themselves to arbitration if Franchisor so orders.
~~U.V.~~ Choice of forum	~~Section 28~~ <u>Section 20.3</u>	~~All~~ <u>All</u> other disputes must be brought only in the United States District Court of the District of Nebraska and the Courts of Nebraska sitting in Douglas County, Nebraska (subject to applicable state law).
~~V.W.~~ Choice of law	~~Section 28~~ <u>Section 20.2</u>	~~Nebraska~~ <u>Nebraska</u> law applies, (subject to state law), except that disputes regarding the Marks are governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sec. 1051 et seq.).

ITEM 18. PUBLIC FIGURES

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

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in this disclosure document. Financial performance information that differs from that included in this 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.

BACKGROUND

This Item 19 sets forth certain historical financial performance data as provided by our Franchisees and that is the basis and written substantiation for the representations included below. The representations made in this Item 19 are based upon the franchise system's Franchised Businesses that existed for the periods of time indicated below and

are not made up of any other subset of those Franchised Businesses. These Franchised Businesses all offered similar services and do not differ materially from the type of Franchised Business described in this disclosure document. This Item 19 does not include any Conversion Franchised Businesses.

Written substantiation of the data used in preparing this information and for the financial performance representation made in this Item 19 will be made available to prospective franchisees upon reasonable request.

For the purpose of this Item 19, "**Net Billings**" means the total of all revenues from the operation of the Franchised Business whether received in cash, services in kind, from barter and/or exchange, on credit (whether or not payment is received therefore) or otherwise. Net Billings does not include the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to clients, if such taxes are separately stated when the client is charged and if such taxes are paid to the appropriate taxing authority. In addition, Net Billings does not include the amount of any documented refunds, chargebacks, credits and allowances given in good faith to clients by franchisee and the amount of mileage and out-of-pocket expenses incurred by and reimbursed to your employees in connection with providing services to clients.

Importantly, the success of your Franchised Business will depend largely upon your personal abilities, your use of those abilities and your market. The financial results of your Franchised Business will likely differ, perhaps materially, from the results summarized in this item.

AVERAGE NET BILLINGS

Tables 1, 1A and 2 presented below contain certain information related to Net Billings realized by our franchisees for the period beginning January 1, ~~2023~~2022 and ending December 31, ~~2023~~2022. The Active Grand Opening Date of a Franchised Business is the date the Franchisee is able to take on his or her first client.

The information and figures regarding Net Billings presented in Table 1 below is based upon information reported to us by Right at Home Franchisees for ~~350~~363 Franchised Offices. Table 1A below is based upon information reported to us by ~~260~~264 Franchisee Entities whose Franchised Businesses had been open for at least 12-months for the period ending December 31, ~~2023~~2022 and reported Net Billings. NOTE: Right at Home has not audited this information, nor have we independently verified this information. The information is for the period commencing January 1, ~~2023~~2022 through December 31, ~~2023~~2022. The information has been extracted from actual franchise reports made to Right at Home. The Franchised Businesses classified below, together with the breakdown of information, represent only those franchisees that reported data to us as specifically noted following the Net Billings Information table. The information may be used to evaluate the experience of existing Right at Home Franchised Businesses. The information is not a projection or forecast of what a new franchisee may experience.

Some franchisees have earned these amounts. Your individual results may differ. There is no assurance that you will sell as much.

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Table 1: Average and Median Net Billings

	Right at Home Franchised Offices Months in Business	Total Offices	Average Net Billings	Median Net Billings	Number & % of Franchised Offices that Attained or Exceeded the Average Revenue AmountNet Billings		Number & % of Franchised Offices that Attained or Exceeded the Median Revenue AmountNet Billings		Highest Offices Net Billings	Lowest Offices Net Billings
61 Months or More		316	\$1,519,451.2 ~~9648,816.70~~	\$1,153,006.11 ~~218,745.14~~	1091	34%	158	50%	\$13,121,733.2 ~~4312,367.06~~	\$53,190.13 ~~7,560.39~~
49 To 60 Months		42	\$696,622.16 ~~472,396.86~~	\$758,429.14 ~~148,892.01~~	3	7533%	25	5056%	\$939,348.35 ~~991,050.13~~	\$330,282.02 ~~442,081.77~~
37 To 48 Months		1211	\$1,069,119.7 ~~9~~ ~~\$948,405.86~~	\$859,148.97 ~~68~~ ~~7,364.84~~	4	3336%	6	5055%	\$3,215,412.56 ~~2,756,968.65~~	\$58,944.05 ~~5,810.65~~
25 To 36 Months		1014	\$844,059.28 ~~7~~ ~~65,277.52~~	\$744,511.56 ~~78~~ ~~6,735.86~~	47	4050%	57	50%	\$1,798,772.18 ~~2,112,906.36~~	\$130,923.24 ~~102,300.05~~
13 To 24 Months		1113	\$543,817.17 ~~7~~ ~~56,808.00~~	\$529,528.16 ~~53~~ ~~2,124.71~~	56	4546%	67	5554%	\$1,317,353.44 ~~2,124,140.85~~	\$19,161.53 ~~3,209.97~~
All Offices Open One Year or More Ending 2022		353363	\$1,445,283.6 ~~4557,196.97~~	\$1,074,779.65 ~~160,232.13~~	1191	34%	177	50%	\$13,121,733.2 ~~4312,367.06~~	\$19,161.53 ~~3,209.97~~

Table 1A: Net Billings Information by Franchisee Entity for Franchised Businesses Open At Least One Year

Number of Franchisee Entities	Total # of Franchised Businesses Owned by Franchisee Entities	Average Net Billings per Franchisee Entity	Number and % of Franchisee Entities Meeting or Exceeding Average	Median Net Revenue per Entity		Number and % of Franchisee Entities Meeting or Exceeding Median	Highest Franchisee Entity Net Revenue		Lowest Franchisee Entity Net Revenue
260264	468486	\$2,302,071.5 ~~3-528,564.64~~	9495	36%	\$1,673,359.8 ~~4866,817.92~~	130132	50%	\$16,492,974.30 ~~\$17,265,996.27~~	\$19,161.53 ~~43,209.97~~

Notes to Tables 1 and 1A:

Table 1 includes data reported by ~~353363~~ Franchised Offices operated by franchisees that reported Net Billings during ~~2023, 2022~~. There were ~~2427~~ franchises that transferred ownership in ~~2023, 2022~~. The date used to report the Net Billings for those franchises was the date of the original franchise.

The term "Office" in Table 1 refers to a Designated Area that has an office located within it where at least one Franchised Business operates. The term "Franchisee Entity" means a franchisee that owns one or more Franchised Business. The Franchised Businesses in Table 1A include all the Right at Home Franchised Businesses owned by a Franchisee Entity, including those that operate from an Office serving one or more Franchised Businesses.

Table 2: Net Billings of Franchised Businesses		
2023~~2022~~ Net Billings	Number of Franchised Businesses	Percent
Over \$1,000,000	~~227~~ 258	~~49~~ 53%
\$750,001 - \$1,000,000	~~69~~ 63	~~15~~ 13%
\$500,001 - \$750,000	~~68~~ 58	~~15~~ 12%
\$250,001 - \$500,000	~~66~~ 72	~~14~~ 15%
\$0-250,000	~~38~~ 35	~~8~~ 7%
Total Franchised Businesses	~~468~~ 486	

Notes to Table 2:

Table 2 is the data reported for all of the ~~468~~486 Franchised Businesses operating for the full 12 months from January 1, ~~2023~~2022 to December 31, ~~2023~~2022 that reported Net Billings.

Table 3-A3A: Average Business Performance as a Percentage of Net Billings (Average Performance Table)			
Year	Gross Margin %	Office Payroll %	Marketing %
~~2018~~	~~39.50%~~	~~10.50%~~	~~2.04%~~
~~2019~~ 2023	~~39.34~~ 42.61%	10.42 ~~67~~ %	2.20 ~~37~~ %
~~2020~~	~~39.42%~~	~~12.27%~~	~~2.42%~~
~~2021~~	~~43.41%~~	~~10.75%~~	~~2.30%~~
~~2022~~	~~46.93%~~	~~10.35%~~	~~2.57%~~

Notes to Table 3-A:

The average performance Table ~~3-A3A~~ sets forth the ~~year-by-year~~ average business performance of our franchisees based on those costs listed and then measured against their Net Billings. As used in the average performance Table ~~3-A3A~~:

1. ~~Gross~~Gross Margin means Net Billings less the Cost of Goods Sold. Cost of Goods Sold includes all direct costs related to direct care staff, including wages, workers compensation insurance, crime-fidelity employee dishonesty coverage and other professional and general liability insurance. Payroll taxes and payroll related insurance are included in the Cost of Goods Sold both for office staff and direct care ~~staff because~~staff because they were combined in the information reported to us by these ~~franchisees~~franchisees.
2. Office Payroll means all wages for office staff employees. Payroll taxes and payroll related insurance are included in Cost of Goods Sold.
3. ~~Marketing~~Marketing costs are those associated with marketing and promoting the business, including such items as local telephone directory advertising, web-based advertising, media advertising, and trade show fees.

4. In Table ~~3-A3A~~ you will find financial data reported only from those Franchised Businesses that had been open ~~for at least~~ the entire ~~2023 calendar~~ year ~~indicated.~~ For the year ending 12/31/~~2018~~~~2023~~, we received complete financial data from ~~392~~~~423~~ of the ~~459~~~~(85~~~~457~~ ~~(93%)~~ Franchised Businesses.

~~5.—For the year ending 12/31/2019, we received complete financial data from 400 of the 453 (85%) Franchised Businesses. For the year ending 12/31/2020, we received complete financial data from 453 of the 472 (96%) Franchised Businesses. For the year ending 12/31/2021, we received complete financial data from 422 of the 466 (90.55%) Franchised Businesses. For the year ending 12/31/2022, we received complete financial data from 464 of the 468 (99.1%) Franchised Businesses.~~

~~6.5.~~ For ~~2022~~, the median gross margin percentage is ~~42.9~~~~41.32~~%, the median office payroll percentage is 10.~~4~~~~35~~% and the median marketing percentage is 2.~~0~~~~18~~%.

For purposes of this financial performance representation, the following Tables, ~~3-B3B~~ and ~~3-C3C~~, show the number and percentages of Franchised Businesses that ~~attained or surpassed~~~~met~~ the averages stated ~~(surpassed means their performance was better than the average):~~

Number and Percent of Franchised Businesses Meeting or Surpassing that Met the Average Table ~~3-B3B~~	
Year	Gross Margin
~~2018~~ ~~2023~~	~~203~~ ~~(52~~ ~~180~~ ~~(33%)~~
~~2019~~	~~204~~ ~~(51%)~~
~~2020~~	~~192~~ ~~(42%)~~
~~2021~~	~~108~~ ~~(46%)~~
~~2022~~	~~89~~ ~~(33%)~~

Table ~~3-C3C~~		
Year	Office Payroll	Marketing
~~2018~~ ~~2023~~	~~194~~ ~~208~~ (49%)	~~153~~ ~~165~~ (39%)
~~2019~~	~~193~~ ~~(48%)~~	~~168~~ ~~(42%)~~
~~2020~~	~~148~~ ~~(33%)~~	~~164~~ ~~(36%)~~
~~2021~~	~~124~~ ~~(53%)~~	~~131~~ ~~(56%)~~
~~2022~~	~~140~~ ~~(51%)~~	~~189~~ ~~(69%)~~

Notes to Tables ~~3-A~~, ~~3-B3A~~, ~~3B~~ and ~~3-C3C~~:

The information contained in Tables ~~3-A~~, ~~3-B3A~~, ~~3B~~ and ~~3-C3C~~ and related Sections is historical, based on cost experience reported. The information is not a projection or forecast of what Net Billings or costs a new franchisee may experience. These are not the only costs associated with the business. There is no assurance your costs will be comparable to our other franchisees.

SYSTEMWIDE NET BILLINGS

Table 4 presented below contains certain information related to Net Billings realized by all of our franchisees for the period beginning January 1, 2001 ~~(the first full year after we began selling franchises)~~ and ending December 31, ~~2023~~2022.

The information and figures regarding Net Billings presented in Table 4 below are based upon information reported to us by all Right at Home franchisees whose Franchised Businesses had been open for any period of time during the period beginning January 1, 2001 and ending December 31, ~~2023~~2022. During such period, all Franchised Businesses offered the same or similar services. NOTE: Right at Home has not audited this information, nor have we independently verified this information. The information is for the period commencing January 1, 2001 through December 31, ~~2023~~2022. The information has been extracted from actual franchise reports made to Right at Home. The information may be used to evaluate the experience of existing Right at Home Franchised Businesses. This information is not a projection or forecast of what a new franchisee may experience.

Table 4 Net Billings					
Year	Outlets at Start of the Year	Outlets Opened During the Year	Outlets Ceased Operations During the Year	Outlets at the end of the Year	System-Wide Net Billings
2001	1	13	0	14	\$783,857.00
2002	14	23	1	36	\$4,256,770.00
2003	36	22	2	56	\$9,366,404.00
2004	56	25	8	73	\$20,796,593.00
2005	73	28	2	99	\$38,169,221.00
2006	99	30	6	123	\$57,120,460.00
2007	123	35	5	153	\$79,866,042.00
2008	153	32	8	177	\$109,532,765.00
2009	177	42	13	206	\$136,020,298.00
2010	206	23	5	224	\$171,530,811.00
2011	224	22	6	240	\$202,804,737.00
2012	240	39	11	268	\$234,162,740.00
2013	268	78	7	339	\$265,541,764.00
2014	339	51	12	378	\$306,031,607.00
2015	378	59	5	432	\$351,988,906.00
2016	432	47	14	465	\$396,065,770.00
2017	465	24	14	475	\$439,382,774.00
2018	475	7	11	471	\$481,781,397.00
2019	471	14	11	474	\$511,208,232.02

Table 4 Net Billings

Year	Outlets at Start of the Year	Outlets Opened During the Year	Outlets Ceased Operations During the Year	Outlets at the end of the Year	System-Wide Net Billings
2020	474	17	9	482	\$545,273,614.85
2021	482	17	16	483	\$581,883,933.31
2022	483	25	11	497	\$610,234,619.77
<u>2023</u>	<u>497</u>	<u>21</u>	<u>9</u>	<u>508</u>	<u>\$671,753,530.72</u>
				TOTAL	~~\$5,553,803,315.95~~ <u>\$6,225,556,846.67</u>

AVERAGE AND MEDIAN CAREGIVERS AND HOURS WORKED

Table 5A Average and Median Caregivers and Hours Based on Weekly Revenue Range

Right at Home Franchised Offices with Single Designated Software License Average Weekly Revenue Range	Average Caregivers Placed with Client per Week	Number and Percentage of Franchised Offices with Single Designated Software License that Attained or Exceeded Average		Median Caregivers Placed with Client per Week	Average Number of Caregiver Hours Worked per Week	Number and Percentage of Franchised Offices with Single Designated Software License that Attained or Exceeded Average		Median Number of Caregiver Hours Worked per Week	Number of Franchised Offices with Single Designated Software License in Range
0 - \$5,000	~~8~~ <u>16</u>	1	~~33~~ <u>20</u> %	~~6~~ <u>11</u>	~~12~~ <u>15</u>	~~1~~ <u>2</u>	~~33~~ <u>40</u> %	~~12~~ <u>14</u>	~~3~~ <u>5</u>
\$5,000 - \$10,000	~~16~~ <u>22</u>	7	~~50~~ <u>32</u> %	~~16~~ <u>17</u>	~~20~~ <u>21</u>	~~5~~ <u>11</u>	~~36~~ <u>50</u> %	~~18~~ <u>20</u>	~~14~~ <u>22</u>
\$10,000 - \$20,000	~~24~~ <u>38</u>	~~26~~ <u>23</u>	~~49~~ <u>35</u> %	~~23~~ <u>32</u>	~~24~~ <u>21</u>	~~23~~ <u>35</u>	~~43~~ <u>53</u> %	~~23~~ <u>22</u>	~~53~~ <u>66</u>
\$20,000 - \$30,000	~~36~~ <u>47</u>	~~23~~ <u>28</u>	~~46~~ <u>42</u> %	~~34~~ <u>42</u>	25	~~24~~ <u>29</u>	~~48~~ <u>43</u> %	24	~~50~~ <u>67</u>
\$30,000 - \$40,000	~~52~~ <u>68</u>	~~16~~ <u>12</u>	~~48~~ <u>33</u> %	~~52~~ <u>58</u>	25	13	~~39~~ <u>36</u> %	24	~~33~~ <u>36</u>
\$40,000 - \$50,000	~~59~~ <u>78</u>	~~13~~ <u>7</u>	~~33~~ <u>44</u> %	~~57~~ <u>70</u>	~~27~~ <u>26</u>	~~12~~ <u>9</u>	~~33~~ <u>56</u> %	~~26~~ <u>28</u>	~~28~~ <u>16</u>
\$50,000 - \$60,000	~~72~~ <u>82</u>	~~10~~ <u>6</u>	~~42~~ <u>40</u> %	~~68~~ <u>76</u>	~~26~~ <u>25</u>	~~10~~ <u>9</u>	~~42~~ <u>60</u> %	~~24~~ <u>26</u>	~~24~~ <u>15</u>
\$60,000 - \$75,000	~~80~~ <u>114</u>	~~8~~ <u>3</u>	~~42~~ <u>20</u> %	~~75~~ <u>94</u>	~~29~~ <u>27</u>	~~8~~ <u>6</u>	~~42~~ <u>40</u> %	~~26~~ <u>25</u>	~~19~~ <u>15</u>
\$75,000 Plus	~~132~~ <u>165</u>	~~11~~ <u>6</u>	~~29~~ <u>30</u> %	~~102~~ <u>121</u>	~~30~~ <u>29</u>	~~13~~ <u>6</u>	~~34~~ <u>30</u> %	~~27~~ <u>26</u>	~~38~~ <u>20</u>
All Offices Open One Year or More	~~57~~ <u>62</u>	~~96~~ <u>100</u>	~~37~~ <u>38</u> %	~~47~~ <u>49</u>	~~26~~ <u>24</u>	~~114~~ <u>115</u>	44%	~~25~~ <u>23</u>	262

Table 5A Average and Median Caregivers and Hours Based on Weekly Revenue Range

Right at Home Franchised Offices with Single Designated Software License Average Weekly Revenue Range	Average Caregivers Placed with Client per Week	Number and Percentage of Franchised Offices with Single Designated Software License that Attained or Exceeded Average		Median Caregivers Placed with Client per Week	Average Number of Caregiver Hours Worked per Week	Number and Percentage of Franchised Offices with Single Designated Software License that Attained or Exceeded Average		Median Number of Caregiver Hours Worked per Week	Number of Franchised Offices with Single Designated Software License in Range
Ending ~~2023~~ 2022									

Table 5B Average and Median Caregivers and Hours Based on Months of Operation

Right at Home Franchised Offices with Single Designated Software License Months in Business	Average Caregivers Placed with Client Per Week	Number and Percentage of Franchised Offices with Single Designated Software License that Attained or Exceeded Average		Median Caregivers Placed with Client per Week	Average Caregiver Hours Worked Per Week	Number and Percentage of Franchised Offices with Single Designated Software License that Attained or Exceeded Average		Median Number of Caregiver Hours Worked Per Week	Number of Franchised Offices with Single Designated Software License in Range
13-36 Months	~~24~~ 28	~~5~~ 4	~~50~~ 36%	~~25~~ 20	~~22~~ 19	~~6~~ 5	~~60~~ 45%	~~24~~ 17	~~40~~ 11
37-60 Months	~~38~~ 48	~~2~~ 4	~~22~~ 29%	~~22~~ 32	~~23~~ 22	~~3~~ 8	~~33~~ 57%	~~24~~ 23	~~9~~ 14
61-84 Months	~~42~~ 39	~~40~~ 5	~~40~~ 38%	~~32~~ 30	~~26~~ 21	~~7~~ 5	~~28~~ 38%	~~24~~ 20	~~25~~ 13
85 Months Plus	~~61~~ 66	~~79~~ 82	~~36~~ 37%	~~50~~ 54	~~26~~ 25	~~94~~ 100	~~43~~ 45%	~~25~~ 24	~~218~~ 224
All Offices Open One Year or More Ending ~~2023~~ 2022	~~57~~ 62	~~963~~ 100	~~37~~ 38%	~~47~~ 49	~~26~~ 24	~~114~~ 115	44%	~~25~~ 23	262

Table 5A and Table 5B presented above contains certain information related to the average and median number of caregivers placed with clients per week and the average and median number of hours worked by caregivers per week for Franchised Offices with a single license for the Designated Software operating for at least 12 months during the period beginning January 1, ~~2023~~2022 and ending December 31, ~~2023~~2022.

The information and figures regarding number of caregivers per week and number of hours worked by caregivers per week presented in Table 5A and Table 5B above are based upon information reported to us by all Right at Home franchisees whose Franchised Businesses had been open for at least 12 months during the period beginning January 1, ~~2023~~~~2022~~ and ending December 31, ~~2023~~~~2022~~. During such period, all Franchised Businesses offered the same or similar services. NOTE: Right at Home has not audited this information, nor have we independently verified this information. The information has been extracted from actual franchise reports made to Right at Home.

Based on all of the matters mentioned in this Item 19, we recommend that you make your own independent investigation to determine whether or not the franchise may be profitable to you and worth the risk. You should use this information only as a reference in conducting your analysis and in preparing your own projected income statements and cash flow statements. We suggest strongly that you consult your financial advisor or personal accountant concerning financial projections, federal, state and local income taxes, and any other applicable taxes that you may incur in owning and operating a franchised business.

Other than the preceding financial performance representation, Right at Home 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 Jen Chaney, Vice President of Franchise Development, 6700 Mercy Road, Suite 400, Omaha, Nebraska 68106 (877) 697-7537, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISE INFORMATION

In the following Table No. 1, you will find the total number of franchised and company-owned outlets for each of our last three fiscal years. For purposes of this Item 20, "outlet" means and includes franchises/outlets of a type substantially similar to that offered to the prospective franchisee.

Table No. 1
Systemwide Outlet Summary
For Years ~~2020~~2021 to ~~2023~~2022

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised*	~~2020~~ 2021	~~474~~ 481	482	+ ~~8~~ 1
	~~2022~~ 2021	482	~~483~~ 496	+ ~~1~~ 14
	~~2022~~ 2023	~~483~~ 496	~~497~~ 508	+ ~~14~~ 12
Company-Owned	~~2020~~ 2021	~~45~~	~~5~~ 22	+ ~~1~~ 17

	~~2022~~ 2021	~~5~~ 22	~~22~~ 28	~~+17~~ 6
	~~2022~~ 2023	~~22~~ 28	~~28~~ 23	~~+6~~ 5
Total Outlets	~~2020~~ 2021	~~478~~ 486	~~487~~ 504	~~+9~~ 18
	~~2022~~ 2021	~~487~~ 504	~~505~~ 524	~~+18~~ 20
	~~2022~~ 2023	~~505~~ 524	~~525~~ 531	~~+20~~ 7

In the following Table No. 2, you will find the total number of franchised outlets transferred in each state during each of our last three fiscal years. For purposes of this Item 20, "transfer" means the acquisition of a controlling interest in a franchised outlet, during its term, by a person other than us or an affiliate of ours. No transfers of outlets from franchisees to new owners for years ~~2020~~2021 to ~~2023~~2022 occurred in the states not included in this table.

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(Other than the Franchisor)
For Years ~~2020~~2021 to ~~2023~~2022

State	Year	Number of Transfers
Alabama	~~2021~~ 2020	0
	~~2021~~	~~0~~
	2022	1
~~Arizona~~	~~2020~~	~~1~~
	~~2023~~ 2021	0
	~~2021~~	~~0~~
Arkansas	~~2021~~ 2020	~~0~~ 1
	~~2021~~	~~1~~
	2022	1
	~~2023~~	~~0~~
	~~2021~~ 2020	~~48~~
	~~2021~~	~~8~~
California	2022	3
	~~2023~~	~~4~~
	~~2021~~ 2020	0
Colorado	~~2021~~	~~0~~
	2022	1
	~~2020~~ 2023	0
~~District of Columbia~~		
~~Connecticut~~	2021	0
	2022	~~0~~ 1
	~~2023~~	~~0~~
Florida	~~2021~~ 2020	~~3~~ 1
	~~2021~~	~~1~~
	2022	2
~~Georgia~~	~~2019~~ 2023	~~23~~
	~~2020~~	~~0~~
	~~2021~~	~~0~~
Illinois	~~2021~~ 2020	~~0~~ 2

State	Year	Number of Transfers
	~~2021~~	~~2~~
	2022	0
~~Indiana~~	~~2020~~ 2023	3
~~Maryland~~	2021	0
	2022	0
~~Louisiana~~	~~2020~~ 2023	1
~~Massachusetts~~	2021	0
~~Maryland~~	2022	~~0~~ 2
	~~2020~~ 2023	0
	~~2021~~	~~0~~
	~~2022~~	~~0~~
Michigan	~~2021~~ 2020	~~0~~ 1
	~~2021~~	~~1~~
	2022	0
~~Missouri~~	~~2020~~ 2023	~~1~~ 0
	~~2021~~	~~0~~
	~~2022~~	~~0~~
Montana	~~2021~~ 2020	0
	~~2021~~	~~0~~
	2022	1
~~New Hampshire~~	~~2020~~ 2023	0
~~Nevada~~	2021	0
	2022	~~0~~ 2
	2023	0
New Jersey	~~2021~~ 2020	0
	~~2021~~	~~0~~
	2022	0
	2023	2
New York	~~2021~~ 2020	~~2~~ 0
	~~2021~~	~~0~~
	2022	0
	2023	1
North Carolina	~~2021~~ 2020	~~3~~ 0
	~~2021~~	~~0~~
	2022	~~0~~ 2
~~Ohio~~	~~2020~~ 2023	~~1~~ 0
~~Ohio~~	2021	0
	2022	0
	2023	3
Pennsylvania	~~2021~~ 2020	~~2~~ 1
	~~2021~~	~~1~~
	2022	2
	2023	3
Tennessee	~~2021~~ 2020	~~0~~ 2
	~~2021~~	~~2~~

State	Year	Number of Transfers
	2022	0
	<u>2023</u>	<u>3</u>
	~~2021~~ 2020	~~20~~
Texas	~~2021~~	~~0~~
	2022	3
	~~2020~~ 2023	~~1~~ <u>2</u>
~~West Virginia~~	~~2021~~	~~0~~
	~~2022~~	~~0~~
	~~2021~~ 2020	~~1~~ <u>0</u>
Wisconsin	~~2021~~	~~0~~
	2022	3
	~~2020~~ 2023	~~2~~ <u>5</u>
<u>TOTAL</u>	~~2021~~	~~16~~
<u>TOTAL</u>	2022	24
	<u>2023</u>	<u>27</u>

In the following Table No. 3, you will find the status of franchisee-owned outlets located in each state (with at least one outlet) for each of our last three fiscal years.

Table No. 3
Status of Franchised Outlets
For Years ~~2020~~2021 to ~~2023~~2022

State	Year	Outlets at Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Alabama	~~2021~~ 2020	~~7~~ <u>6</u>	~~1~~ <u>0</u>	~~2~~ <u>0</u>	0	0	0	6
	~~2022~~ 2021	6	0	0	0	0	0	6
	~~2022~~ 2023	6	~~0~~ <u>1</u>	0	0	0	0	~~6~~ <u>7</u>
Alaska	~~2021~~ 2020	0	0	0	0	0	0	0
	~~2022~~ 2021	0	0	0	0	0	0	0
	~~2022~~ 2023	0	0	0	0	0	0	0
Arizona	~~2021~~ 2020	~~12~~ <u>13</u>	1	~~0~~ <u>2</u>	0	0	0	~~13~~ <u>12</u>
	~~2022~~ 2021	~~13~~ <u>12</u>	1	~~2~~ <u>0</u>	0	0	0	~~12~~ <u>13</u>
	~~2022~~ 2023	~~12~~ <u>13</u>	1	0	0	0	0	~~13~~ <u>14</u>
Arkansas	~~2021~~ 2020	5	0	0	0	0	0	5
	~~2022~~ 2021	5	0	0	0	0	0	5
	~~2022~~ 2023	5	0	0	0	0	0	5
California	~~2021~~ 2020	~~56~~ <u>57</u>	~~1~~ <u>0</u>	0	0	0	0	57
	~~2022~~ 2021	57	~~0~~ <u>3</u>	~~0~~ <u>1</u>	~~0~~ <u>1</u>	0	0	~~57~~ <u>58</u>
	~~2022~~ 2023	~~57~~ <u>58</u>	~~3~~ <u>1</u>	~~1~~ <u>0</u>	1	0	0	58
Colorado	~~2021~~ 2020	~~5~~ <u>7</u>	~~2~~ <u>1</u>	0	0	0	0	~~7~~ <u>8</u>
	~~2022~~ 2021	~~7~~ <u>8</u>	~~1~~ <u>0</u>	0	0	~~0~~ <u>1</u>	0	~~8~~ <u>7</u>
	~~2022~~ 2023	~~8~~ <u>7</u>	0	0	0	~~1~~ <u>0</u>	0	7

State	Year	Outlets at Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Connecticut	~~2021~~ 2020	~~11~~ 12	~~10~~	0	0	0	0	~~11~~ 12
	~~2022~~ 2021	12	0	0	0	0	0	12
	~~2022~~ 2023	12	~~0~~ 1	0	0	0	0	~~12~~ 13
Delaware	~~2021~~ 2020	1	0	0	0	0	0	1
	~~2022~~ 2021	1	0	0	0	0	0	1
	~~2022~~ 2023	1	0	~~0~~ 1	0	0	0	~~1~~ 0
District of Columbia	~~2021~~ 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	~~2021~~ 2020	~~42~~ 49	~~7~~ 1	0	0	0	0	~~49~~ 50
	~~2022~~ 2021	~~49~~ 50	~~17~~	0	0	0	0	~~20~~ 57
	~~2022~~ 2023	~~50~~ 57	~~7~~ 6	0	0	0	0	~~57~~ 63
Georgia	~~2021~~ 2020	12	~~10~~	0	0	0	0	~~13~~ 12
	~~2022~~ 2021	~~13~~ 12	0	0	0	0	0	~~13~~ 12
	~~2022~~ 2023	~~13~~ 12	~~0~~ 1	0	0	0	0	13
Hawaii	~~2021~~ 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
Idaho	~~2021~~ 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
Illinois	~~2021~~ 2020	~~18~~ 17	0	0	0	0	~~10~~	17
	~~2022~~ 2021	17	~~0~~ 1	0	0	0	0	~~17~~ 18
	~~2022~~ 2023	~~17~~ 18	~~10~~	0	0	0	0	18
Indiana	~~2021~~ 2020	7	0	~~0~~ 2	0	0	0	~~7~~ 5
	~~2022~~ 2021	~~7~~ 5	0	~~20~~	0	0	0	5
	~~2022~~ 2023	5	0	0	0	0	0	5
Iowa	~~2021~~ 2020	2	0	0	0	0	0	2
	~~2022~~ 2021	2	~~0~~ 1	0	0	0	0	~~2~~ 3
	~~2022~~ 2023	~~2~~ 3	~~10~~	0	0	0	0	3
Kansas	~~2021~~ 2020	3	0	0	0	0	0	3
	~~2022~~ 2021	3	0	0	0	0	0	3
	~~2022~~ 2023	3	0	0	0	0	0	3
Kentucky	~~2021~~ 2020	3	0	0	0	0	0	3
	~~2022~~ 2021	3	0	0	0	0	0	3
	~~2022~~ 2023	3	0	0	0	0	0	3
Louisiana	~~2021~~ 2020	3	0	0	0	0	0	3
	~~2022~~ 2021	3	0	0	0	0	0	3
	~~2022~~ 2023	3	0	0	0	0	0	3
Maine	~~2021~~ 2020	0	0	0	0	0	0	0

State	Year	Outlets at Start of the Year	Outlets Opened	Termin- ations	Non- Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
	~~2022~~ ~~2021~~	0	~~0~~ <u>2</u>	0	0	0	0	~~0~~ <u>2</u>
	~~2022~~ <u>2023</u>	~~0~~ <u>2</u>	~~2~~ <u>0</u>	0	0	0	0	2
Maryland	~~2021~~ ~~2020~~	11	0	0	0	0	0	11
	~~2022~~ ~~2021~~	11	0	0	0	0	0	11
	~~2022~~ <u>2023</u>	11	0	0	0	0	0	11
Massachusetts	~~2021~~ ~~2020~~	~~14~~ <u>13</u>	0	0	0	0	~~1~~ <u>0</u>	13
	~~2022~~ ~~2021~~	13	0	0	0	0	0	13
	~~2022~~ <u>2023</u>	13	0	0	0	0	0	13
Michigan	~~2021~~ ~~2020~~	21	0	0	0	0	0	21
	~~2022~~ ~~2021~~	21	~~0~~ <u>1</u>	0	0	0	0	~~21~~ <u>22</u>
	~~2022~~ <u>2023</u>	~~21~~ <u>22</u>	~~1~~ <u>0</u>	~~0~~ <u>1</u>	0	0	0	~~22~~ <u>21</u>
Minnesota	~~2021~~ ~~2020~~	3	~~1~~ <u>0</u>	0	0	0	~~1~~ <u>0</u>	3
	~~2022~~ ~~2021~~	3	0	0	0	0	0	3
	~~2022~~ <u>2023</u>	3	0	0	0	0	0	3
Mississippi	~~2021~~ ~~2020~~	5	0	0	0	0	0	5
	~~2022~~ ~~2021~~	5	0	0	0	0	0	5
	~~2022~~ <u>2023</u>	5	0	0	0	0	0	5
Missouri	~~2021~~ ~~2020~~	8	0	~~0~~ <u>2</u>	0	0	0	~~8~~ <u>6</u>
	~~2022~~ ~~2021~~	~~8~~ <u>6</u>	0	~~2~~ <u>0</u>	0	~~0~~ <u>3</u>	0	~~6~~ <u>3</u>
	~~2022~~ <u>2023</u>	~~6~~ <u>3</u>	0	0	0	~~3~~ <u>0</u>	0	3
Montana	~~2021~~ ~~2020~~	~~2~~ <u>1</u>	0	0	0	0	~~1~~ <u>0</u>	1
	~~2022~~ ~~2021~~	1	0	0	0	0	0	1
	~~2022~~ <u>2023</u>	1	0	0	0	0	0	1
Nebraska	~~2021~~ ~~2020~~	4	~~0~~ <u>1</u>	0	0	0	0	~~4~~ <u>5</u>
	~~2022~~ ~~2021~~	~~4~~ <u>5</u>	~~1~~ <u>0</u>	0	0	0	0	5
	~~2022~~ <u>2023</u>	5	0	0	0	0	0	5
Nevada	~~2021~~ ~~2020~~	3	0	0	0	0	0	3
	~~2022~~ ~~2021~~	3	0	0	0	0	0	3
	~~2022~~ <u>2023</u>	3	~~0~~ <u>1</u>	0	0	0	0	~~3~~ <u>4</u>
New Hampshire	~~2021~~ ~~2020~~	2	0	0	0	0	0	2
	~~2022~~ ~~2021~~	2	0	0	0	0	0	2
	~~2022~~ <u>2023</u>	2	0	0	0	0	0	2
New Jersey	~~2021~~ ~~2020~~	21	0	0	0	0	0	21
	~~2022~~ ~~2021~~	21	0	0	0	0	0	21
	~~2022~~ <u>2023</u>	21	0	0	0	0	0	21
New Mexico	~~2021~~ ~~2020~~	2	0	~~0~~ <u>1</u>	0	0	0	~~2~~ <u>1</u>
	~~2022~~ ~~2021~~	~~2~~ <u>1</u>	0	~~1~~ <u>0</u>	0	0	0	1
	~~2022~~ <u>2023</u>	1	0	0	0	0	0	1
New York	~~2021~~ ~~2020~~	28	~~0~~ <u>1</u>	0	0	0	0	~~28~~ <u>29</u>
	~~2022~~ ~~2021~~	~~28~~ <u>29</u>	~~1~~ <u>4</u>	0	0	0	0	~~29~~ <u>33</u>

State	Year	Outlets at Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
	~~2022~~ 2023	~~29~~ 33	~~4~~ 0	0	0	0	0	33
North Carolina	~~2021~~ 2020	10	~~0~~ 1	0	0	0	0	~~10~~ 11
	~~2022~~ 2021	~~10~~ 11	~~1~~ 0	0	0	0	0	11
	~~2022~~ 2023	11	~~0~~ 1	~~0~~ 2	0	0	0	~~11~~ 10
North Dakota	~~2021~~ 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
Ohio	~~2021~~ 2020	22	~~0~~ 1	~~0~~ 4	0	0	0	~~22~~ 19
	~~2022~~ 2021	~~22~~ 19	~~1~~ 2	~~4~~ 2	0	0	0	19
	~~2022~~ 2023	19	2	~~2~~ 0	0	0	0	~~19~~ 21
Oklahoma	~~2021~~ 2020	6	~~0~~ 1	0	0	0	0	~~6~~ 7
	~~2022~~ 2021	~~6~~ 7	~~1~~ 0	0	0	0	0	7
	~~2022~~ 2023	7	0	0	0	0	0	7
Oregon	~~2021~~ 2020	5	0	0	0	~~0~~ 2	0	~~5~~ 3
	~~2022~~ 2021	~~5~~ 3	0	0	0	~~2~~ 0	0	3
	~~2022~~ 2023	3	0	0	0	0	0	3
Pennsylvania	~~2021~~ 2020	~~30~~ 29	0	0	0	0	~~1~~ 0	29
	~~2022~~ 2021	29	0	0	0	0	0	29
	~~2022~~ 2023	29	0	0	~~0~~ 2	0	0	~~29~~ 27
Puerto Rico	~~2021~~ 2020	0	0	0	0	0	0	0
	~~2022~~ 2021	0	0	0	0	0	0	0
	~~2022~~ 2023	0	0	0	0	0	0	0
Rhode Island	~~2021~~ 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
South Carolina	~~2021~~ 2020	10	0	0	0	0	0	10
	~~2022~~ 2021	10	0	0	0	~~0~~ 1	0	~~10~~ 9
	~~2022~~ 2023	~~10~~ 9	0	0	0	~~1~~ 0	0	9
South Dakota	~~2021~~ 2020	1	0	0	0	0	0	1
	~~2022~~ 2021	1	~~0~~ 1	0	0	0	0	~~1~~ 2
	~~2022~~ 2023	~~1~~ 2	0	0	0	0	0	~~1~~ 2
Tennessee	~~2021~~ 2020	9	~~0~~ 1	0	0	0	0	~~9~~ 10
	~~2022~~ 2021	~~9~~ 10	1	0	0	0	0	~~10~~ 11
	~~2022~~ 2023	~~10~~ 11	~~1~~ 0	~~0~~ 1	0	0	0	~~11~~ 10
Texas	~~2021~~ 2020	~~34~~ 35	~~1~~ 5	~~0~~ 2	0	~~0~~ 1	0	~~35~~ 37
	~~2022~~ 2021	~~35~~ 37	~~5~~ 1	~~2~~ 0	0	~~1~~ 0	0	~~37~~ 38
	~~2022~~ 2023	~~37~~ 38	~~1~~ 6	~~0~~ 1	0	0	0	~~38~~ 43
Utah	~~2021~~ 2020	3	~~0~~ 1	0	0	0	0	~~3~~ 4
	~~2021~~ 2022	~~3~~ 4	~~1~~ 0	0	0	0	0	4
	~~2022~~ 2023	4	0	0	0	0	0	4

State	Year	Outlets at Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Vermont	~~2021~~ 2020	0	0	0	0	0	0	0
	~~2022~~ 2021	0	0	0	0	0	0	0
	~~2022~~ 2023	0	0	0	0	0	0	0
Virginia	~~2021~~ 2020	6	~~0~~ 1	0	0	0	0	~~6~~ 7
	~~2022~~ 2021	~~6~~ 7	~~1~~ 0	0	0	0	0	7
	~~2022~~ 2023	7	0	0	0	0	0	7
Washington	~~2021~~ 2020	~~8~~ 7	1	0	0	0	~~2~~ 0	~~7~~ 8
	~~2022~~ 2021	~~7~~ 8	~~1~~ 0	0	0	0	0	8
	~~2022~~ 2023	8	0	0	0	0	0	8
West Virginia	~~2021~~ 2020	4	0	0	0	0	0	4
	~~2022~~ 2021	4	0	~~0~~ 1	0	0	0	~~4~~ 3
	~~2022~~ 2023	~~4~~ 3	0	~~1~~ 0	0	0	0	3
Wisconsin	~~2021~~ 2020	10	0	0	0	0	0	10
	~~2022~~ 2021	10	0	~~0~~ 1	0	0	0	~~10~~ 9
	~~2022~~ 2023	~~10~~ 9	0	~~1~~ 0	0	0	0	9
Wyoming	~~2021~~ 2020	0	0	0	0	0	0	0
	~~2022~~ 2021	0	0	0	0	0	0	0
	~~2022~~ 2023	0	0	0	0	0	0	0
TOTAL	~~2021~~ 2020*	~~474~~ 481	17	~~2~~ 13	0	~~0~~ 3	~~7~~ 0	482
	~~2022~~ 2021	482	~~17~~ 25	~~1~~ 35	~~0~~ 1	~~3~~ 5	0	~~483~~ 496
	~~2022~~ 2023	~~483~~ 496	~~25~~ 21	~~5~~ 6	~~1~~ 3	~~5~~ 0	0	~~497~~ 508

*In 2020 one of our franchisee's transferred a portion of his Designated Area to a new franchisee. We identify the portion of the Designated Area sold to the new franchisee as a new outlet. Additionally, one of our Franchisee's acquired a Franchised Business that was originally treated as a single Designated Area. After the acquisition, the original Designated Area was treated as three separate Designated Areas to meet our current criteria. For designation purposes, one of the Designated Area's is considered a transfer and the remaining two Designated Areas are treated as new openings.

In the following Table No. 4, you will find the status of company-owned outlets located in each state (with at least one outlet) for each of our last three fiscal years.

Table No. 4
Status of Company-Owned Outlets
For Years ~~2020~~2021 to ~~2022~~2023

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Alabama	~~2021~~ 2020	0	~~0~~ 2	0	0	0	~~0~~ 2
	~~2022~~ 2021	~~0~~ 2	~~2~~ 0	0	0	0	~~0~~ 2
	~~2022~~ 2023	2	0	0	~~0~~ 1	~~0~~ 1	~~2~~ 0

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Colorado	~~2021~~ ~~2020~~	0	0	0	0	0	0
	~~2022~~ ~~2021~~	0	0	~~0~~ <u>1</u>	0	0	~~0~~ <u>1</u>
	~~2022~~ <u>2023</u>	~~0~~ <u>1</u>	0	~~1~~ <u>0</u>	0	0	1
Florida	~~2021~~ ~~2020~~	1	~~0~~ <u>1</u>	0	0	0	~~1~~ <u>2</u>
	~~2022~~ ~~2021~~	~~1~~ <u>2</u>	~~1~~ <u>0</u>	0	0	0	2
	~~2022~~ <u>2023</u>	2	0	0	0	0	2
Georgia	~~2021~~ ~~2020~~	~~0~~ <u>1</u>	~~1~~ <u>0</u>	0	0	0	1
	~~2022~~ ~~2021~~	1	~~0~~ <u>1</u>	0	0	0	~~1~~ <u>2</u>
	~~2022~~ <u>2023</u>	~~1~~ <u>2</u>	~~0~~ <u>1</u>	0	0	~~0~~ <u>1</u>	~~2~~ <u>1</u>
Indiana	~~2021~~ ~~2020~~	1	0	0	0	0	1
	~~2022~~ ~~2021~~	1	0	0	0	0	1
	~~2022~~ <u>2023</u>	1	0	0	0	0	1
Kentucky	~~2021~~ ~~2020~~	1	~~0~~ <u>3</u>	0	0	0	~~1~~ <u>4</u>
	~~2021~~ <u>2022</u>	~~1~~ <u>4</u>	~~3~~ <u>0</u>	0	0	0	4
	~~2022~~ <u>2023</u>	4	0	0	0	0	4
Missouri	~~2021~~ ~~2020~~	0	0	0	0	0	0
	~~2021~~ <u>2022</u>	0	0	~~0~~ <u>3</u>	0	0	~~0~~ <u>3</u>
	~~2022~~ <u>2023</u>	~~0~~ <u>3</u>	0	~~3~~ <u>0</u>	0	0	3
Oregon	~~2021~~ ~~2020~~	0	~~0~~ <u>2</u>	~~0~~ <u>2</u>	0	0	~~0~~ <u>4</u>
	~~2021~~ <u>2022</u>	~~0~~ <u>4</u>	~~2~~ <u>0</u>	~~2~~ <u>0</u>	0	0	4
	~~2022~~ <u>2023</u>	4	0	0	0	0	4
South Carolina	~~2021~~ ~~2020~~	0	0	0	0	0	0
	~~2021~~ <u>2022</u>	0	0	~~0~~ <u>1</u>	0	0	~~0~~ <u>1</u>
	~~2022~~ <u>2023</u>	~~0~~ <u>1</u>	0	~~1~~ <u>0</u>	0	0	1
Texas	~~2021~~ ~~2020~~	0	~~0~~ <u>1</u>	~~0~~ <u>1</u>	0	0	~~0~~ <u>2</u>
	~~2021~~ <u>2022</u>	~~0~~ <u>2</u>	~~1~~ <u>0</u>	~~1~~ <u>0</u>	0	0	2
	~~2022~~ <u>2023</u>	2	0	0	~~0~~ <u>1</u>	~~0~~ <u>1</u>	~~2~~ <u>0</u>
Virginia	~~2021~~ ~~2020~~	1	~~0~~ <u>5</u>	0	0	0	~~1~~ <u>6</u>
	~~2021~~ <u>2022</u>	~~1~~ <u>6</u>	~~5~~ <u>0</u>	0	0	0	6
	~~2022~~ <u>2023</u>	6	0	0	0	0	6
TOTAL	~~2021~~ ~~2020~~	~~4~~ <u>5</u>	~~1~~ <u>14</u>	~~0~~ <u>3</u>	0	0	~~5~~ <u>22</u>
	~~2021~~ <u>2022</u>	~~5~~ <u>22</u>	~~14~~ <u>1</u>	~~3~~ <u>5</u>	0	0	~~22~~ <u>28</u>
	~~2022~~ <u>2023</u>	~~22~~ <u>28</u>	~~1~~ <u>0</u>	~~5~~ <u>0</u>	~~0~~ <u>2</u>	~~0~~ <u>3</u>	~~28~~ <u>23</u>

In the following Table No. 5, you will find projected new franchised and company-owned outlets.

Table No. 5
Projected Openings as of December 31, ~~2022~~2023

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company Owned Outlets in the Current Fiscal Year
Alabama	0	~~2~~ <u>1</u>	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company Owned Outlets in the Current Fiscal Year
~~Arizona~~	~~0~~	~~1~~	~~0~~
California	~~0~~ 5	4	0
~~Colorado~~	~~0~~	~~2~~	~~0~~
~~Connecticut~~	~~0~~	~~1~~	~~0~~
Florida	0	3	0
Illinois	0	1	0
Indiana	1	2	0
Louisiana	0	2	0
~~Iowa~~ Maryland	0	~~1~~ 0	0
Minnesota	0	~~1~~ 2	0
~~Nebraska~~ North Carolina	0	~~1~~ 2	~~2~~ 0
Ohio	0	~~1~~ 2	0
~~Oklahoma~~ Oregon	0	~~2~~ 0	0
~~South Carolina~~ Tennessee	0	~~0~~ 1	~~1~~ 0
~~Washington~~ Texas	~~1~~ 0	~~1~~ 4	0
Wisconsin	0	~~3~~ 1	0
TOTAL	~~1~~ 6	~~24~~ 25	~~3~~ 0

Exhibit F lists the names of all current franchises and the addresses and telephone numbers of their outlets as of December 31, ~~2022~~2023.

Exhibit G lists the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, cancelled, not-renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during our most recently completed fiscal year or who had not communicated with us within 10 weeks of the issuance date of this Franchise Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with Right at Home. You may wish to speak with current and former Franchisees but be aware that not all such Franchisees will be able to communicate with you.

During the last three fiscal years, one current or former Franchisee signed a confidentiality clause that restricted them from discussing with you their experiences as a Franchisee in our franchise system.

Exhibit H-1 lists, to the extent known, the names, addresses, telephone numbers, e-mail address and Web address of each trademark-specific franchisee organization associated with the franchise system being offered which we have created, sponsored or endorsed.

Exhibit H-2 lists the independent franchisee organizations that have asked to be included in this disclosure document.

ITEM 21. FINANCIAL STATEMENTS

Attached as **Exhibit D** are the following: our consolidated audited financial statements as of December 31, 2023, 2022, ~~2021~~ and ~~2020~~2021 for our parent, RiseMark Holdings, LLC. Our parent, RiseMark Holdings, LLC has guaranteed our performance with you. A copy of the Guaranty of Performance is included in **Exhibit D**.

Our fiscal year end is December 31st.

ITEM 22. CONTRACTS

The following agreements are attached as Exhibits to this Franchise Disclosure Document:

B. Franchise Agreement (including the following exhibits):

~~A. Franchise Fee and Designated Area~~

~~B~~A. Guaranty and Assumption of Obligations

~~C~~B. Confidentiality and Non-Compete Agreement

~~D. Renewal Addendum~~

~~E~~C. Form of Business Associate Agreement

~~F. Multiple Unit Amendment~~

~~G. Specialized Nursing Services Amendment~~

~~H. Conversion Addendum~~

~~I~~D. Conditional Assignment of Telephone Listing, Social Media and Directory Listing Agreement

~~J~~E. Franchisee Disclosure Questionnaire

~~K~~F. Renewal Addendum [NOTE: DELETE IF NOT APPLICABLE]

G. Multiple Unit Amendment [NOTE: DELETE IF NOT APPLICABLE]

H. State Addendum to the Franchise Agreement [NOTE: DELETE IF NOT APPLICABLE]

I. Specialized Nursing Services Amendment [NOTE: DELETE IF NOT APPLICABLE]

J. Conversion Addendum

ITEM 23. RECEIPTS

You will find copies of a detachable receipt in **Exhibit L** at the very end of this Franchise Disclosure Document.

**EXHIBIT A TO THE FRANCHISE DISCLOSURE DOCUMENT
LIST OF STATE AGENTS FOR SERVICE OF PROCESS
AND STATE ADMINISTRATORS**

EXHIBIT A TO THE FRANCHISE DISCLOSURE DOCUMENT**LIST OF STATE ADMINISTRATORS
AND AGENTS FOR SERVICE OF PROCESS**

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	California Department of Financial Protection & Innovation One Sansome Street, Suite 600 San Francisco, CA 94104 415-972-8559 1-866-275-2677	Commissioner of the California Department of Financial Protection & Innovation 320 West 4th Street, Suite 750 Los Angeles 90013-2344 1-866-275-2677
CONNECTICUT	Securities and Business Investment Division Connecticut Department of Banking 260 Constitution Plaza Hartford, CT 06103 860-240-8230	Connecticut Banking Commissioner Same Address
FLORIDA	Department of Agriculture & Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, FL 32399-0800 850-245-6000	Same
GEORGIA	Office of Consumer Affairs 2 Martin Luther King Drive, S.E. Plaza Level, East Tower Atlanta, GA 30334 404-656-3790	Same
HAWAII	State of Hawaii Business Registration Division Securities Compliance Branch Dept. of Commerce and Consumer Affairs 335 Merchant Street, Room 205 Honolulu, HI 96813 808-586-2722	Hawaii Commissioner of Securities Same Address
ILLINOIS	Franchise Division Office of the Attorney General 500 South Second Street Springfield, IL 62706 217-782-4465	Illinois Attorney General Same Address
INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington Street, Room E 111 Indianapolis, IN 46204 317-232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
IOWA	Iowa Securities Bureau Second Floor Lucas State Office Building Des Moines, IA 50319 515-281-4441	Same
KENTUCKY	Kentucky Attorney General's Office Consumer Protection Division 1024 Capitol Center Drive Frankfort, KY 40602 502-696-5389	Same
LOUISIANA	Department of Urban & Community Affairs Consumer Protection Office 301 Main Street, 6th Floor One America Place Baton Rouge, LA 70801 504-342-7013 (gen. info.) 504-342-7900	Same
MAINE	Department of Business Regulations State House - Station 35 Augusta, ME 04333 207-298-3671	Same
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202 410-576-6360	Maryland Securities Commissioner Same Address
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 525 W. Ottawa Street G. Mennen Williams Building, 1 st Floor Lansing, MI 48913 517-373-7117	Michigan Department of Commerce Corporations and Securities Bureau Same Address
MINNESOTA	Minnesota Department of Commerce 85 7 th Place East, Suite 500 St. Paul, MN 55101 651-296-4026	Minnesota Commissioner of Commerce Same Address
NEBRASKA	Department of Banking and Finance 1230 "O" Street, Suite 400 Lincoln, NE 68508 P.O. Box 95006 Lincoln, Nebraska 68509-5006 402-471-2171	Same

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
NEW HAMPSHIRE	Attorney General Consumer Protection and Antitrust Bureau State House Annex Concord, NH 03301 603-271-3641	Same
NEW YORK	Bureau of Investor Protection and Securities New York State Department of Law 28 Liberty Street New York, NY 10005 212-416-8222	Secretary of State of New York 99 Washington Street Albany, New York 12231
NORTH CAROLINA	Secretary of State's Office/Securities Division 2 South Salisbury Street Raleigh, NC 27601 919-733-3924	Secretary of State Secretary of State's Office Same Address
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue State Capitol, Fifth Floor Bismarck, ND 58505-0510 701-328-4712; Fax: 701-328-0140	North Dakota Securities Commissioner Same Address
OHIO	Attorney General Consumer Fraud & Crime Section State Office Tower 30 East Broad Street, 15th Floor Columbus, OH 43215 614-466-8831 or 800-282-0515	Same
OKLAHOMA	Oklahoma Securities Commission 2915 Lincoln Blvd. Oklahoma City, OK 73105 405-521-2451	Same
OREGON	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 96310 503-378-4387	Director Department of Insurance and Finance Same Address
RHODE ISLAND	Rhode Island Department of Business Regulation Securities Division John O. Pastore Center – Building 69-1 1511 Pontiac Avenue Cranston, RI 02920 401-222-3048	Director, Rhode Island Department of Business Regulation Same address

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
SOUTH CAROLINA	Secretary of State P.O. Box 11350 Columbia, SC 29211 803-734-2166	Same
SOUTH DAKOTA	South Dakota Department of Labor and Regulation Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, SD 57501 605-773-3563	Director of the South Dakota Division of Insurance, Securities Regulation Same Address
TEXAS	Secretary of State Statutory Documents Section P.O. Box 12887 Austin, TX 78711-2887 512-475-1769	Same
UTAH	Utah Department of Commerce Consumer Protection Division 160 East 300 South (P.O. Box 45804) Salt Lake City, UT 84145-0804 TELE: 801-530-6601 FAX: 801-530-6001	Same
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising Tyler Building, 9 th Floor 1300 E. Main Street Richmond, VA 23219 804-371-9733	Clerk of the State Corporation Commission Tyler Building, 1st Floor 1300 E. Main Street Richmond, VA 23219 804-371-9051
WASHINGTON	Department of Financial Institutions Securities Division ~~150 Israel Rd S.W.~~ ~~Tumwater~~ P.O. Box 41200 Olympia , WA ~~98501~~ 98504-1200 360-902-8762	Director, Dept. of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501
WISCONSIN	Wisconsin Dept. of Financial Institutions Division of Securities 345 W. Washington Avenue, 4th Floor Madison, WI 53703 608-266-8557	Wisconsin Commissioner of Securities Same Address

EXHIBIT B TO THE FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT AND RELATED MATERIALS



RIGHT AT HOME, LLC

FRANCHISE AGREEMENT

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- C. ~~E.~~ FORM ~~OF~~ BUSINESS ASSOCIATE AGREEMENT
- ~~F.~~ ~~MULTIPLE UNIT AMENDMENT [NOTE: DELETE FOR SINGLE UNIT FRANCHISE AGREEMENT AND RENEWALS]~~
- A. ~~G.~~ ~~SPECIALIZED NURSING SERVICES AMENDMENT [NOTE: DELETE IF NOT APPLICABLE]~~
- A. ~~H.~~ ~~CONVERSION ADDENDUM [NOTE: DELETE IF NOT APPLICABLE]~~
- D. ~~I.~~ CONDITIONAL ASSIGNMENT OF TELEPHONE LISTING, SOCIAL MEDIA AND DIRECTORY LISTING AGREEMENT
- E. ~~J.~~ FRANCHISEE DISCLOSURE QUESTIONNAIRE
- F. ~~K.~~ RENEWAL ADDENDUM [NOTE: DELETE IF NOT APPLICABLE]
- G. MULTIPLE UNIT AMENDMENT [NOTE: DELETE IF NOT APPLICABLE]
- H. STATE ADDENDUM TO FRANCHISE AGREEMENT [NOTE: DELETE IF NOT APPLICABLE]
- I. ~~SPECIALIZED NURSING SERVICES AMENDMENT [NOTE: DELETE IF NOT APPLICABLE]~~
- J. ~~CONVERSION ADDENDUM [NOTE: DELETE IF NOT APPLICABLE]~~

Right at Home, LLC

FRANCHISE AGREEMENT

~~This Franchise Agreement, together with the Exhibits attached to it (collectively “this Agreement”), made by and between Right at Home, LLC, a limited liability company formed under the laws of the State of Delaware and having its principal place of business at 6700 Mercey Road, Suite 400, Omaha, Nebraska 68106 (“Franchisor”), and _____ whose principal address is _____, an individual/partnership/corporation/limited liability company resident/established in the State of _____¹ (“Franchisee”) and is effective as of the date Franchisor executes this Agreement as indicated on the signature page hereto (“Effective Date”).~~

WITNESSETH:

~~WHEREAS, Franchisor, over a period of time and as the result of extensive research and the expenditure of time, expertise, effort and money, has developed a business system (the “System”) that is owned by Franchisor and identified by the trade names “RIGHT AT HOME” and “RAH STAFFING SERVICES”, relating to the establishment, development and operation of a business providing hands on personal care, non-medical care, in-home care assistance and companionship care services to seniors and other adults (the “Core Services”); and, (i) supplemental staffing services for nursing homes, hospitals and other medical settings; (ii) specialized nursing and other in-home medical care; and, (iii) other related products, materials, and equipment that Franchisor has or may develop and implement that franchisees are authorized, but not required to provide (the “Ancillary Services”) (the **BASIC** Core Services and the **Ancillary Services** are collectively referred to as the “Franchise”); and~~

~~WHEREAS, the distinguishing characteristics of the System and the Franchise include, without limitation, established programs, resources and support services, exclusively designed signage, equipment, products, materials and Manuals (defined below); uniform policies, operating methods, procedures and techniques; other confidential operations procedures; and methods and techniques for record keeping and reporting, and training, marketing and advertising, all of which may be changed, improved and further developed by Franchisor from time to time. “Manuals” refers to the Right at Home confidential brand standards manual (the “**Brand Standards Manual**”), the digital resource library (the “**Digital Resource Library**”), the HIPAA Manual, the Right at Home Personal Care Policy and Procedure Manual, directives, memoranda, bulletins, roll out guides, written and electronic materials, recordings, videos, training materials, other publications and documents, and communications in whatever form setting forth information, advice, standards, procedures, instructions, policies and/or requirements all of which may be changed, improved and further developed by Franchisor from time to time; and~~

~~*If Franchisee is a resident of or if the Franchised Business is to be located in a registration State, then State Addenda is attached and modifies this Agreement in accordance with its provisions.~~

~~WHEREAS, Franchisor is the owner of the right, title and interest, together with all the goodwill connected with them, in and to the trade names, service marks and trademarks “RIGHT AT HOME” and “RAH STAFFING SERVICES”, associated logos, commercial symbols and such other trade names, service marks and trademarks as are now designated (and may hereinafter be designated by Franchisor) as part of the System (individually, “Mark”; collectively, “Marks”); and, in accordance with the terms and conditions of this Agreement, has licensed to Franchisee the right to use the Marks in the operation of a Franchise; and~~

~~WHEREAS, Franchisor will continue to develop, use and control such Marks for the benefit and use of itself and its franchisees in order to identify for the public the source of services and products, materials and equipment marketed thereunder and to represent the System’s high standards of quality; and~~

~~WHEREAS, Franchisor grants and licenses to certain qualified persons and entities the right to own and operate a Franchise providing Core Services and Ancillary Services that are authorized and approved by Franchisor in utilizing the System and Marks; and~~

~~WHEREAS, Franchisee desires to operate a Franchise under the System and wishes to obtain the rights from Franchisor for that purpose, as well as to receive other assistance provided by Franchisor in connection therewith; and~~

~~WHEREAS, Franchisee understands and acknowledges the importance of Franchisor’s high and uniform standards of quality and service and the necessity of operating a Franchise (sometimes referred to in this Agreement as the “**Franchised Business**”) in conformity with Franchisor’s standards and specifications; and~~

~~WHEREAS, Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received nor relied upon, any warranty or guaranty, express or implied, as to the revenues, profits or success of the business venture contemplated by this Agreement. Franchisee acknowledges that it has read and understands this Agreement, the Franchisor’s Franchise Disclosure Document and all of their respective attachments, upon which Franchisee has exclusively relied, and that Franchisee has no knowledge of any representations by Franchisor or its officers, directors, shareholders, employees or agents that are contrary to the statements made in this Agreement, Franchisor’s Franchise Disclosure Document or their respective attachments.~~

~~NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other party, hereby agree as follows:~~

~~1.——~~ **APPOINTMENT AND FRANCHISE FEE**

~~1.1—— **Grant of Franchise.** Franchisor grants to Franchisee, and Franchisee accepts, as of the Effective Date set forth after Franchisor’s signature and pursuant to the terms and conditions of this Agreement, (i) the right to conduct the Franchised Business in accordance with the System, as it may be changed, improved and further developed from time to time; and, (ii) the license to use the Marks, within the Designated Area (described in **Section 1.2**). Franchisee undertakes the obligation to operate the Franchised Business strictly in accordance with the System and this Agreement, as the System may be changed, improved and further developed from time to time, at a location to be designated, as provided in **Section 3** hereof within the Designated Area.~~

~~1.2 — **Designated Area Defined.** Neither Franchisor nor any parent, subsidiary or affiliate of Franchisor (collectively, "**Related Entity**") will, conditioned upon Franchisee's full compliance with the terms of this Agreement, so long as this Agreement is in force and effect and Franchisee is not in default under any of the terms of this Agreement, license or operate any other Franchise within the Designated Area, except as specifically set forth in this Agreement. The Designated Area is defined by zip codes and generally includes a population of at least fifteen thousand (15,000) people, who are age sixty-five (65) and older ("**Potential Clients**"). A list of the zip codes for the Designated Area is in **Exhibit A**. Zip codes are a system of postal codes used by the United States Postal Service ("**USPS**") and are changed by it from time to time. Changes by the USPS may affect the zip codes and the geographic area that makes up Franchisee's Designated Area. Notwithstanding the foregoing, to preserve the continuity of care for clients, there may be Grandfathered Clients and Conversion Grandfathered Clients (as further described in **Section 1.4**) serviced by other franchisees or Conversion Franchised Businesses in the Designated Area as further described in the Manual. In the event of a transfer, these Grandfathered Clients and Conversion Grandfathered Clients will continue to be serviced by the transferee so long as the conditions set out in the Manual are met.~~

~~1.3 — **Reserved Rights.** Notwithstanding the rights granted to Franchisee in **Section 1.1**, Franchisor retains the sole right to:~~

~~1.3.1(a) Establish and/or license other Franchises at any location outside of the Designated Area as Franchisor deems appropriate;~~

~~1.3.2(a) Establish and license others to establish businesses under other systems using the Marks or other proprietary marks, including but not limited to Ancillary Services, which businesses may be located within or outside the Designated Area, provided, however, that, except as specifically provided in this Agreement, Franchisor will not license or establish a business offering the Core Services within Franchisee's Designated Area;~~

~~1.3.3(a) Advertise and sell the Core Services and Ancillary Services under other trademarks, service marks and commercial symbols through similar or dissimilar channels of distribution, including, without limitation, by electronic means such as the Internet and websites that Franchisor establishes and pursuant to terms Franchisor deems appropriate outside Franchisee's Designated Area;~~

~~1.3.4 — Advertise the System on the Internet (including social media) and to create, operate, maintain and modify, or discontinue the use of one or more websites using the Marks;~~

~~1.3.5 — Offer for sale products that are ancillary or related to the Core Services and Ancillary Services and needs of clients and customers through Franchisor's website(s) or through such dissimilar channels of distribution within and outside Franchisee's Designated Area;~~

~~1.3.6 — Acquire the assets or ownership interest of one or more businesses providing Core Services and Ancillary Services similar to those provided at Franchisee's Franchised Business, and franchise, under a service mark or trademark other than the Marks,~~

~~license or grant the right to others to operate those businesses once acquired, regardless of whether these businesses are located or operating within Franchisee's Designated Area; provided, however, that such businesses will not be granted the rights to use the Marks;~~

~~1.3.7 — Be acquired by an entity providing services, products, materials and equipment similar to those provided at Franchisee's Franchised Business, even if such business operates, franchises and/or licenses competitive businesses in Franchisee's Designated Area; provided, however, that any business operated directly or indirectly by such acquirer that is similar to the Franchise will not be granted the right to operate using the Marks in the Designated Area;~~

~~1.3.8(a) Engage in joint marketing programs with partner companies and all forms of sales through the Internet or any other form of electronic media (including social technology, social media and social networking platforms); and~~

~~1.3.9(a) Engage in any other activities not expressly prohibited in this Agreement.~~

~~1.4 — Advertising and Promotions Outside of Designated Area. Franchisee will use its best efforts to confine all advertising and promotion (including using online or traditional media), use of Promotional Materials (as defined in **Section 9.1**), solicitation, and similar efforts to the Designated Area, except as may be authorized by written communication from Franchisor. If Franchisor provides its prior written approval, Franchisee may advertise and promote, use Promotional Materials (as defined in **Section 9.1**), and solicit and engage in similar efforts outside of its Designated Area. If Franchisor has granted Franchisee approval to advertise and promote, use Promotional Materials, solicit and engage in similar efforts outside of Franchisee's Designated Area, Franchisor may withdraw its approval at any time and for any reason as provided in **Section 1.5.5**.~~

~~1.5.1.1 Providing Core Services and Ancillary Services Outside of Designated Area. Franchisee will confine the performance of all Core Services, Ancillary Services and the supply of all related products, materials and equipment to clients located in the Designated Area, except as may be authorized by written communication from Franchisor and/or as further set out in the Manual as follows:~~

~~1.5.1 — Franchisee may provide Core Services, Ancillary Services or any other related products, materials and equipment outside of its Designated Area to clients located in area that is not another Right at Home franchisee's designated area (“**Open Territory Clients**”) in accordance with Franchisor's Manual.~~

~~1.5.2 — Franchisee may also provide Core Services or, Ancillary Services or any other related products, materials and equipment to clients in another Right at Home franchisee's designated area (“**Other Franchisee's Designated Area Client**”) in accordance with the Manual if Franchisee and such other Right at Home franchisee enter into Franchisor's then current Authorization to Provide Services in Designated Area Agreement and the parties receive Franchisor's consent (or such other agreement required by Franchisor).~~

~~1.5.3 — Notwithstanding anything herein to the contrary in **Sections 1.5.1** and **1.5.2** Franchisee must obtain Franchisor’s prior written approval in accordance with the Manual, which Franchisor is under no obligation to grant.~~

~~1.5.4 — Notwithstanding the foregoing, if Franchisor provides its prior written approval, Franchisee may advertise and promote, use Promotional Materials (as defined in **Section 9.1**), solicit and engage in similar efforts outside of its **Designated Area**.~~

~~1.5.5 — If Franchisor has granted Franchisee approval to provide Core Services, Ancillary Services or any other related products, materials and equipment to Open Territory Clients or Other Franchisee’s Designated Area Clients, Franchisor may withdraw its approval at any time and for any reason without any further obligation to Franchisee. Franchisee may also be required to cease providing such Core Service or Ancillary Services to Other Franchisee’s Designated Area Clients in accordance with the Manual and the executed Authorization to Provide Services in Designated Area Agreement (or such other agreement required by Franchisor).~~

~~1.5.6 — The Open Territory Clients and the Other Franchisee Designated Area Client may become Franchisee’s Grandfathered Clients as further described in Section 1.5.7 and the Manual. Franchisee will have the right to continue to provide Core Services and Ancillary Services to **Grandfathered Clients** so long as the conditions set out in the Manual are met.~~

~~1.5.7 — **Grandfathered Clients and Conversion Grandfathered Clients.**~~

~~(a) — If, before Franchisee executed this Agreement or before Franchisee has established an Open Office (as defined in **Section 12.2**), another Right at Home franchisee has been serving Open Territory Clients in an area that is now in Franchisee’s Designated Area, Franchisor, in the best interests of continuity of client care, may permit that other Right at Home franchisee to continue to serve those Open Territory Clients in Franchisee’s Designated Area as further described in the Manual (“**Grandfathered Clients**”).~~

~~(b) — If, Franchisee acquired the Franchised Business through a resale and the previous owner of the Franchised Business entered into an Authorization to Provide Services in Designated Area Agreement with another Right at Home franchisee, Franchisor may, in the best interests of continuity of client care, designate the Other Franchisee’s Designated Area Clients located in Franchisee’s Designated Area as Grandfathered Clients as further described in the Manual.~~

~~(c) — Additionally, in the best interests of continuity of client care, Franchisor may permit a Conversion Franchise Business to continue to provide services to clients located in Franchisee’s Designated Area that previously received services from such Conversion Franchise Business (“**Conversion Grandfathered Clients**”) prior to becoming a Right at Home franchisee as further described in the Manual.~~

~~(d) — In the event of a transfer, Grandfathered Clients and Conversion Grandfathered Clients will continue to be serviced by the transferee so long as the conditions set out in the Manual are met.~~

~~1.5.8 Despite any other provision in this Agreement to the contrary, authority for the disposition and resolution of any request by Franchisee or disagreement that may arise between Franchisor and Franchisee about zip codes, Designated Area make-up, Grandfathered Clients, Conversion Grandfathered Clients, franchisee sales, marketing, promotions, advertising, soliciting, working or rendering services or products, materials or equipment outside of a franchisee's Designated Area will rest with the Franchisor and Franchisor's decision will be final and conclusive.~~

~~1.6 **Franchise Fee.** In consideration of the Franchise granted in this Agreement, Franchisee will pay to Franchisor, upon execution of this Agreement, a Franchise Fee ("**Franchise Fee**") in the amount set forth on Exhibit A. When paid, the Franchise Fee is fully earned and non-refundable as consideration for expenses incurred by Franchisor, including marketing, researching, awarding, furnishing assistance and services to Franchisee and for Franchisor's lost or deferred opportunity to franchise others.~~

~~1.7 **Specialized Nursing Services.** If Franchisee desires to offer to its clients Ancillary Services relating to specialized nursing ("**Specialized Nursing Services**"), Franchisee must apply for prior written approval from Franchisor, which approval Franchisor has the right to provide or deny.~~

~~1.7.1 To be eligible to offer Specialized Nursing Services, Franchisee must demonstrate to Franchisor's satisfaction that it has met the following conditions:~~

~~(a) Except as provided in **Section 1.7.3**, the Franchised Business must be in operation for at least twelve (12) months;~~

~~1.7.1.2(a) The Franchisee has completed the RightStart Training Program;~~

~~1.7.1.3(a) The Franchised Business must not have any uncured defaults under the Franchise Agreement;~~

~~(d) Franchisee must comply with all state, federal and local laws and regulation, including employment laws, wage laws and obtaining all applicable licenses and permits, including as required under the applicable Nurse Practice Act~~

~~1.7.1.5(a) Franchisee or a qualified person designated by Franchisee must have successfully completed Franchisor's training program specifically relating to Specialized Nursing Services and must have satisfactorily completed a third-party accreditation program acceptable to Franchisor ("**Specialized Nursing Training Program**");~~

~~1.7.1.6(a) Franchisee must follow the guidelines outlined in the third-party policy and procedure manual designated by Franchisor from time to time, which Franchisee will be required to purchase from an Approved Supplier;~~

~~1.7.1.7(a) Franchisee must satisfy any other requirements established by Franchisor that Franchisor believes is necessary for a Franchised Business to offer Specialized Nursing Services, including all insurance requirements;~~

~~1.7.1.8(a) Franchisee must execute an amendment to this agreement ("**Specialized Nursing Services Amendment**") in a form similar to **Exhibit G** to this Agreement; and~~

~~1.7.1.9(a) Franchisee must engage a licensed registered nurse in good standing to deliver the Specialized Nursing Services.~~

~~1.7.2 If Franchisee and the Franchised Business meet all of these conditions, the Franchised Business may offer Specialized Nursing Services and, if required by applicable law, determine the referrals for services it will accept based on the skill level of its personnel. Franchisor has the right to revoke its approval for Franchisee to offer Specialized Nursing Services if Franchisee fails or refuses to continue to meet any of the foregoing conditions.~~

~~1.7.3 If Franchisee purchases a Franchised Business that is already approved to offer Specialized Nursing Services, Franchisee may continue offering Specialized Nursing Services so long as Franchisee and the Franchised Business meet all of the above conditions, excluding the condition set forth in **Section 1.7.1.1**.~~

~~1.7.4 If Franchisee purchases a Franchised Business that is not already approved to offer Specialized Nursing Services, Franchisee and the Franchised Business must meet all of the conditions above.~~

~~1.8 **Franchisor's Right to Vary Standards.** Franchisee acknowledges that because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege, as it may deem in the best interests of all concerned in any specific instance, to vary standards for any franchisee based upon the peculiarities of the particular site/area or circumstance, density of population, business potential, population of Designated Area, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of such franchisee's business. Franchisee will not be entitled to require Franchisor to grant to Franchisee a like or similar variation under this Agreement.~~

2. TERMS AND RENEWAL

~~2.1 **Initial and Renewal Terms.** This Agreement will be effective and binding from the date of its acceptance by Franchisor (as indicated on the signature page) for an initial term equal to ten (10) years (the "**Initial Term**") (unless sooner terminated in accordance with the terms of this Agreement, with three (3) separate options intended to renew the right to operate the Franchised Business for the period of five (5) years each as provided in **Section 2.2** (each referred to as a "**Renewal Term**").~~

~~2.2.1 **Conditions for Exercise of Option for a Renewal Term.** Subject to the notice provisions in **Section 2.3**, at the expiration of the Initial Term (or any Renewal Term), if this Agreement will then be in full force and effect, and Franchisee will have duly performed~~

~~all of its terms and conditions, Franchisee will have three (3) separate options to renew the right to operate the Franchised Business, subject to the terms and conditions of the then current form of Franchise Agreement, for periods of five (5) years each. A renewal of the right to operate the Franchised Business will not grant Franchisee an additional option for successive terms. For the purposes of this **Section 2**, unless the context clearly indicates otherwise, the words "terms and conditions" of this Agreement will include, but not be limited to, the following:~~

~~2.2.1 — Franchisee has, during the entire Initial Term of this Agreement and any subsequent renewal franchise term of a successor Franchise Agreement, duly performed all provisions of this Agreement or the successor Franchise Agreement as the case may be;~~

~~Franchisee maintains legal and physical possession of the Office (as defined in **Section 3.1** below) and the~~

~~2.2.2 — **Franchised Business** is in full compliance with the specifications and standards then applicable for a new or renewing Franchise. Franchisee will also present evidence reasonably satisfactory to Franchisor that Franchisee has the right to remain in possession of the Office for the duration of any renewal franchise term; or, in the event Franchisee is unable to legally retain possession of the **Office**, or, in the judgment of Franchisor, the Franchised Business should be relocated, Franchisee secures substitute premises approved by Franchisor;~~

~~2.2.3 — Franchisee has given notice of renewal to Franchisor as provided in **Section 2.3** below;~~

~~2.2.4 — Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor and its Related Entities, including the renewal fee, and has timely met these obligations throughout the term of this Agreement;~~

~~2.2.5 — Instead of the then current Franchise Fee or its equivalent, Franchisee has delivered to Franchisor the renewal fee, if any, in the amount of ten percent (10%) of the then current Franchise Fee that corresponds to the type of Franchise Fee initially paid by Franchisee for the Franchised Business and Franchisee has executed Franchisor's then current form of the Franchise Agreement, or at Franchisor's election has executed renewal documents with appropriate modifications to reflect the fact that the current form Franchise Agreement relates to the grant of a renewal franchise term, which Franchise Agreement or renewal documents will supersede in all respects this Agreement, and the terms of this Agreement. Despite the foregoing, upon renewal unless otherwise provided in this Agreement, the Designated Area will not be changed unless mutually agreed to in writing by Franchisee and Franchisor; and~~

~~2.2.6 — Franchisee and its owners have executed a general release, in a form prescribed by Franchisor, of any and all existing claims against Franchisor and its respective officers, directors, agents and employees, except such claims as are not permitted to be waived under applicable law.~~

~~2.3 — **Notice to Exercise Right to Renewal Term.** Unless the context of this Agreement clearly indicates otherwise, the words "**term of this Agreement**" will include and apply to the Initial Term and any Renewal Term. If Franchisee desires to exercise its~~

~~option to renew the right to operate the Franchised Business at the expiration of the then current term of this Agreement or the Renewal Term of the successor Franchise Agreement Franchisee must give Franchisor written notice of its desire to renew at least eight (8) months, but not more than fourteen (14) months, prior to the expiration of the then current term of this Agreement. Within sixty (60) days after its receipt of such timely notice, Franchisor will furnish Franchisee with a copy of Franchisor's current form successor Franchise Agreement which relates to the grant of a Renewal Term, in accordance with **Section 2.2.5** and written notice of any other requirements, as set forth in **Section 2.2**, which Franchisee must satisfy as a condition of renewal. The Grant of a Renewal Term to continue to operate the Franchised Business will be conditioned upon Franchisee's compliance with such requirements and continued compliance with all the terms and conditions of this Agreement up to the date of termination, provided, however, that if Franchisee is diligently and in good faith curing any deficiencies as required by Franchisor, the term of this Agreement will be extended for a period of time equal to the number of days required to cure such deficiency as determined by Franchisor.~~

~~2.4 — **Expiration Date.** If Franchisee does not initiate and comply with the terms and conditions for a Renewal Term and the procedures set forth in this **Section 2**, including signing Franchisor's then current form of the Franchise Agreement and/or, if Franchisor determines is appropriate, Franchisor's renewal documents, prior to the tenth (10th) or fifth (5th) anniversary date of this Agreement, as applicable (the “~~

~~Expiration Date”), then upon notice from Franchisor this Agreement will expire as of the **Expiration Date** with Franchisee then operating without a Franchise to do so and in violation of Franchisor's rights.~~

3. — BUSINESS LOCATION, ENTITY REQUIREMENTS AND OPERATING PRINCIPAL

~~3.1 — **Office Location and Requirements.** Franchisee must operate the Franchised Business only within the Designated Area. The premises from which the Franchised Business is operated must be a location separate from any personal residence, nursing facility, assisted living facility (or similar facility) or executive suites; must exist and be used solely and exclusively for the operation of the Franchised Business; and, must at all times be located within the Designated Area, unless otherwise approved by Franchisor, which Franchisor may grant or deny (“**Office**”).~~

~~3.2 — **Obtaining and Condition of Office.** Franchisee will be solely responsible for purchasing or leasing a suitable site and premises for the Office and it will be maintained in the condition and appearance consistent with Franchisor's standards. While Franchisor will utilize its general experience in providing guidelines and criteria for selection of an Office location, nothing contained herein will be interpreted as a guarantee of success for said location~~

~~— The Office is subject to Franchisor's approval, which Franchisor has the right to grant or deny. Franchisee acknowledges that Franchisor's approval of the Office indicates only that Franchisor believes that the office falls within the acceptable criteria established by Franchisor as of the approval date.~~

~~3.3 — **Requirements for an Entity to be a Franchisee.** If Franchisee is a corporation, limited liability company or partnership:~~

~~3.3.1 Franchisee must be duly organized, in good standing in its state of origin, and validly existing solely for the exclusive purpose of owning and operating as a Franchised Business duly authorized to do business, and will state that in its organizational documents;~~

~~3.3.2 All shareholders, members or partners of Franchisee, as the case may be, must be listed on Exhibit A, together with their ownership interest in Franchisee and must enter into a written agreement, in a form satisfactory to Franchisor, attached hereto as Exhibit B, jointly and severally guaranteeing the full payment and performance of Franchisee's obligations to Franchisor under this Agreement;~~

~~3.3.3 Each stock certificate or membership certificate or other evidence of ownership of an equity interest in Franchisee, as the case may be, must have conspicuously endorsed upon it a statement that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed by this Agreement;~~

~~3.3.4 The bylaws, operating agreement or partnership agreement of Franchisee, as applicable, must be in writing and will conspicuously state that all ownership interests in Franchisee are held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed by this Agreement;~~

~~3.3.5 No shares of common or preferred voting stock, membership interests or partnership interests (of whatever nature) in Franchisee, as applicable, must be issued or transferred to any person, partnership, trust, foundation, limited liability company, corporation or other party without obtaining Franchisor's prior written consent and then, only upon and in compliance with this Agreement;~~

~~3.3.6 If Franchisee has not done so prior to the execution of this Agreement, Franchisee must deliver copies of Franchisee's organizational documents to Franchisor prior to the execution hereof and from time to time upon Franchisor's request;~~

~~3.3.7 Franchisee cannot use any Mark or portion of any Mark as part of any corporate or entity name, with any prefix, suffix or other modifying words, terms, designs or symbols or any modified or other confusingly similar form. Franchisee cannot use any Mark or portion of any Mark as part of any officer or employee title without Franchisor's approval;~~

~~Franchisee must designate and have an Operating Principal, at all times during the Initial Term of this Agreement and any~~

~~3.3.8 Renewal Term, in accordance with the requirements set forth in Section 3.5; and~~

~~3.3.9 Franchisee and each of its shareholders, members or partners, and their respective spouses, as applicable, must enter into a written Confidentiality and Non-Compete Agreement, in a form satisfactory to Franchisor, attached hereto as Exhibit C.~~

~~3.4 Requirements for a Trust to be a Franchisee. If Franchisee is a trust:~~

~~3.4.1 — Franchisee must be created and in good standing in its state of origin, have the power to own and operate the Franchised Business; be duly authorized to do business; and, state that in its organizational documents;~~

~~3.4.2 — All trustees and beneficiaries of Franchisee must be listed on Exhibit A, together with their beneficial interest in Franchisee and the grantor, trustees or beneficiaries, as Franchisor designates, must enter into a written agreement, in a form satisfactory to Franchisor, attached hereto as Exhibit B, jointly and severally guaranteeing the full payment and performance of Franchisee's obligations to Franchisor under this Agreement;~~

~~3.4.3 — The trust agreement and any other evidence of ownership of an equity or beneficial in Franchisee must have conspicuously endorsed upon it a statement that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed by this Agreement;~~

~~3.4.4 — The trust agreement of Franchisee must be in writing and conspicuously state that all ownership and beneficial interests in Franchisee are held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed by this Agreement;~~

~~3.4.5 — No equity or beneficial interest in Franchisee can be transferred to any person, partnership, trust, foundation, limited liability company, corporation or other party without obtaining Franchisor's prior written consent and then, only in compliance with this Agreement;~~

~~3.4.6 — If Franchisee has not done so prior to the execution of this Agreement, Franchisee must deliver copies of Franchisee's organizational documents to Franchisor prior to the execution hereof and from time to time upon Franchisor's request;~~

~~3.4.7 — Franchisee cannot use any Mark or portion of any Mark as part of any trust or business name, with any prefix, suffix or other modifying words, terms, designs or symbols or any modified or other confusingly similar form;~~

~~Franchisee must designate and have an Operating Principal at all times during the Initial~~

~~3.4.8 — Term of this Agreement and any Renewal Term, in accordance with the requirements set forth in Section 3.5; and~~

~~3.4.9 — Franchisee and each of its grantors, trustees and beneficiaries, as Franchisor designates, and their respective spouses, as applicable, must enter into a written Confidentiality and Non-Compete Agreement, in a form satisfactory to Franchisor, attached hereto as Exhibit C.~~

~~3.5 — Requirements to be the Operating Principal. Upon the execution of this Agreement, Franchisee will designate an individual to serve as the Operating Principal for the Franchise ("Operating Principal"). If Franchisee is an individual, Franchisee will be designated as the Operating Principal and will perform all obligations of the Operating Principal — If Franchisee is a corporation, limited liability company, partnership or trust, the person designated as the Operating Principal must meet the qualifications in Sections 3.5.1 through 3.5.5. The Operating Principal must have the full~~

~~authority to act on behalf of Franchisee in all matters related to the performance of this Agreement and the operation of the Franchised Business. Franchisor has the right to rely on any and all directions, elections, information and other communication from Operating Principal as being made on behalf of Franchisee, even if Franchisor receives information from any other Owner or person who claims to have an ownership interest in Franchisee which may be contrary to or different from the information provided by Operating Principal. Franchisor has no duty or obligation to inquire into or resolve any conflicting information provided by Operating Principal and any other person on behalf of Franchisee. The Operating Principal must, during the entire period he or she serves as such, meet the following qualifications:~~

~~3.5.1 — Unless agreed upon in writing by Franchisor, the Operating Principal must maintain a direct or indirect ownership interest in Franchisee equal to at least twenty-five percent (25%) of the ownership interests in Franchisee. Except as may otherwise be provided in this Agreement, the Operating Principal's ownership interest in Franchisee must remain free of any pledge, mortgage, hypothecation, lien, charge, encumbrance, voting agreement, proxy, security interest or purchase right or options. The Operating Principal must execute the Confidentiality and Non-Compete Agreement, in the form attached as Exhibit C and the Guaranty and Assumption Of Obligations, in the form attached as Exhibit B;~~

~~3.5.2 — The primary business focus of the Operating Principal must be the operation of the Franchised Business and the Operating Principal must devote his or her best efforts to the supervision and conduct of the Franchised Business;~~

~~3.5.3 — The Operating Principal will meet Franchisor's standards and criteria for such individual, as set forth in the Manuals or otherwise in writing by Franchisor, and will satisfy the training requirements set forth in Section 4;~~

~~3.5.4 — If Franchisee is an individual, and Franchisee cannot continue to perform all obligations of the Operating Principal; then, the provisions of Section 19 will apply to the replacement of the Operating Principal; and:~~

~~If, during the Initial Term and any Renewal Term, (i) the Operating Principal is not able to continue to serve in the capacity of Operating Principal; (ii) the Operating Principal no longer qualifies to act as such in accordance with this Section; or, (iii) Franchisee desires to replace the Operating Principal with another person who is qualified to act as such in accordance with this Section, Franchisee must promptly notify Franchisor in writing that (a) the Operating Principal has ceased to serve or be so qualified; and, (b) within thirty (30) days thereafter, notify Franchisor in writing of the name and qualifications of the person that Franchisee has appointed as the new Operating Principal~~

~~3.5.5 — . Franchisee must include in its notice to Franchisor evidence satisfactory to Franchisor that shows the new person designated to be the Operating principal meets the qualifications of this Section and that the owners of more than fifty percent (50%) of the ownership interests in Franchisee designated such person to be the new Operating Principal. Any failure to comply with the requirements of this Section will be deemed a material event of default under this Agreement.~~

~~4. TRAINING AND ASSISTANCE~~

~~4.1 RightStart Training Program. Franchisor will make the training program (“RightStart Training Program”) available to the Operating Principal and up to two (2) additional persons. Each person attending the RightStart Training Program on behalf of Franchisee is required to complete the RightStart Training Program successfully prior to commencement of business operations and prior to having an~~

~~Open Office. The RightStart Training Program begins on the date designated by Franchisor. The RightStart Training Program includes virtual instructor led training, individual self-paced online instruction and, as feasible, instructor-led classroom training at Franchisor’s headquarters and/or another location designated by Franchisor. The RightStart Training Program consists of onboarding training (“Onboarding Training”), residence week training (“Residence Week Training”) and office open training (“Office Open Training”) and begins after the Effective Date of this Agreement. The RightStart Training Program may cover administrative, operational, sales and marketing matters based on various milestones and may include subject matter expert (“SME”) calls. Franchisor reserves the right to change the topics covered by the RightStart Training Program and the SME calls. All expenses incurred by the Operating Principal and other representatives in attending such training, including, without limitation, travel costs and room and board expenses for Residence Week Training, and employees’ salaries, will be the sole responsibility of Franchisee. Franchisee acknowledges that it will be solely responsible for training Franchisee’s employees that are not required to attend the RightStart Training Program in the operation of the Franchised Business.~~

~~4.2 Additional Opening Training. Upon completion of the RightStart Training Program and within ninety (90) days after providing Franchisee’s first completed care shift for a client of the Franchised Business, Franchisee’s Operating Principal will be required to complete the following, at the time designated by Franchisor:~~

~~4.2.1 Selling training from Franchisor’s designated supplier (“Integrity Selling Training Program”). Franchisee must pay the then-current Integrity Selling Training Program fee prior to attending the Integrity Selling Training Program in accordance with the designated supplier’s invoice; and~~

~~4.2.2 Upon satisfactorily completing the Integrity Selling Training Program, the coaching for selling training program from Franchisor’s designated supplier (“Coaching for Integrity Selling Program”). Franchisee must pay the then-current Coaching for Integrity Selling Training Program fee prior to attending the Coaching for Integrity Selling Training Program in accordance with the designated supplier’s invoice.~~

~~4.3 On-Site/Onboarding Training for a New Franchised Business. If Franchisee is opening a new Franchised Business, (rather than a transfer from an existing franchisee), then upon completing the Residence Week Training successfully, but prior to opening the Franchised Business, the Operating Principal must visit an existing, pre-approved Franchised Business selected by Franchisor for on-site, onboarding training (“On-Site/~~

~~Onboarding Training"). The On-Site/Onboarding Training will be for two days, or such other duration designated by Franchisor. All expenses incurred by the Operating Principal in attending the On-Site/Onboarding Training, including, without limitation, travel costs, room and board expenses and salaries are the sole responsibility of Franchisee.~~

~~4.4 On Site Support. Within six months after Franchisee begins operating the Franchised Business, Franchisor, at Franchisor's expense, will furnish to Franchisee, at the Office, one (1) of Franchisor's representatives for approximately two (2) days for the purpose of facilitating the early stages of the Franchised Business. During this period, such representative will assist Franchisee and Operating Principal in establishing and standardizing procedures and techniques essential to the operation of the Franchised Business. Should Franchisee request additional assistance from Franchisor to facilitate the early stages of the Franchised Business, or should Franchisor determine that Franchisee or the Operating Principal needs additional training, Franchisee will reimburse Franchisor for the expense Franchisor incurs in providing such additional assistance at its then current rate as published in the Manuals (defined in Section 6), plus expenses. If this Agreement is for an additional Franchised Business, Franchisor is not required to provide the support described in this Section 4.2; but, may do so if it determines the support described in this Section 4.2 is necessary.~~

~~4.5 Training for Executive Management Employees. Franchisor has the right to provide training to additional Operating Principal(s), owners or office managers ("Executive Management Employees") of Franchisee to the extent that Franchisor can reasonably accommodate such additional Executive Management Employees in Franchisor's regularly scheduled RightStart Training Program. Franchisee is responsible for all expenses incurred by Franchisee or Franchisee's Executive Management Employees in attending such additional training including, without limitation, travel costs, room and board expenses, and Executive Management Employees' salaries. Franchisee is solely responsible for the training of employees that do not attend Franchisor's RightStart Training Program.~~

~~4.6 Home Improvement Annual Conference. Franchisor may, from time to time, require franchisees and their Operating Principals and Executive Management Employees to attend and successfully complete refresher and updated training programs, seminars, conferences, regional conferences, selling training programs, webinars and the Right at Home annual meeting ("Home Improvement Annual Conference" or "HIAC"). These educational training programs, seminars, conferences, regional conferences and the HIAC will be conducted at such locations as may be designated by Franchisor. Attendance at such educational training programs, seminars, conferences, regional conferences, the HIAC and/or webinars will be at Franchisee's sole expense. Attendance at the HIAC is mandatory for new franchisees and franchisees that do not meet the billings or royalty minimums as described in Section 12.13, unless waived by Franchisor.~~

~~If Franchisor waives the attendance requirement for Franchisee's first year of operation, Franchisee is required to attend during the second year of operation. Franchisor has the right to require all franchisees to attend the HIAC. Attendance will not be required for more than two (2) live programs in any calendar year and such live programs will not collectively exceed five (5) business days in duration. Franchisor has the right to charge a fee for any~~

~~educational training programs, seminars, conferences, regional conferences, HIAC and/or webinars to cover Franchisor's costs of providing such programs. Franchisor will waive the registration fee, for up to two (2) of Franchisee's attendees, for the first HIAC attended by Franchisee.~~

~~Required~~

~~4.7.1 Training for Specialized Nursing Services. To be approved by Franchisor to offer Specialized Nursing Services pursuant to Section 1.6, Franchisee or a qualified person designated by Franchisee must complete Franchisor's training program specifically relating to Specialized Nursing Services successfully, which will not exceed five (5) days in duration. At any time afterwards, Franchisor may require Franchisee, or a qualified person designated by Franchisee to attend additional training related to Specialized Nursing Services as directed by Franchisor, which may include online training through Franchisor's learning management system, teleconferences, and webinars. Attendance at such continuing educational training programs, seminars or webinars will be at Franchisee's sole expense~~

~~Franchisor has the right to charge a fee for any of these continuing educational training programs, seminars, or webinars to cover Franchisor's costs of providing such programs.~~

~~4.8 Franchisee's Control Over Employment Practices. Franchisee acknowledges that Franchisor may from time to time, make certain recommendations as to employment policies and procedures.~~

~~Franchisee will have the exclusive right to determine if it will adopt such policies and procedures and the specific terms of such policies and procedures. Franchisee is solely responsible for training its employees on all such policies and procedures. Franchisee acknowledges that the Core Services, Ancillary Services and Specialized Nursing Services provided to clients will be provided by Franchisee and its employees and not independent contractors.~~

~~5.1. PROPRIETARY MARKS~~

~~5.1 Ownership of Marks. Franchisee acknowledges that Franchisor is the owner of all right, title and interest, together with all the goodwill under the Marks with the right to use and sublicense use of the Marks to franchisees. Franchisee further acknowledges that Franchisee's right to use the Marks is derived solely from this Agreement and is limited to the conduct of the Franchised Business by Franchisee pursuant to and in compliance with this Agreement and all applicable standards, specifications and operating procedures prescribed by Franchisor from time to time during the term of this Agreement. Any unauthorized use of the Marks by Franchisee is a breach of this Agreement and an infringement of the rights of Franchisor in and to the Marks. Franchisee acknowledges that all usage of the Marks by Franchisee and any goodwill established by Franchisee's use of the Marks will inure to the exclusive benefit of Franchisor, and that this Agreement does not confer any goodwill or other interests in the Marks upon Franchisee. Franchisee will not, at any time during the term of this Agreement or after its termination or expiration, contest the validity, strength, enforceability or ownership of any of the Marks or assist any other person in contesting the validity, strength, enforceability or ownership of any of the Marks.~~

~~5.2 Franchisee's Right to Use the Marks. Except as approved by Franchisor in writing, Franchisee will not use any Mark or portion of any Mark as part of any corporate or entity name or corporate title, with any prefix, suffix or other modifying words, terms, designs or symbols or in any modified or other confusingly similar form, nor may Franchisee use any Mark or any modification or other confusingly similar form thereof in connection with the sale of any unauthorized product or service or in any other manner not expressly authorized in writing by Franchisor. Despite the foregoing, Franchisee may use "RIGHT AT HOME" and/or "RAH STAFFING SERVICES" as a fictitious or assumed name while this Agreement is in effect, and Franchisee will obtain such fictitious or assumed name registrations as may be required under applicable state law at Franchisee's expense.~~

~~Such fictitious or assumed name registrations will recognize Franchisee as doing business under an assumed name but will not recognize Franchisee as having the exclusive right to use such name in that state. In no event, however, will this right to use be considered a specific grant of any ownership rights in any of the Marks. The contents of all material available from Franchisor are copyrighted by Franchisor unless otherwise indicated. All rights are reserved by Franchisor, and content may not be reproduced, disseminated, published, or transferred in any form or by any means, except with the prior written permission of Franchisor. Even if there is anything to the contrary in this Agreement, Franchisee will not use any of the Marks or copyrighted materials in any manner that has not been specified or approved by Franchisor.~~

Notification of

~~5.31.1 Infringement. Franchisee will promptly notify Franchisor of any claim, demand or cause of action based upon or arising from any attempt by any other person, firm or corporation to use any of the Marks or any confusingly similar form of any of the Marks. Franchisee will also notify Franchisor of any action, claim or demand against Franchisee relating to the Marks within ten (10) days after Franchisee receives notice of said action, claim or demand. Upon receipt of timely notice of any action, claim or demand against Franchisee relating to the Marks, Franchisor will have the sole right to defend any such action. Franchisor will have the exclusive right to contest or bring action against any third party regarding the third party's use of any of the Marks. In any defense or prosecution of any litigation relating to the Marks or components of the System undertaken by Franchisor, Franchisee will cooperate with Franchisor and execute any and all documents and take all actions as may be desirable or necessary, in the opinion of Franchisor's legal counsel, to carry out such defense or prosecution. Both parties will make every effort consistent with the foregoing to protect, maintain and promote the Marks, including "RIGHT AT HOME" and "RAH STAFFING SERVICES".~~

~~5.41.1 Right to Modify the Marks. Franchisor may add to, substitute or modify any or all of the Marks from time to time. If Franchisor determines it is advisable at any time and for any reason, Franchisor has the right to modify or discontinue use of any Mark, and/or use one or more additional or substitute trade names, trademarks, service marks or other commercial symbols. Franchisee will comply with Franchisor's directions within a reasonable time after notice is given to Franchisee by Franchisor, and Franchisor will have no liability or obligation whatsoever with respect to Franchisee's modification or discontinuance of any Mark. On expiration or sooner termination of this Agreement, Franchisor may, if Franchisee does not timely comply with Franchisor's directions, execute~~

~~in Franchisee's name and on Franchisee's behalf any and all documents necessary, in Franchisor's judgment to end and cause a discontinuance of the use by Franchisee of the Marks and Franchisor is hereby irrevocably appointed and designated as Franchisee's attorney in fact to do so. Franchisee will be responsible for the tangible costs (such as replacing signs and materials) of complying with any obligation to change or discontinue using the Marks. Franchisor will not be liable for any direct, indirect, special, incidental, exemplary or consequential damages arising out of an addition, substitution or modification of any of the Marks.~~

~~5.5 Right to Inspect. To preserve the validity and integrity of the Marks and copyrighted materials licensed by this Agreement and to ensure that Franchisee is properly employing the same in the operation of the Franchised Business, Franchisor and its agents will have the right of entry to and inspection of the Office at all reasonable times, and, additionally, will have the right to observe the manner in which Franchisee is rendering the services of the Franchised Business and conducting its operations, to confer with Franchisee's employees and clients, and, at Franchisee's expense, to select or request Franchisee to provide samples of products, materials, inventory, equipment, advertising and other items, and supplies for inspection and evaluation purposes to make certain that the services, products, inventory, materials, supplies, equipment and operations are satisfactory and meet the quality control provisions and performance standards established by Franchisor.~~

~~Websites and Internet~~

~~5.6.1 Uses. Franchisee may not establish a Web site or any other Web presence on the Internet using any domain name until Franchisee obtains Franchisor's prior written approval. Any domain name cannot contain the words "RIGHT AT HOME", "RAH STAFFING SERVICES", "RAH" or any variation without Franchisor's written consent. Franchisor retains the sole right to develop, design and execute any form of content or promotion, social networking or advertising on the Internet and to create a website using the "RIGHT AT HOME", "RAH" and "RAH STAFFING SERVICES" domain names and other domain names using the Marks. Franchisee acknowledges that Franchisor is the owner of all right, title and interest in and to such domain names. Franchisee may not use linking and framing between Franchisee's pages or website and any other websites or Web presence without the prior approval of Franchisor, which Franchisor has the right to withhold for any reason. If requested by Franchisor, Franchisee will, within five (5) days, dismantle any frames and links between Franchisee's website and any other websites. Franchisor will provide Franchisee, as a link within Franchisor's site, approximately three (3) to four (4) pages devoted to the Franchised Business. Franchisor has the sole right to determine the content of the pages devoted to the Franchised Business.~~

~~5.7 Social Media. Franchisee and its Operating Principal, Owners, employees and agents will comply with all of the Franchisor's policies, standards and procedures for use of any Social Media that in any way references the Marks or involves the Franchised Business. The Franchisee and its Operating Principal, Owners, employees and agents will not have the right to use any of the Marks or other intellectual property of the Franchisor on any personal~~

~~Social Media accounts. Franchisor may set up Social Media accounts for Franchisee's Franchised Business and grant Franchisee and its Operating Principal access to such Social Media accounts for use in Franchisee's Franchised Business. For purpose of this Section 5.7 "**Social Media**" includes~~

~~any social network, social media or online community on the Internet or any other online, digital or electronic medium including, but not limited to, any "blog," YouTube, Facebook, Instagram, Tik Tok, Wikipedia, professional networks like Linked In, live blogging tools like Twitter, virtual worlds, file, audio and video sharing sites, and other similar social networking media or tools. Social Media accounts for the Franchised Business and the content therein will remain the property of Franchisor.~~

~~5.81.1 Rights on Expiration or Termination. Upon expiration or earlier termination of this Agreement, Franchisee will cease use of the Marks, terminate all fictitious name registrations using the Marks, transfer social media accounts (if any) to Franchisor and will deliver to Franchisor any signs, advertising, promotional or merchandising materials utilizing the Marks. Franchisee hereby appoints Franchisor as its attorney in fact to make any filings required by law to effect the foregoing, which power of attorney will be irrevocable and coupled with an interest. Franchisee will cancel or transfer to Franchisor all registrations and social media accounts in the name of Franchisee using any Marks, trade names of Franchisor or any similar designation, and will execute such documents and take such steps as Franchisor may request to effect such cancellation or transfer. Franchisee hereby grants to Franchisor an irrevocable power of attorney coupled with an interest to effect the foregoing. Franchisee will be responsible for the tangible fees and costs associated with complying with any obligation to change or discontinue using the Marks.~~

6. ——— CONFIDENTIAL MANUALS

~~6.1 ——— Access to and Use of Manuals. During the term of this Agreement, Franchisor will provide Franchisee with password protected electronic access to the Manuals, which contain: (i) mandatory and suggested specifications, standards, procedures and rules prescribed from time to time by Franchisor for the operation of the Franchised Businesses, (ii) information relative to other obligations of Franchisee under this Agreement; and, (iii) compliance guidelines for the System and the operation of the Franchised Business. Franchisee acknowledges and agrees that the requirements imposed by this Agreement and the Manuals are necessary to promote the high uniform standards of quality of the System, the Franchise and the services offered by Franchised Business; and, to promote and maintain the goodwill associated with the Marks and the~~

~~System. Franchisee agrees to conform to the requirements in the Manuals. Franchisor has the right to add, modify and revise its policies, standards, procedures, Confidential Information and the Manuals periodically to conform to the changing needs of the System, as provided in **Section 8**. Franchisor may deliver its policies, standards, procedures, Confidential Information and the Manuals, and any updates to such information, in a written document, via CD, videos, electronically on its Website, Intranet or through other electronic communication methods at it deems appropriate. The Manuals will also include any other materials, in any form provided by Franchisor to Franchisee under this Agreement, or provided by third parties to Franchisee, as may be required by Franchisor under this Agreement, including written, unwritten, oral, visual, and electronic or by access to a website. Franchisee will immediately, upon notice from Franchisor, adopt and implement any such revisions, updates and changes in its Franchised Business.~~

~~6.2 — Ownership of Manuals. The Manuals, together with the passwords, access codes and users' names to access the Manuals in electronic format, will always remain the sole property of and be owned by Franchisor; and, electronic access will be terminated upon the expiration or termination of this Agreement. Franchisee will protect the confidentiality of all passwords, access codes and users' names used to access the Manuals in electronic format and will not make any disclosure, duplication or other unauthorized use of such passwords, access codes and users' names or any portion of the Manuals, as provided in Section 7.~~

~~6.3 — Confidentiality of Manuals. The Manuals contain Franchisor's proprietary information and Franchisee will keep such information confidential both during the term of this Agreement and after the expiration or termination of this Agreement. Franchisee will, at all times have a computer to access the electronic version of the Manuals. Franchisee will promptly notify Franchisor by telephone and in writing if Franchisee discovers any unauthorized access to the Manuals in electronic format; and, will comply with Franchisor's directions with regard to any action Franchisor determines is necessary to remedy any unauthorized access and the consequences thereof. In the event of any dispute as to the contents of the Manuals, the terms of the master copy of the Manuals maintained by Franchisor at Franchisor's corporate office will be controlling.~~

~~6.4 — HIPAA Manual. During the term of this Agreement, Franchisor will also provide Franchisee with a~~

~~HIPAA Manual, prepared by an Approved Supplier, for Franchisee to use to create and implement Franchisee's own HIPAA compliance program.~~

~~6.5.1 Right at Home Personal Care Policy and Procedure Manual. During the Initial Term of this Agreement, Franchisor will also provide Franchisee with access to a personal care policy and procedure manual ("**Right at Home Personal Care Policy and Procedure Manual**") prepared by an Approved Supplier, for Franchisee to use in the operation of its Franchised Business. Franchisee will be required to pay Franchisor its then current, non-refundable initial fee for access to the Right at Home Personal Care Policy and Procedure Manual. Franchisee will also be required to pay to Franchisor's Approved Supplier a setup fee and annual subscription fee for ongoing access to the Right at Home Personal Care Policy and Procedure Manual.~~

~~6.6 — Compliance with Requirements in Manuals.~~

~~6.6.1 — Franchisee understands and agrees that establishing and maintaining a common identity creates substantial value to Franchisor, Franchisee and other franchisees in the System. Franchisee agrees and acknowledges that to preserve, maintain and enhance the reputation and goodwill of the System and the Marks, full compliance with the Manuals is essential; and, that failure of the Franchisee to operate the Franchised Business in accordance with the Manuals can cause damage to the Franchisor, Franchisee and other franchisees within the System. Notwithstanding the foregoing, and consistent with goals of the System, Franchisee is responsible for the day-to-day operation of the Franchised Business.~~

~~6.6.2 — Franchisee acknowledges that the services offered by the Franchised Business and the way such services are offered to clients of the Franchised Business are essential to Franchisor and the System. To protect the System, Franchisee will comply with all~~

~~mandatory specifications, standards and procedures relating to: (1) the type and quality of the services offered by the Franchised Business; (2) the appearance, color, design of signage of the Franchised Business; and, (3) standards of services provided by the Franchised Business. Franchisee also agrees to use all equipment, signage, and services as have been approved for the System from time to time by Franchisor. Mandatory specifications, standards, and procedures will be prescribed by Franchisor in the Manuals, or otherwise communicated to Franchisee in writing.~~

~~7.——CONFIDENTIAL INFORMATION~~

~~7.1——Confidential Information Defined. Franchisor owns and possesses (and may continue to develop and acquire) certain confidential information consisting of and relating to the methods, techniques, formats, specifications, procedures, equipment, information, software, systems, sales and marketing techniques and programs, and knowledge of and experience in the development, operation and franchising of Franchises; advertising, marketing and promotional programs for Franchises; knowledge of, specifications for and suppliers of certain products, materials, equipment and supplies used to operate a Franchise; knowledge of the operating results and financial performance of Franchises other than the Franchised Business; the Manuals; passwords, codes and user names to access the Manuals in electronic format; and, contracts for clients served by Franchisee, the client lists and details of service (collectively, the “**Confidential Information**”). Except as otherwise provided by applicable law, the term “Confidential Information” also includes all written or electronic information, computer files, documents, records and data that the Franchisor or any of its representatives furnishes or otherwise discloses to Franchisee or any of its representatives, together with all analyses, compilations, studies, memoranda, translations, notes or other documents, records or data (in whatever form maintained, whether documentary, computer or other electronic storage or otherwise) prepared by Franchisee or any of its representatives which contain or otherwise reflect or are generated from such information and documents. Except as otherwise provided by applicable law, Franchisor will retain all ownership of, property in, and title to its Confidential Information; and Franchisee will have no claim to it or right in it except as expressly authorized under the provisions of this Agreement. Franchisor will disclose certain Confidential Information to Franchisee in the RightStart Training Program, the Manuals, and in guidance furnished to Franchisee during the term of this Agreement. Franchisee and the Operating Principal acknowledge that, except as otherwise provided by applicable law, the Confidential Information is proprietary and involves trade secrets of Franchisor, and that Franchisee and the Operating Principal will not acquire any interest in the Confidential Information, other than the right to utilize the Confidential Information in the operation of the Franchised Business in compliance with this Agreement during the term of this Agreement. Franchisee and the Operating Principal further acknowledge and agree that the Confidential Information is disclosed to Franchisee only on the condition precedent that Franchisee and the Operating Principal agree and Franchisee and the Operating Principal hereby do agree to: (1) use the Confidential Information only in operating the Franchised Business and not in any other business or capacity; (2) keep all Confidential Information absolutely confidential during and after the term of this Agreement; (3) make no unauthorized copies of any Confidential Information disclosed via electronic medium, in writing or other tangible form; and (4) adopt and implement all reasonable procedures periodically prescribed by Franchisor to prevent unauthorized use or disclosure of~~

~~Confidential Information including restrictions on disclosures to Franchisee's principals and employees. Franchisee and the Operating Principal will divulge Confidential Information only to Franchisee's employees who must have access to it in order to perform their responsibilities to operate the Franchised Business. Franchisee and the Operating Principal do, by entering into this Agreement, acknowledge that, except as otherwise provided by applicable law, all Confidential Information is owned by Franchisor alone and during the term of this Agreement and at the end of this Agreement all Confidential Information will be returned to Franchisor.~~

~~7.1.1 Franchisee and the Operating Principal acknowledge and agree that the Franchised Business' clients, client lists, details of service, and contracts are also trade secrets and are derived and result from the operation of the Franchised Business in accordance with this Agreement and Franchisor's System standards, specifications and operating procedures. Franchisee and the Operating Principal acknowledge and agrees that such clients, client lists, details of service to clients, and contracts are deemed Confidential Information (as defined above) owned by Franchisor and are subject to the restrictions set forth above, including, without limitation, restrictions on the use, sale or transfer of such client lists and contracts to a third party. Although Franchisor owns client lists and certain client related data, Franchisee is required to comply with the Health Insurance Portability and Accountability Act ("HIPAA") as further described in Section 12.14. Franchisee is prohibited from transferring client information, except as required by HIPAA.~~

~~7.1.2 Franchisee and the Operating Principal further agree that the Operating Principal and each officer, director, management and supervisory level employee of Franchisee having access to Confidential Information will be required by Franchisee to sign an employment confidentiality contract in the form of Exhibit C.~~

~~7.2 Franchisor's Right to Use Confidential Information. Notwithstanding the provisions of Sections 7.1 and 7.1.1,~~

~~Franchisor reserves the right to use, advertise, publish (including inclusion in its Franchise Disclosure Document) and disclose information regarding the performance of Franchisee, including but not limited to, revenues, expenses and profits of Franchisee to other franchisees in the System, prospective franchisees and in the media to advertise or promote the System. Notwithstanding the foregoing, without the prior written permission of Franchisee, Franchisor will not specifically identify any of such financial information as it relates specifically to Franchisee in its Franchise Disclosure Document.~~

~~7.3 Disclosure of Information to Franchisor. All ideas, concepts, techniques or other materials relating to the Franchised Business, whether or not protectable intellectual property and whether created by or for Franchisee, the Operating Principal or Franchisee's employees, must be promptly disclosed to Franchisor and will be deemed to be Franchisor's sole and exclusive property, part of its franchise System and works made-for-hire. To the extent that any item does not qualify as a work made-for-hire, Franchisee and the Operating Principal hereby assign ownership of that item, and all related rights to that item, to Franchisor and agrees to sign any assignments or other documents as Franchisor reasonably requests to evidence its ownership of or to otherwise assist Franchisor in obtaining intellectual property rights in the item.~~

~~7.4—Exclusions from Confidential Information. Confidential Information does not include any information, knowledge or know-how that Franchisee obtained prior to its being provided to Franchisee directly or indirectly by Franchisor or any of its current, former or future affiliates (including, without limitation, pursuant to any license agreement or similar agreement between Franchisee and any such party).~~

~~Franchisee and the Operating Principal have the burden of proving that the elements of this Section apply to any information, knowledge or know-how.~~

~~**8.1. MODIFICATION OF THE SYSTEM** Franchisee acknowledges that from time to time Franchisor may change or modify the System, including Manuals; the adoption and use of new or modified trade names, trademarks, service marks and/or copyrighted materials; new computer systems, equipment, techniques and/or services; and, that Franchisee will be required to accept, use and display for the purpose of this Agreement any such changes in the System as if they were part of this Agreement at the time of execution hereof. Franchisee will make such expenditures of money as are reasonably required to make such modifications in the System. Franchisor will permit Franchisee a reasonable period of time, based on the amount of the expenditure, if any, to implement such modifications. Franchisee will not change, modify or alter the System in any way, except as directed by Franchisor; provided that no such change or modification will alter Franchisee's fundamental status and material rights under this Agreement.~~

~~9.—ADVERTISING AND PROMOTION~~

~~Recognizing the value of advertising for and promotion of the Franchised Business and the importance of the standardization of advertising and promotion to the furtherance of the goodwill and the public image of the Franchised Business, Franchisee agrees as follows:~~

~~9.11.1 Franchisor's Approval of Promotional Materials. Franchisee will submit to Franchisor or its designated agency, for its prior written approval, all advertising and promotional materials to be used by Franchisee, including, but not limited to, direct mail, newspaper, radio, television, Internet (including social media), website, on-line listings, other web-based marketing, specialty items, novelty items and other promotional materials (hereinafter for this Section 9, collectively referred to as "Promotional Materials"). Franchisor or its designated agent will provide written approval or disapproval of said Promotional Material to Franchisee within ten business (10) days after the date such materials are received by Franchisor or its designated agent. If Franchisor or its designated agent fails to respond in ten business (10) days, then such Promotional Materials will be deemed to be approved by Franchisor.~~

~~9.2—Local Marketing Expenditures. Each month during the term of this Agreement, Franchisee will spend at least two percent (2%) of its Net Billings, as defined in Section 10.1, on local marketing, sales and promotion, and other Promotional Materials. Such expenditures will be made directly by Franchisee. Franchisor may provide guidelines for conducting local marketing and promotional programs, and any proposed deviations from such guidelines will be approved by Franchisor in writing prior to use. Franchisee does not have the right to use other channels of distribution, such as the Internet (including social media), telemarketing or other direct marketing to make sales outside of Franchisee's Designated Area, unless otherwise permitted in writing by Franchisor. If requested by Franchisor, within thirty (30) days after the end of each~~

~~calendar month, Franchisee will furnish to Franchisor, in a manner approved by Franchisor, an accurate accounting of Franchisee's expenditures on local marketing, sales and promotion for the preceding calendar month just ended.~~

~~9.3.1 Use of Promotional Materials.~~ Franchisee will use all Promotional Materials in accordance with **Section 1.4**, except as may be authorized by written communication from Franchisor. Franchisor reserves the right to withdraw approval of the use of any Promotional Materials for any reason by sending written notice to Franchisee.

~~9.4 Website Development.~~ Franchisee will provide necessary information for the website developed by Franchisor pursuant to **Section 13.2.6**.

~~9.5 Trademark, Service Mark and Copyright Notices.~~ Franchisee will not use in advertising or in any other form of promotion, the copyrighted materials, trademarks, service marks or commercial symbols of Franchisor without appropriate notices which may be required by applicable laws or as Franchisor may from time to time direct, including, without limitation, ©, ®, TM, SM, or other copyright or trademark registration notices or the designations where applicable or an indication that the name "RIGHT AT HOME" and the Marks are the trade names, trademarks and service marks owned by Franchisor.

~~9.6 Brand Marketing and Promotion Fund.~~ Franchisor has established a brand marketing and promotion fund to promote expansion and increase brand awareness and preference of the System (the "**Brand Marketing and Promotion Fund**").

Franchisee will contribute the following amounts (the "**Brand Marketing and Promotion Fee**") to the Brand Marketing and Promotion Fund: two percent (2%) of Franchisee's weekly Net Billings on the first \$1,000,000 of Net Billings each calendar year, plus one percent (1%) of Franchisee's weekly Net Billings on the next \$2,000,000 of Net Billings for such calendar year and each calendar year thereafter. Franchisee will begin paying the Brand Marketing and Promotion Fund the same week Franchisee begins paying the Royalty Fee. Beginning on the 13th month of operation of the Franchised Business, Franchisee is required to pay to Franchisor the greater of (a) the Brand Marketing and Promotion Fee; or (b) the Minimum Brand Marketing and Promotion Fee set out in **Section 12.13.2**. For each consecutive 13-week period ("**Quarter**"), if the Brand Marketing and Promotion Fee paid by the end of any Quarter does not meet or exceed the Minimum Brand Marketing and Promotion Fee, Franchisee will pay Franchisor the difference as set out in **Section 12.13.3**. If Franchisee operates more than one Franchised Business in Designated Areas within the same Metropolitan Statistical Area (as that term is defined by the US Government from time to time) or other similar geographic area designed by Franchisor that participate in the

~~9.6.1 Brand Marketing and Promotion Fund;~~ then, Franchisee's maximum Brand Marketing and Promotion Fees are based on the Net Billings from all Designated Areas in the same Metropolitan Statistical Area or other similar geographic area designated by Franchisor (the "**MSA Cap**"). The Brand Marketing and Promotion Fees are paid weekly at the same time and in the same manner as the Royalty Fee or as otherwise prescribed in the Manuals until the maximum amount that Franchisee is obligated to contribute has been paid in each calendar year. All franchisees are required to contribute to the Brand Marketing and Promotion Fund on the same basis. The Brand Marketing and Promotion Fees are paid directly into the Brand Marketing and Promotion Fund and will be used by Franchisor to develop and implement programs to promote expansion and increase awareness and

~~preference of the Right at Home brand. Franchisor has the right to modify, increase, reduce or suspend the Brand Marketing and Promotion Fee, with input and advice from the Strategic Leadership Council (as defined below); provided, that the contribution will not exceed the MSA Cap each calendar year, if applicable. The Brand Marketing and Promotion Fund will not be commingled with Franchisor's funds or considered to be income of Franchisor; but, are held in the separate account to be expended as set forth in the Franchise Agreement. Any business operated by Franchisor or its Affiliates under the same Marks as the Franchised Business contribute to the Brand Marketing and Promotion Fund on the same basis as franchisees. If Franchisor terminates the Brand Marketing and Promotion Fund, any unused Brand Marketing and Promotion Fees in the Brand Marketing and Promotion Fund will be paid back to all franchisees in the System in proportion to their contributions to the Brand Marketing and Promotion Fund during the preceding twelve (12) months. Franchisee will begin paying the Brand Marketing and Promotion Fee the same week Franchisee commences paying the Royalty Fee.~~

~~The Brand Marketing and Promotion Fund will only be used for the following~~

~~9.6.21.1.1:~~

~~9.6.2.1(a) The development of programs and materials to build brand awareness and preference with referral sources, consumers, insurance companies or related businesses, caregivers, health care providers, facilities, social service organizations, and others at the local, regional, and/or national level;~~

~~9.6.2.2(a) Local, regional, or national advertising, promotions, marketing, public relations, and/or direct sales including print, social media, Internet or web based, direct mail, radio or television; development and maintenance of any Internet and/or e-commerce programs; Internet promotions and on-line marketing activities, and related expenses;~~

~~9.6.2.3(a) The creation, production and placement of commercial advertising; agency costs and commissions; creation and production of video, audio and written advertisements; market research and research agency fees; administering local, regional, or national advertising programs, direct mail, promotions, public relations, Internet/e-commerce, social media, and other media advertising;~~

~~(d) The attendance or participation in local, regional, or national tradeshow, conferences, exhibitions where promoting the brand would be appropriate; affiliate with national/community organizations to leverage the brand; and~~

~~(e) Developing and administering sales, marketing, and/or public relations training or support programs for franchisees utilizing employees or third parties to develop, administer, or conduct the training or support programs and such other programs designed to promote or enhance the brand, with the advice of the Strategic Leadership Council.~~

~~(f) Reimbursing Franchisor for administrative expenses incurred in administering the Brand Marketing and Promotion Fund and the Strategic Leadership Council.~~

~~The Brand Marketing and Promotion Fund will not be used for advertising or marketing activities whose principal purpose is to solicit new franchisees.~~

~~Franchisor may engage a third-party agency or agencies to assist Franchisor with these initiatives in addition to Franchisor's own in-house efforts. Any expenditures from the Brand Marketing and Promotion Fund may or may not be proportionate to contributions made by Franchisee or provide a direct or any benefit to Franchisee. Franchisor, with input and advice from the Strategic Leadership Council, has the right to direct expenditures from the Brand Marketing and Promotion Fund for the purposes described above. Subject to these foregoing limitations, Franchisor may accumulate these funds, and the balance may be carried over to subsequent years and used for the purposes stated in the Franchise Agreement. If the Brand Marketing and Promotion Fund needs additional funds at any time to pay for expenditures, with input and advice from the Strategic Leadership Council, Franchisor may loan such funds to the Brand Marketing and Promotion Fund at an interest rate not to exceed five percent (5%) per annum and with repayment terms that will not unreasonably burden the Brand Marketing and Promotion Fund or prevent it from performing its obligations. An unaudited annual financial statement and report of the Brand Marketing and Promotion Fund will be prepared and delivered to the Strategic Leadership Council members and all franchisees participating in the Brand Marketing and Promotion Fund within 120 days after the end of Franchisor's fiscal year. The report will show the total Brand Marketing and Promotion Fees collected and expenditures from the Brand Marketing and Promotion Fund during the previous fiscal year. Franchisor reserves the right to change the name of the Brand Marketing and Promotion Fund from time to time.~~

~~9.6.3 Franchisor has established a committee composed of franchisees and members of Franchisor's staff ("Strategic Leadership Council"). The Strategic Leadership Council consists of not less than twelve (12) franchisee members and selected members of Franchisor's senior management team. Eight of the franchisee members will be elected and four of the franchisee members will be appointed by Franchisor. By laws for the operation of the Strategic Leadership Council adopted by the initial Strategic Leadership Council, provide that:~~

~~(a) each franchisee member of the Strategic Leadership Council will serve for staggered terms that will be not less than two (2) years each and may serve up to two (2) consecutive terms;~~

~~(b) elections or appointments of franchisee members to the Strategic Leadership Council will occur at the time period and be based on the procedures established in the by-laws; and~~

~~(c) Franchisor has the right to appoint the members of Franchisor's staff who serve on the Strategic Leadership Council and to appoint franchisee members to fill any vacancies that arise.~~

~~During such time that Brand Marketing and Promotion Fees are required to be paid by Franchisee, if the Brand Marketing and Promotion Fee is greater than one percent (1%) of weekly Net Billings, then Franchisee's local marketing, sales and promotion expenditures pursuant to Section 9.2 of the Franchise Agreement will reduce so that Franchisee's required total combined expenditures on local marketing, sales and promotion, other Promotional Materials pursuant to Section 9.2 of the Franchise Agreement and Brand Marketing and Promotion Fee payments will not exceed three percent (3%) of Franchisee's Net Billings.~~

~~However,~~

~~9.6.4 Franchisor may remove this three percent (3%) cap upon 30 days prior notice.~~

~~Notwithstanding the requirements of Section 1.4 regarding restrictions on the use of advertising and promotion materials, solicitations and similar efforts in the Designated Area, Franchisee understands that certain activities and programs undertaken by the Brand Marketing and Promotion Fund and approved by the Strategic Leadership Council may not lend themselves to be confined to franchisees' designated areas or other geographic areas.~~

~~9.6.5 Therefore, Franchisee will not be deemed to be in default if Franchisee participates in such activities and programs in accordance with their approved terms and conditions.~~

10. — CONTINUING SERVICES AND ROYALTY FEE

~~10.1 — Royalty Fee. Beginning the first month Franchisee has Net Billings for the Franchised Business, Franchisee will pay, without offset, credit or deduction of any nature, to Franchisor a royalty fee equal to five percent (5%) of the Net Billings derived from the Franchised Business (“**Royalty Fee**”). The Royalty Fee will be paid weekly in the manner specified below or as otherwise prescribed in the Manuals. Beginning the 13th month that the Franchised Business is Open, Franchisee is required to pay to Franchisor the greater of (a) the Royalty Fee; or (b) the Minimum Royalty set out in Section 12.13.1. For each consecutive 13-week period (“**Quarter**”), if the Royalty Fee paid by the end of any Quarter does not meet or exceed the Minimum Royalty, Franchisee will pay Franchisor the difference as set out in Section 12.13.3. Notwithstanding anything herein to the contrary, if the Franchisee acquired the Franchised Business as a transfer, the date the Office for the Franchised Business was originally Opened will be used to determine the application of the Minimum Royalty.~~

~~On a weekly basis on a date designated by Franchisor, Franchisee will submit to Franchisor, in a format and manner directed by Franchisor, a true and accurate statement of Franchisee's Net Billings for the preceding week just ended (“**Weekly**~~

~~10.1.1 — Reports”). See Section 10.6 below. Franchisee will make available to Franchisor all original books and records that Franchisor may deem necessary to ascertain Franchisee's Net Billings for reasonable inspections at reasonable times.~~

~~The term “~~

~~10.1.2 — Net Billings,” as used throughout this Agreement, will mean and include the total of all revenues from the operation of the Franchised Business whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is received therefor) or otherwise. There will be deducted from Net Billings for purposes of said computation (but only to the extent they have been included) the amount of~~

~~all sales tax receipts or similar tax receipts which, by law, are chargeable to clients, if such taxes are separately stated when the client is charged and if such taxes are paid to the appropriate taxing authority. There will be further deducted from Net Billings the amount of any documented refunds, chargebacks, credits and allowances given in good faith to clients by Franchisee and the amount of mileage and out-of-pocket expenses incurred by and reimbursed to employees of Franchisee in connection with providing services to clients.~~

~~10.2 — Late Fee and Interest. Franchisee will pay Franchisor a late fee in an amount up to two hundred fifty dollars (\$250.00) for each occurrence if a Weekly Report is not submitted on its due date or if a Royalty Fee is not paid when due. All Royalty Fees, amounts due for purchases by Franchisee from Franchisor, and other amounts which Franchisee owes to Franchisor, will also bear interest after due and payable date at the highest applicable legal rate for open account business credit, not to exceed one and one-half percent (1.5%) per month. Franchisee acknowledges that all amounts due and payable pursuant to this Section 10.2 and Section 11.3 are reasonable liquidated damages, are set because of the difficulty of ascertaining the exact amount of expenses incurred by Franchisor, and are not penalties, and will be in addition to all other remedies available to Franchisor. Franchisee also acknowledges that this Section 10 will not constitute agreement by Franchisor to accept such payments after same are due and payable or a commitment by Franchisor to extend credit to, or otherwise finance Franchisee's operation of, the Franchised Business. Franchisee acknowledges that its failure to pay all amounts when due will constitute, in addition to all other remedies available to Franchisor, grounds for termination of this Agreement, as provided in Section 16 hereof, despite the provisions of this Section 10. Nothing in this Section will limit Franchisor's right and remedies under any other provision of this Agreement.~~

~~10.3 — Application of Payments. Despite any designation by Franchisee, Franchisor will have the absolute right to apply any payments by Franchisee to any past due indebtedness of Franchisee for Royalty Fees, purchases from Franchisor, interest or any other indebtedness owed by Franchisee to Franchisor, in such amounts and in such order as Franchisor will determine.~~

~~10.4 — Payment of Royalty Fees. All Royalty Fees, amounts due for purchases by Franchisee from Franchisor and other amounts that Franchisee owes to Franchisor will be required to be paid to Franchisor through an Electronic Depository Transfer Account ("EDTA") as further described in the Manuals. Immediately following execution of this Agreement, if directed by Franchisor, Franchisee will set up an EDTA and Franchisor will have access to such account to receive payment for Royalty Fees, amounts due for purchases by Franchisee from Franchisor, and any other amounts which Franchisee owes to Franchisor. Each week, Franchisee will make deposits to the EDTA sufficient to cover amounts owed to Franchisor for Royalty Fees and other monies owed by Franchisee to Franchisor. For the purposes of this Agreement, workweeks run from Sunday through Saturday. Deposits are due the Friday following the previous workweek. Franchisee will not withhold payment of any Royalty Fee, amounts due for purchases by Franchisee from Franchisor, or other amounts that Franchisor claims are due to Franchisor. Any alleged non-performance or breach of Franchisor's obligations under the Franchise Agreement or any related agreement does not establish a right at law or in equity for Franchisee to withhold payment due Franchisor for Royalty Fee, amounts due for purchases by Franchisee from Franchisor, or other amounts that Franchisor claims are due to Franchisor.~~

~~10.5 — Taxes on Fees. Franchisee will pay to Franchisor (or any Related Entity) promptly and when due the amount of all sales taxes, use taxes, personal property taxes and similar taxes imposed upon, required to be collected, or paid by Franchisor on the account of services or goods furnished by Franchisor to Franchisee through sale, lease or otherwise, or on account of collection by Franchisor of the initial Franchise Fee, all Royalty Fees, amounts due for purchases by Franchisee from Franchisor, and other amounts which Franchisee owes to Franchisor.~~

~~10.6 — Authorization. Franchisee's and the Operating Principal's signature on this Agreement constitutes: (i) Franchisee's consent to make filings with the Franchisor by electronic means, if Franchisor so requests, and (ii) Franchisee's representation and warranty to Franchisor that each electronic filing made by Franchisee is true and correct in all respects, and (iii) Franchisee's consent and representation to Franchisor that each electronic signature will be equivalent to Franchisee's actual signature for all intents and purposes.~~

11. — ACCOUNTING AND RECORDS

~~11.1 — Books and Records Requirements. Franchisee will regularly prepare and maintain during the term of this Agreement and will preserve for the time period specified in the Manuals, full, complete and accurate books, records and accounts, including records maintained in electronic format, in accordance with the standard accounting system and procedures prescribed by Franchisor in the Manuals or otherwise. Franchisee will retain, during the term of this Agreement and for three (3) years thereafter, all books, records and accounts related to the Franchised Business, including, without limitation, sales reports, checks, purchase orders, invoices, payroll records, check stubs, sales tax records and returns, cash receipts and disbursement journals, general ledgers and any other financial records designated by Franchisor or required by law.~~

~~11.2 — Due Date for Reports to Franchisor. On or before the fifteenth (15th) day of each calendar month in a form and in the manner approved by Franchisor, Franchisee will supply to Franchisor a balance sheet as of the end of the last preceding calendar month, a profit and loss statement for such month and Franchisee's fiscal year to date, and a statement of the aging of accounts receivable of the Franchised Business. Additionally, Franchisee will, at its expense, submit to Franchisor within one hundred twenty (120) days after the end of each fiscal year, an income statement for such fiscal year and a balance sheet as of the last day of such fiscal year, prepared in accordance with generally accepted accounting principles.~~

~~Such financial statements will be certified to be true and correct by Franchisee.~~

~~11.3 — Submitting Reports to Franchisor and Late Fee. Franchisee will submit to Franchisor such other periodic reports, forms and records, including income tax returns of Franchisee and, if applicable, its owners, in the manner and at the time specified in the Manuals, or as Franchisor will otherwise require in writing from time to time. If Franchisee is not using Franchisor's designated system for electronic reporting, for each occurrence that such a report, form or record is not timely submitted, Franchisee will incur a late fee payable to Franchisor in an amount up to two hundred fifty dollars (\$250.00) as determined by Franchisor. Such late fee will recur every seven (7) calendar days during the period of time that such report, form or record is not timely submitted. Franchisee acknowledges that such periodic reports, forms, records, income tax returns and similar~~

documents, allows Franchisor to consult with Franchisee more effectively on Franchisee's operation of the Franchised Business and assists Franchisor to make uniform decisions for the benefit of the System.

~~11.4—Standards for Reports.~~ To establish uniform standards for maintaining and managing client information, scheduling, client satisfaction survey programs, caregiver satisfaction survey programs, accounting records, administrative functions and activities to operate the Franchised Business, Franchisee will utilize software or third-party vendors designated by Franchisor and pay any required license fee, usage fee, program fee and/or set-up fee for such designated software or third-party vendor services. Franchisee will comply with all specifications and standards prescribed by Franchisor for equipment and software, as provided from time to time in the Manuals. Franchisor has the right (but not the obligation) to develop and design software to operate any aspect of the Franchised Business. If developed, the software will be proprietary to Franchisor and will constitute part of the Confidential Information. Franchisor may not be able to alter the software and System to accommodate the unique needs of each franchisee. If developed, Franchisor will designate when Franchisee uses the software. If Franchisor requires Franchisee to use any software developed by Franchisor, then, Franchisor reserves the right to charge a fee for the use of such software, but the fees will not exceed the fees or charges for similar software developed by third parties.

~~11.5—Franchisors Right to Inspect Books and Records.~~ To be able to verify Franchisee's compliance with this Agreement and the Manuals, Franchisor or its designated agents will have the right at all reasonable times to examine, inspect and copy, at its expense, Franchisee's books, records and accounts, including tax returns. As part of the inspection, Franchisor will also have the right, at any time, to have an independent audit made of Franchisee's books, records and accounts at Franchisor's expense. If an inspection should reveal that any payments due to Franchisor have been understated in any report to Franchisor, then Franchisee will immediately pay to Franchisor the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the maximum rate permitted by law. If an inspection discloses an understatement in any report equal to two percent (2%) or more, Franchisee will also reimburse Franchisor for any and all costs and expenses connected with the inspection (including, without limitation, reasonable accounting and attorney fees). If an inspection discloses that Franchisee has operated its Franchised Business in violation of this Agreement, Franchisee will reimburse Franchisor for any and all costs and expenses connected with the inspection. The remedies described in this **Section 11** are not exclusive and will be in addition to any other remedies Franchisor may have in this Agreement or as provided by law.

~~11.6—Electronic Database for Books and Records.~~ Pursuant to the terms of this Agreement, Franchisee will create and maintain an electronic database comprised of certain books, records, accounts, client lists, prospective clients, referral sources, etc., as prescribed by Franchisor. Franchisee acknowledges that to be able to verify Franchisee's compliance with this Agreement and the Manuals, it is imperative for the Franchisor to be able to timely and readily access such database and information. Franchisee covenants that Franchisee will cooperate in good faith with the Franchisor as to all aspects relating to the performance of Franchisee's obligation to provide access to the database and provide such information to Franchisor. Franchisee covenants to cooperate with the Franchisor to promptly and mutually agree upon a

~~time to coordinate with and allow Franchisor access to Franchisee's database and records via Franchisee's computer system. Franchisor maintains Internet access software so that it is able to connect remotely with Franchisee over the Internet. Upon Franchisor's request, Franchisee will promptly allow its database to be reviewed by Franchisor and Franchisee will generate and transmit the reports as requested by Franchisor. In the event that the Franchisor desires to review Franchisee's entire database, Franchisor and Franchisee will set up a webinar so that the entire database may be transferred via Franchisor's FTP site. Franchisor reserves the right to require that Franchisee~~

~~(a) upgrade any software used and approved by Franchisor for bookkeeping and record keeping purposes at least once every two (2) years.~~

~~11.7 Internet Security. Franchisee acknowledges and understands that computer systems are vulnerable to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, date-related problems, and attacks by hackers and other unauthorized intruders. Franchisor has taken reasonable steps to ensure that these problems will not materially affect the System.~~

~~Franchisor does not guarantee that information or communication systems supplied by Franchisor, or its suppliers will not be vulnerable to these problems. Franchisee acknowledges and agrees that Franchisee is solely responsible for protecting itself from these problems. Franchisee must also take reasonable steps to verify that Franchisee's suppliers, lenders, landlords, customers, and governmental agencies on which Franchisee relies, are reasonably protected. This may include taking reasonable steps, including steps that Franchisor may require, to secure Franchisee's systems, including, but not limited to, firewalls, access code protection, anti-virus systems, and use of backup systems.~~

~~12. STANDARDS OF QUALITY AND PERFORMANCE~~

~~12.11.1 Promulgated Rules. Franchisee will comply with all requirements set forth in this Agreement and the Manuals and other written policies, specifications, standards, procedures, rules and regulations promulgated by Franchisor from time to time and supplied to Franchisee by Franchisor ("Promulgated Rules"). The Promulgated Rules will constitute provisions of this Agreement as if fully set forth herein; provided, however, except as provided in this Agreement, that any changes to the Promulgated Rules will not materially alter or amend Franchisee's obligations in this Agreement with regard to the minimum Net Billing requirements; payment of Royalty Fees, Minimum Royalty Fees, Brand Marketing and Promotion Fees; Minimum Brand Marketing and Promotion Fees or, renewal fees or affect the term of this Agreement. All references herein to this Agreement will include such Promulgated Rules. Franchisee will comply with the entire System, including, but not limited to, the provisions of this Section 12.~~

~~12.2 Requirements to Commence Operations. If this Agreement is for Franchisee's first Franchised Business, the Operating Principal must successfully complete the RightStart Training Program within thirty (30) days of opening the Office and Franchisee must commence operations of the Franchised Business not later than six (6) months after execution of this Agreement, unless otherwise agreed upon in writing by Franchisor or due to licensing requirements imposed by applicable law in the Designated Area. If this Agreement is for an~~

~~additional Franchised Business, Franchisee must commence operations of the Franchised Business on the date contemporaneously or within thirty (30) days after execution of this Agreement. As used in this Agreement, an “Open Office” means: an~~

~~Office, which must continuously (i) have at least two (2) full-time equivalent staff members, one of which may be the Operating Principal, who have the authority to and are hiring and managing employees and actively marketing and selling the services and products, materials and equipment of the Franchised Business; (ii) provide and supervise home care and/or staffing services; and, (iii) produce and deliver all Weekly Reports and others required under this Agreement. As used in this Agreement within the context of a Franchised Business that is re-sold, the “Open Office” date means the date when the Franchised Business’s office was originally opened. As used in this Agreement, “continuously” means uninterrupted at least during normal day to day business hours and at least Monday through Friday, plus providing a service to handle calls from and respond to the public twenty four (24) hours each day, seven (7) days per week. Prior to such opening, Franchisee will have complied with all of Franchisor’s pre-opening standards and specifications. Franchisee acknowledges and agrees that the hours of operation and the staffing requirements of this Agreement are integral to maintaining the value of the System and the Marks; and, that Franchisee’s failure to operate during the designated hours or to meet the staffing required by this Agreement is detrimental to the value of the System and the Marks. Franchisee further acknowledges and agrees that the day-to-day operational decision relating to the opening and closing procedures of the Franchised Business, including any security, staffing beyond the staffing of at least two (2) full time equivalent staff members, and other similar matters, will be made solely by Franchisee. If Franchisee for any reason fails to commence and or continue such operations as herein provided, such failure will be a default of this Agreement and Franchisor may, in addition to all other remedies provided for under this Agreement, terminate this Agreement.~~

~~12.3 — Condition of Office. Franchisee will maintain the condition and appearance of the Office consistent with Franchisor’s standards. Franchisee will operate the Office to maintain and/or improve the appearance and efficient operation of the Franchised Business, including, but not limited to, replacement of worn out or obsolete fixtures and signs, and repair of the exterior and interior of the Office. If at any time, in Franchisor’s reasonable judgment, the general state of repair or the appearance of the Office or its equipment, fixtures, signs or decor does not meet Franchisor’s standards, Franchisor will notify Franchisee, specifying the action to be taken by Franchisee to correct such deficiency. If Franchisee fails or refuses to initiate within thirty (30) days after receipt of such notice or immediately, if the condition presents a safety or health hazard; and, thereafter, continue a bona fide program to complete any required maintenance, Franchisor will have the right, to exercise its remedies set out in this Agreement and under applicable law.~~

~~12.4 — Tracking Customer Leads; Satisfaction Surveys and Applicant Tracking System. To be able to verify Franchisee’s compliance with this Agreement and the Manuals, Franchisor has the right to designate and require Franchisee to purchase and utilize commercially available software (or use third party vendors) for tracking sales leads, customer satisfaction survey~~

~~programs, caregiver satisfaction survey programs and marketing support, sales reports, job cost, estimating, appointment scheduling, service calls, accounting and other business functions. Franchisor also has the right to designate and require Franchisee to purchase and utilize an applicant tracking system (“ATS”) that meets Franchisor’s criteria for Franchisee’s use in tracking employee candidates throughout the recruiting and hiring process~~

~~Franchisee agrees that it will only utilize software and an ATS as prescribed by Franchisor. Franchisee will comply with all specifications and standards prescribed by Franchisor regarding any software or ATS as provided from time to time in the Manuals, including the terms of any applicable master service agreements, SAAS agreements, or license agreements. Software support and service and ATS support and service will be provided by the software manufacturer or the ATS provider with costs of such support paid by Franchisee directly to the manufacturer or provider (unless designated otherwise by Franchisor). Franchisor may, but is not obligated to, provide additional software support. Franchisor also has the right, but not the obligation, to develop design and license to Franchisee proprietary software. Franchisor cannot alter the System to accommodate the unique needs of each franchisee. Franchisor will have independent access to all of Franchisee’s information and data relating to the Franchised Business, some of which may be provided to Franchisor in an aggregated format. There are no contractual limitations on Franchisor’s access to said information and data, however, Franchisor has no obligation to review or otherwise respond to survey results, including but not limited to, caregiver satisfaction survey results, customer satisfaction survey results or information in any ATS. In the event Franchisor introduces software or an ATS into the System, Franchisee will license, at its cost (including any monthly or annual license fees, setup fees, etc.), the software and/or ATS from Franchisor or any designated party as determined by Franchisor. Franchisee may choose any authorized dealer from which to license commercially available software that meets Franchisor’s criteria, unless otherwise designated in the Manuals or by Franchisor.~~

12.5 — Services Offered by Franchisee.

~~12.5.1 — Franchisee will offer for sale and provide at the Franchised Business all types of services and related products, materials and equipment that Franchisor from time to time authorizes and will not offer for sale or provide at the Franchised Business or the Office which it occupies, any other category of services, products, materials or equipment or use such Office for any purpose other than the operation of the Franchised Business.~~

~~Franchisor reserves the right to designate certain national or regional accounts and alliances that Franchisor may develop for the Right at Home System (“**National/Regional Accounts and Alliances**”). Franchisee’s obligation to participate and Franchisor’s policies and procedures for~~

~~12.5.2 — **National/Regional Accounts and Alliances** will be included on the Manuals. Franchisor has created a proprietary process to support delegated credentialing, that allows owners to opt in or opt out of a variety of National and Regional Accounts and Alliances.~~

~~12.61.1~~ Required Suppliers List

~~From time to time, Franchisor will provide to Franchisee a list of approved manufacturers, suppliers and distributors authorized for items or services used to operate the Franchised Business (“Required Suppliers List”) and a list of approved inventory, products, materials, fixtures, furniture, equipment, signs, stationery, supplies and other items or services necessary to operate the Franchised Business or offer for sale to clients of a Franchised Business (“Required Supplies List”). Franchisor may revise the Required Suppliers List and Required Supplies List from time to time, as Franchisor determines is appropriate. Franchisee must purchase, sell and use only those suppliers and supplies that are set forth on the Required Suppliers List or Required Supplies List. Franchisee must operate the Franchised Business according to the System standards. System standards include, but are not limited to, the matters in the Manuals and they may regulate among other things, the Required Suppliers List, Required Supplies List, types, models and brands of required equipment, signs, stationery, promotional materials and other items or services necessary to operate the Franchised Business or offer for sale to clients of a Franchised Business. If Franchisee would like to offer for sale to clients of the Franchised Business or use to operate the Franchised Business any product, material, equipment, or supply or purchase any products, materials or equipment from a supplier not on either of these lists, Franchisee must obtain Franchisor’s prior written approval. Franchisee must notify Franchisor of such event and submit to Franchisor all information, specifications and samples that Franchisor may request regarding a supplier, service or product proposed by Franchisee. Franchisor may require that its representatives be permitted to inspect the proposed supplier’s facilities and that samples from the proposed supplier be delivered to Franchisor for evaluation and testing. Franchisor has the absolute right to determine whether such supplier’s goods or products meet the System standards and Franchisor’s specifications and may approve or disapprove any proposed supplier. Franchisor will typically provide response to such written request within 30 days from the date Franchisor receives Franchisee’s written request and the necessary items Franchisor requires for review. ALTHOUGH PRODUCTS, SERVICES OR SUPPLIERS MAY BE APPROVED BY FRANCHISOR, FRANCHISOR AND ITS AFFILIATES EXPRESSLY DISCLAIM ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, WITH RESPECT TO PRODUCTS, SERVICES, FIXTURES, FURNITURE (INCLUDING WITHOUT LIMITATION ANY REQUIRED COMPUTER SYSTEMS), SIGNS, STATIONERY, SUPPLIES OR OTHER APPROVED ITEMS SOLD TO PROVIDED~~

INFORMATION

TO FRANCHISEE BY FRANCHISOR OR ANY THIRD PARTY, INCLUDING ANY APPROVED SUPPLIER. <u>TERM</u>	
<u>Designated Area</u>	[INSERT ZIP CODES]
<u>Franchisee</u>	[FILL IN NAME OF FRANCHISEE] an individual/partnership/corporation/limited liability company resident/established in the State of
<u>Franchisee's Principal Address</u>	[fill in address]
<u>Operating Principal</u>	[fill in name and address]
<u>Owners:</u>	
[OWNER'S NAME AND ADDRESS]	<u>Nature of Ownership Interest:</u> <u>Number of Shares or Ownership Units Owned:</u> % of Total Shares or Ownership Units Owned: %
[OWNER'S NAME AND ADDRESS]	<u>Nature of Ownership Interest:</u> <u>Number of Shares or Ownership Units Owned:</u> % of Total Shares or Ownership Units Owned: %

~~Franchisor reserves the right to designate exclusive suppliers, the right to designate the Franchisor or its Related Entity as an approved or exclusive supplier, and the right to earn fees on Franchisee purchases from suppliers.~~

~~12.7 — Required Licenses, Permits and Certificates. Franchisee, at its expense, will secure and maintain in force all required licenses, permits and certificates relating to the operation of the Franchised Business and will operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations including, without limitation, all government regulations relating to housing and the care of individuals, occupational hazards and health, trade regulation, workers' compensation, unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales, use and property taxes.~~

~~12.8 — Electronic Database of Information~~

~~<u>Franchisor, RAH or Right at Home</u>~~	<u>Right at Home, LLC, a Delaware limited liability company</u>
<u>Franchisor's Principal Place of Address</u>	<u>6700 Mercy Road, Suite 400, Omaha, Nebraska 68106</u>

<u>Initial Franchise Fee (Section 0)</u> <u>[Check one]</u>	☐ \$ <u> </u> for one Franchised Business ☐ \$ <u> </u> for an additional Franchised Business ☐ \$ <u> </u> for the Conversion Franchised Business	
<u>Renewal Fee (Section 6.2.10)</u>	\$ <u> </u>	
<u>Term (Sections 4 and 5)</u>	☐ Initial Term ☐ <u>[first, second or third]</u> Renewal Term	
<u>Royalty Fee (Section 6.2.1)</u>	Five percent (5%) of the Net Billings	
<u>Minimum Royalty Fee (Section 6.2.2)</u> <u>[NOTE: DELETE THIS TABLE IF USING RENEWAL ADDENDUM; USING THE CONVERSION ADDENDUM; OR IF USING THE MULTIPLE UNIT AMENDMENT FOR TWO FRANCHISED BUSINESSES WITH DIFFERENT ACTIVE GRAND OPENING DATES]</u>	<u>Months After Active Grand Opening Date</u>	<u>Minimum Royalty Requirement Per Quarter</u>
	<u>13-24</u>	<u>\$2,275</u>
	<u>25-36</u>	<u>\$3,738</u>
	<u>37-48</u>	<u>\$5,200</u>
	<u>49-60</u>	<u>\$7,475</u>
	<u>61-72</u>	<u>\$8,938</u>
	<u>73 through 120</u>	<u>\$10,563</u>
<u>Brand Marketing and Promotion Fee (Section 6.2.3)</u>	<u>Net Billings in Calendar Year</u>	<u>Brand Fund and Promotion Fee Percent of Net Billings</u>
	<u>\$0-\$1,000,000</u>	<u>Two percent (2%)</u>
	<u>\$1,000,001 - \$3,000,000</u>	<u>One percent (1%)</u>
<u>Minimum Brand Marketing and Promotion Fee (Section 6.2.4)</u> <u>[NOTE: DELETE THIS TABLE IF USING RENEWAL ADDENDUM; USING THE CONVERSION ADDENDUM; OR IF USING THE MULTIPLE UNIT AMENDMENT FOR TWO FRANCHISED BUSINESSES WITH DIFFERENT ACTIVE GRAND OPENING DATES]</u>	<u>Months After Active Grand Opening Date</u>	<u>Minimum Brand Marketing and Promotion Fee Per Quarter</u>
	<u>13-24</u>	<u>\$910</u>
	<u>25-36</u>	<u>\$1,495</u>
	<u>37-48</u>	<u>\$2,080</u>
	<u>49-60</u>	<u>\$2,990</u>
	<u>61-72</u>	<u>\$3,575</u>
	<u>73 through 120</u>	<u>\$4,225</u>

<u>Minimum Quarterly Net Billings (Section 10.14) [NOTE: DELETE THIS TABLE IF USING A RENEWAL TERM OR IF USING THE CONVERSION ADDENDUM AND USING A DIFFERENT MINIMUM QUARTERLY NET BILLING CHART]</u>	<u>Months After Active Grand Opening Date</u>	<u>Minimum Quarterly Net Billings</u>
	<u>1-12</u>	<u>\$0</u>
	<u>13-24</u>	<u>\$45,500</u>
	<u>25-36</u>	<u>\$74,750</u>
	<u>37-48</u>	<u>\$104,000</u>
	<u>49-60</u>	<u>\$149,500</u>
	<u>61-72</u>	<u>\$178,750</u>
	<u>73 through 120</u>	<u>\$211,250</u>
<u>Renewal Fee (Section 5.3(f))</u>	<u>10% of the then current Initial Franchise Fee at the time of the Renewal Term that corresponds to the type of Initial Franchise Fee initially paid by Franchisee for the Franchised Business.</u>	
<u>Transfer Fee (Section 6.2.9)</u>	<u>The then current Transfer Fee set out in the Manual</u>	
<u>Required Insurance Policies (Section 15.1.2(a)):</u>		

~~Franchisee will maintain an electronic database of the names and addresses and contact notes of all current and past clients, clients' families, and responsible parties, current and past prospects, referral sources and vendors of the Franchised Business. Franchisee will supply said database to Franchisor by electronic transmission at a time and in a manner prescribed by Franchisor. To preserve the proprietary and unique aspects of the System, Franchisee will maintain the confidentiality of said information and will not disclose, provide, transfer, assign, sell or otherwise disclose such database or contents thereof to any person or entity other than Franchisor, or as required by applicable law, in accordance with the provisions of **Section 7** of this Agreement.~~

~~12.9 — Supervision of the Operating Principal. Each Franchised Business must operate and maintain an Open Office that must be under the direct and continuous supervision of the Operating Principal who has successfully completed Franchisor's~~

~~RightStart Training Program. Franchisee will keep Franchisor informed at all times of the identity of any employee(s) acting as manager(s) of the Franchised Business. Franchisee will, at all times, faithfully, honestly and diligently perform its obligations and will not engage in any business or other activities that will conflict with its obligations. Franchisee, the Operating Principal and Franchisee's owners will participate in the day to day activities of the Franchised Business on an ongoing basis.~~

~~12.10—Background Checks on Employees.—Franchisee acknowledges that hiring employees with a history of elder abuse, crimes involving elders, drug or alcohol abuse or similar crimes will have a detrimental effect on the reputation of the System.~~

~~Therefore, Franchisee will conduct criminal background checks on all prospective employees and current employees of the Franchised Business to determine whether any of them have a history of elder abuse or crimes involving elders or similar crimes that are ascertainable from the public record. All employees must also pass any applicable tests required by any governmental entity, submit to annual medical examinations and random drug tests, have a criminal background investigation performed and participate actively in safety training seminars and programs. Franchisee acknowledges that requiring employees to undergo criminal background checks, testing as required by any governmental entity and participating in safety training are integral to the value of the System, brand and the Marks, and any failure to do so, is detrimental to the System and the Marks. Franchisee is responsible and assumes liability for all hiring decisions for the Franchised Business and all hiring decisions will be made solely by Franchisee. Franchisee acknowledges that: Franchisee has the sole right to define the job duties and working conditions and control the way Franchisee's employees perform their job duties; Franchisor is not the employer or joint employer of Franchisee's employees; Franchisor will not exercise direct or indirect control of Franchisee's employees' working conditions; Franchisor does not share or codetermine the terms and conditions of employment of Franchisee's employees or participate in matters relating to the employment relationship between Franchisee and its employees, such as hiring, promotion, demotion, termination, hours or schedule worked, rate of pay, benefits, work assigned, discipline, response to grievances and complaints, or working conditions; and, Franchisee has the sole responsibility and authority for these terms and conditions of employment. Franchisee must conspicuously and in writing notify its employees that Franchisee (and only Franchisee) is their employer, and that Franchisor is not their employer.~~

~~12.11—Notice of Legal Actions Against Franchisee.—Franchisee will notify Franchisor in writing within five (5) days after Franchisee's receipt of any written threat or the actual commencement of any action, suit or proceeding, or of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality which may adversely affect the operation or financial condition of the Franchised Business.~~

~~12.12—Duty to Promote and Increase Sales.—Franchisee will at all times continuously use its best efforts to promote and increase the sales of the Franchised Business and to effect the widest and best possible distribution, sales and placement, soliciting all Potential Clients and accounts for services and related products, materials and equipment within the Designated Area.~~

~~12.13—Minimum Quarterly Net Billings.—To maintain the exclusivity of Franchisee's Designated Area, beginning on the 13th month of operation of the Franchised Business, Franchisee must meet the following Minimum Quarterly Net Billings:~~

For each consecutive

~~12.13.1 — Quarter, Franchisee is required to pay to Franchisor the greater of (a) the Royalty Fee; or (b) a minimum royalty per Quarter (“Minimum Royalty”) according to the following schedule:~~

Months After Franchisee Has Opened Office	Minimum Royalty Requirement Per Quarter	Minimum Quarterly Net Billings
13-24	\$2,275	\$45,500
25-36	\$3,738	\$74,750
37-48	\$5,200	\$104,000
49-60	\$7,475	\$149,500
61-72	\$8,938	\$178,750
73 and thereafter, including Renewal Term, if any	\$10,563	\$211,250

~~12.13.2 — For each consecutive Quarter, Franchisee is required to contribute to the Brand Marketing and Promotion Fund the greater of (a) the Brand Marketing and Promotion Fee; or (b) a minimum brand marketing and promotion fee (“Minimum Brand Marketing and Promotion Fee”) according to the following schedule:~~

Months After Franchisee Has Opened Office	Minimum Brand Marketing and Promotion Fee Requirement Per Quarter
13-24	\$910
25-36	\$1,495
37-48	\$2,080
49-60	\$2,990
61-72	\$3,575
73 and thereafter, including Renewal Term, if any	\$4,225

~~If at the end of each Quarter, the Royalty Fee and/or Brand Marketing and Promotion Fee Franchisee paid during the Quarter does not meet or exceed the Minimum Royalty and/or the Minimum Brand Marketing and Promotion Fee (as the case may be), Franchisee will pay Franchisor, or contribute to the Brand Marketing and Promotion Fund (as the case may be), the difference.~~

~~12.13.3 — The difference will be included with the last weekly invoice for such Quarter.~~

~~12.13.4 — If Franchisee owns Additional Franchised Businesses and an MSA Cap applies to such Additional Franchised Businesses, Franchisee’s Minimum Brand Marketing and Promotion Fee will be calculated based on the Minimum Quarterly Net Billings for all the Franchised Businesses owned and operated by Franchisee in the designated specified area so as not to exceed the MSA Cap. All other minimum requirements (including Minimum~~

~~Royalty and Minimum Quarterly Net Billings) will not change and will be applicable to each individual Franchised Business.~~

~~12.13.5—Franchisee will be required to generate the Minimum Quarterly Net Billings throughout the term. The Minimum Royalty and the Minimum Brand Marketing and Promotion Fee are based on each Quarter's Minimum Net Billing Requirements. Any Royalty Fee and Brand Marketing and Promotion Fees paid in any Quarter in excess of the Minimum Royalty or Minimum Brand Marketing and Promotion Fee, as applicable, will not apply toward any such minimums for any future Quarter.~~

~~12.13.6—Franchisor can increase the above-stated Minimum Quarterly Net Billings requirements by up to 5% per year upon notice to Franchisee.~~

~~If Franchisee's Royalty Fee and/or Brand Marketing and Promotion Fee payments do not meet or exceed the Minimum Royalty and Minimum Brand Marketing and Promotion Fee (even if Franchisee pays the difference) for (a) four consecutive Quarters; or (b) for more than four Quarters in any consecutive 24 month period; Franchisor has the right, in addition to other remedies in the Franchise Agreement and by law to: (i) decrease/reduce or otherwise~~

~~change the size of the Designated Area; (ii) establish other franchises within the Designated Area; (iii) permit other franchisees to provide services to clients located within the Designated Area; and/or (iv) terminate the Franchise Agreement as provided in the Franchise Agreement.~~

~~If Franchisee fails to meet the Minimum Quarterly Net Billings in any Quarter, Franchisor has the right, in addition to other remedies in the Franchise Agreement and by law to require Franchisee to participate in a Performance Improvement Plan, which will include attending the HIAC. A performance improvement plan will include Franchisee's submission of a detailed business plan that describes how Franchisee will meet the Minimum Quarterly Net Billings within a reasonable time frame, not to exceed 6 months ("~~

~~12.13.8(i) Performance Improvement Plan"). Franchisee will submit the Performance Improvement Plan in the form and substance acceptable to Franchisor within 30 calendar days of Franchisor's request. Franchisor will approve or disapprove Franchisee's Performance Improvement Plan within 14 calendar days of Franchisor's receipt. If Franchisor, in its sole judgment, believes that the Performance Improvement Plan is reasonably achievable within the time period set out in the Performance Improvement Plan (but in no event longer than 6 months), Franchisor will grant Franchisee additional time to meet the Minimum Quarterly Net Billing requirements in accordance with the Performance Improvement Plan. If Franchisee fails or refuses to provide the Performance Improvement Plan within the time prescribed, Franchisor does not approve the Performance Improvement Plan, Franchisee fails to execute the Performance Improvement Plan, or Franchisee fails to meet the Minimum Quarterly Net Billings requirements as applicable within the time period set out in the~~

~~Performance Improvement Plan, Franchisor may exercise the remedies described in **Section 12.13.7** above. Details as to the form and content required for the Performance Improvement Plan and the process described above may be more specifically explained and modified in the Manuals.~~

~~12.13.9 — For purposes of this **Section**, the office is considered to be “open” as follows:~~

~~(a) — For a new Franchised Business, the office is open in accordance with **Section 12.2**;~~

~~(b) — For a Franchised Business opened as an Additional Franchised Business pursuant to Exhibit F, the office is considered to be open as of the date that the first Franchised Business opens;~~

~~(c) — If the Franchise Agreement for an Additional Franchised Business pursuant to Exhibit F is not signed on the same date that the Franchise Agreement for the first Franchised Business is signed, then the Additional Franchised Business is considered to be open as of the date that the Franchise Agreement for the Additional Franchised Business is signed; and~~

~~(d) — For a Franchised Business acquired from a previous franchisee, the office is open on the date that the Franchised Business was considered to be open by the original franchisee.~~

~~12.14 — **Compliance with HIPAA Requirements.** Franchisee will comply with the portions of HIPAA which require health care providers to submit transactions related to payment in standard electronic formats and regulate the security and privacy of health data, and HIPAA's implementing regulations, including the HIPAA Privacy Rule, HIPAA Breach Notification Rule, HIPAA Security Rule, HITECH Act, and Omnibus Rule. To comply with HIPAA's privacy and security regulations, Franchisee must implement privacy and security policies and safeguards, designate a privacy and security officer, inform individuals how their health information is used and disclosed, provide access to health information, and give notice of certain breaches of protected data. Franchisee is solely responsible for training its employees on all such policies and procedures. To help Franchisee comply with the applicable HIPAA regulations, policies, and procedures, Franchisor has designated a third-party supplier to provide Franchisee with various tools for implementing Franchisee's own compliance program. In addition, if Franchisee engages a third party to perform functions that require access to patients' personal information, Franchisee and such third party are required to execute a business associate agreement ("**Business Associate Agreement**") in a form similar to the form of agreement included in Exhibit E to this Agreement.~~

Client and Caregiver

~~12.151.1 Satisfaction Survey Programs. In order to protect the Marks and the System, Franchisor may require that Franchisee participate in certain client satisfaction survey programs and caregiver satisfaction survey programs. Franchisor may also set certain performance criteria and metrics regarding such client satisfaction survey programs and~~

~~caregiver satisfaction survey programs and Franchisee's participation in such client satisfaction survey programs and caregiver satisfaction survey programs. Franchisee acknowledges that Franchisee is solely responsible for reviewing and responding to any issues or alerts provided through any caregiver satisfaction survey programs. Franchisee may incur a fee for participating in such client satisfaction survey programs and caregiver satisfaction survey programs. Franchisor may require Franchisee to participate in additional satisfaction or survey programs at any time. Franchisee will be required to pay any fees to participate in such programs.~~

Joint Commission

~~12.161.1 Accreditation. Franchisor may require Franchisee to obtain accreditation through a third party designated by Franchisor, including but not limited to the Joint Commission Accreditation ("**Accreditation**") at its sole cost and expense. If required, Franchisee will obtain the Accreditation within the time frames set out by Franchisor and will satisfactorily maintain such Accreditation in good standing during the Term of the Franchise Agreement and any renewal period thereof (unless no longer required by Franchisor).~~

~~12.17 Compliance with Policies, Procedures and Legal Requirements.~~

~~12.17.11.1.1 Franchisee agrees, at its sole cost and expense, to at all times:~~

~~12.17.1.1(a) comply with the data protection, collection, maintenance and use requirements for Customer Data set out in the Manual and this Franchise Agreement, including all policies, procedures and controls that Franchisor implements now or in the future;~~

~~(b) comply with all applicable federal, state and local statutes, regulations, ordinances and requirements, including but not limited to, the California Consumer Privacy Act, relating to the data protection, collection, maintenance and use of Customer Data (collectively, "**Privacy Laws**");~~

~~assist and otherwise cooperate with Franchisor to ensure Franchisor and Franchisee's compliance with applicable~~

~~(c) **Privacy Laws**;~~

~~promptly notify Franchisor in writing of any Security Incident (defined below) that Franchisee becomes aware of or discovers. Franchisee will assist and otherwise cooperate with Franchisor to investigate any such~~

~~(d) **Security Incident** and will take all required steps, as determined by Franchisor, to remedy Franchisee's noncompliance with applicable Privacy Laws, this Agreement or the Manual. For purposes of this Section 12.17(d), "**Security Incident**" means any actual or suspected accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to Customer Data in violation of applicable Privacy Laws, this Agreement or the Manual.~~

~~(e) promptly provide Franchisor with the ability to delete, access or copy Customer Data in Franchisee's possession or control;~~

~~(f) — promptly notify Franchisor of any request regarding Customer Data received by the Franchisee from a “consumer” as defined by applicable Privacy Laws;~~

~~(g) — adopt policies, procedures, and controls, including those set out in the Manual, if any, that enable Franchisee to respond, and to cause its agents and employees to respond, promptly to any rights request made pursuant to applicable Privacy Laws, including any disclosure request, deletion request, or opt-out request;~~

~~(h) — adopt policies, procedures, and controls, including those set out in the Manual, if any, that limit access to Customer Data to only those employees that have a need-to-know basis based on specific job function or role. Franchisee will provide data privacy and security training to employees who have access to Customer Data or who operate or have access to system controls and will require employees to adhere to data confidentiality terms providing for the protection of Customer Data in accordance with this Agreement and the Manual; and~~

~~(i) —) maintain Customer Data in confidence in accordance with **Section 7.1** of this Agreement.~~

~~12.17.2 — Franchisee agrees to never sell, disclose, release, transfer, make available, divulge or use the Customer Data, or derivatives thereof for Franchisee’s benefit or for the benefit of a third party, nor for any commercial purpose, other than to operate the Franchised Business. Notwithstanding anything to the contrary Franchisee will not disclose, release, divulge, or otherwise make Customer Data available to third parties except to the extent such access is strictly necessary to achieve a business purpose for the benefit of the Franchised Business only if such third party recipient is contractually bound to comply with data protection provisions no less restrictive than those set out in this Agreement and the Manual, including an agreement to comply with applicable Privacy Laws.~~

~~12.17.3 — At Franchisor’s instruction, Franchisee will de-identify, delete or destroy Customer Data and will provide Franchisor written confirmation that such actions are completed within ten (10) days of Franchisor’s instruction.~~

~~12.17.4 — Franchisee hereby indemnifies and holds Franchisor harmless from any violations of applicable Privacy Laws or this **Section 12.17** of the Agreement by Franchisee, any contractor or subcontractor, employee, affiliate or other third party to whom Franchisee has sold, disclosed, released, transferred, made available, divulged or otherwise permitted to access Customer Data. This indemnification obligation will survive termination or expiration of the Agreement.~~

~~12.17.5 — For purposes of this **Section 12.17**, “Customer Data” is information, records, lists or data that contains Personal Information. “Personal Information” includes information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer, potential consumer, individual or household, as such term may be further defined or amended by applicable federal, state and local statutes, regulations, ordinances and requirements, including but not limited to, the California Consumer Privacy Act. Personal Information is collected, maintained or generated in the operation of the Franchised Business, including through the use of designated software.~~

13.——FRANCHISOR'S OPERATIONS ASSISTANCE

~~13.1——Advice and Guidance from Franchisor. Franchisor may from time to time advise or offer guidance to Franchisee relative to prices for the services and products, materials and equipment offered by the Franchised Business that, in Franchisor's judgment, constitute good business practice. Such guidance will be based on the experience of Franchisor and its franchisees in operating Franchises and an analysis of the costs of such services and prices charged for competitive services. Franchisee will not be obligated to accept any such advice or guidance and will have the sole right to determine the prices to be charged by the Franchised Business and no such advice or guidance will be deemed or construed to impose upon Franchisee any obligation to charge any fixed or minimum prices for any services offered for sale by the Franchised Business; provided, however, that Franchisor reserves the right to establish maximum prices as Franchisor deems appropriate. Prior to and upon commencement of operation of the Franchised Business and during the term of this Agreement, Franchisor must provide to Franchisee the following:~~

~~13.1.1——Guidelines for identifying a suitable location for the Franchised Business;~~

~~13.1.2——A comprehensive list of established sources of services, products, materials, equipment, supplies and goods necessary for the operation of the Franchised Business and specifications for same;~~

~~13.1.3——Guidance of advertising materials and strategies;~~

~~13.1.4——Negotiation of group rates for purchases of services, products, materials, and equipment as Franchisor deems necessary and appropriate;~~

~~13.1.5——Ongoing research and development of new services; and~~

~~13.1.6——Franchisor will host a website and, pursuant to the terms and conditions contained in the Manuals, provide Franchisee four (4) pages of content of Franchisor's design promoting the Franchised Business. Franchisee may not participate or market on any website or other form of electronic media (including social technology, social media and social networking platforms) using the Marks unless Franchisee first obtains written approval from Franchisor.~~

~~13.2——Additional Ongoing Assistance. Franchisor may furnish Franchisee with ongoing assistance in connection with the operation of the Franchised Business as is reasonably determined to be necessary by Franchisor. Operations assistance may consist of advice and guidance with respect to:~~

~~13.2.1——Procedures adopted by the Franchised Business regarding the services and products, materials and equipment to be offered by the Franchised Business;~~

~~13.2.2——Purchase of services, products, materials, equipment and supplies;~~

~~13.2.3—Institution of proper administrative, bookkeeping, accounting, inventory control, supervisory and general operating procedures for the effective operation of the Franchised Business; and~~

~~13.2.4—Marketing and promotional programs and consultation.~~

~~13.3—On Site Visits to Franchised Business. Franchisor will make periodic visits to the Franchised Business for the purposes of consultation, assistance and guidance of Franchisee in all aspects of the operation and management of the Franchised Business. Franchisor or Franchisor's representatives who visit at the Franchised Business may prepare, for the benefit of both Franchisor and Franchisee, written reports with respect to such visits outlining any suggested changes or improvements in the operations of the Franchised Business and detailing any defaults in such operations which become evident as a result of any such visit. A copy of each such written report will be provided to Franchisor and may be provided to Franchisee. Franchisor will advise Franchisee of problems arising out of the operation of the Franchised Business as disclosed by reports submitted to Franchisor by Franchisee or by inspections conducted by Franchisor of the Franchised Business. Any guidance, suggestions or advice provided to Franchisee in the course of its ongoing assistance to Franchisee or on a periodic visit by the Franchisor, will be deemed recommendations only, and the decision to follow any such guidance, suggestions or advice will be made solely by Franchisee. Franchisee has the right to consult with its own independent advisors with respect to those policies and decisions.~~

~~13.4—Materials Delivered after Training. All of the specifications, Required Suppliers Lists, Required Supplies Lists, training and Manuals to be provided by Franchisor to Franchisee pursuant to this Agreement will be delivered upon completion of training.~~

14.—INSURANCE

~~14.1—Insurance Requirements In General. Franchisee will procure, at its expense, and maintain in full force and effect during the term of this Agreement, but not later than the earlier of the date the Franchised Business opens for business in accordance with **Section 12.2** or Franchisee hires its first employee, an insurance policy or policies protecting Franchisee and Franchisor, their respective officers, directors and employees, against any loss, liability, personal injury, death, property damage or expense whatsoever arising or occurring upon or in connection with the Franchised Business, as Franchisor may reasonably require, for its own and Franchisee's protection. Franchisee must name Franchisor as "Additional Insured" on a primary basis on Franchisee's insurance policies for Commercial General Liability and Medical Professional Liability and provide Franchisor with an ACORD Form Certificate of Insurance for each policy prior to the commencement of operations of Franchisee's Franchised Business. Franchisee acknowledges that failure to name Franchisor as "Additional Insured" on a primary basis on Franchisee's insurance is essential to protect the System and the Marks. The coverages described in this **Section 14** must be in full force and effect throughout the term of this Agreement.~~

~~14.2—Required Insurance Policies. Such policy or policies will be purchased from an insurance carrier(s) identified on Franchisor's Required Suppliers List and written by an insurance company licensed to do business in the state in which Franchisee operates~~

~~and having at least a "A-/Excellent" Rating Classification as indicated in A.M. Best's Key Rating Guide in accordance with standards and specifications set forth in the Manuals or otherwise in writing and will include, at a minimum (except as different coverages and policy limits may reasonably be specified for all franchisees from time to time by Franchisor in the Manuals or otherwise in writing), the following:~~

Insurance Coverages	Required Minimum Limits
General Liability (GL) Must Include:	\$1,000,000 per occurrence \$3,000,000 aggregate
• Products/Completed Operations	\$3,000,000 aggregate
• Personal and Advertising Injury	\$1,000,000 per occurrence
• Fire Damage (Legal Liability)	\$50,000 per occurrence
Professional Liability (PL)	\$1,000,000 per occurrence \$3,000,000 aggregate
Sexual Abuse & Molestation	\$500,000 per occurrence
Commercial Auto Liability (AL): Must Include:	\$1,000,000 per accident Maximum retention of \$5,000
• Hired/Non-Owned Auto (HNOA) coverage	
Umbrella Coverage (GL / PL / AL / EL)	\$1,000,000 minimum
Cyber Liability Must Include:	\$500,000 minimum
• Security and Privacy Liability	
• Regulatory Defense	
• Breach Response Costs	
• Cyber Extortion/Cyber Terrorism	
Minimum \$500,000 sublimit for each of above coverages	
Employment Practices Liability (EPLI)	\$500,000 minimum
Crime Fidelity-Employee Dishonesty Must include:	\$25,000 minimum
• 3 rd party crime	
Workers' Compensation/Employers Liability (EL)	Must meet state requirements where Franchised Business is located

RIGHT AT HOME, LLC

FRANCHISE AGREEMENT

This Franchise Agreement, together with the Exhibits attached to it (collectively "this Agreement"), is made by and between Franchisor and Franchisee and is effective as of the Effective Date.

RECITALS:

Franchisor, as the result of extensive research and the expenditure of time, expertise, effort and money, has developed the System for use in operating Franchised Businesses; and

Franchisor is the owner of the right, title and interest, in the Marks together with all the goodwill connected with the Marks; and

Franchisor grants to certain qualified third parties the right to establish, own and operate a Franchised Business within a defined Designated Area; and

Franchisee is a qualified party that desires the right to establish, own and operate a Franchised Business using the System within a defined Designated Area under the terms and conditions of this Agreement; and

Franchisor desires to grant to Franchisee the right to establish, own and operate a Franchised Business using the System within a defined Designated Area under the terms and conditions of this Agreement.

AGREEMENT:

The parties, in consideration of the undertakings and commitments of each party to the other party, agree as follows:

1. DEFINITIONS

1.1 AAA. Means the American Arbitration Association.

1.2 Accreditation. Means third-party accreditations required by Franchisor from time to time.

1.3 Active Grand Opening Date. Means the date that the Office has satisfied the conditions in **Section 10.5.2**.

1.4 Ancillary Services. Means (a) supplemental staffing services for nursing homes, hospitals, other home health agencies and other medical settings; (b) specialized Nursing Services and other in-home medical care; and, (c) other related products, services, materials, and equipment that Franchisor has or may develop and implement that franchisees are authorized, but not required to provide.

1.5 Approved Supplier. Means the sellers that Franchisor has approved who offer Approved Supplies to franchisees.

1.6 Approved Supplies. Means inventory, products, materials, fixtures, furniture, equipment, signs, stationery, supplies and other items or services that Franchisor has approved and are used to operate the Franchised Business or offer for sale to clients.

1.7 ATS. Means the applicant tracking system for use by Franchisee to track employee candidates throughout the recruiting and hiring process.

1.8 Brand Marketing and Promotion Fee. Means the amount set out in the Basic Terms contributed to the Brand Marketing and Promotion Fund in accordance with **Section 6.2.3**.

1.9 Brand Marketing and Promotion Fund. Means the brand marketing and promotion fund established by Franchisor to promote market growth and increase brand awareness of the System as further described in **Section 11.7**.

1.10 Brand Standards Manual. Means Franchisor's confidential brand standards manual.

1.11 Business Associate Agreement. Means the agreement entered into by Franchisee and Franchisor required by HIPAA in the form set out in **Exhibit C**.

1.12 Business Transferee Entity. Means a corporation, limited liability company, partnership or other entity.

1.13 Confidential Information. Means information that consists of, but is not limited to, all information to the System, System Standards, methods, techniques, formats, specifications, forecasts, procedures, equipment, information, software, systems, sales and marketing techniques and programs, strategies, and knowledge of and experience in the development, operation and franchising of Franchised Businesses and the System; know-how; advertising, marketing and promotional programs for Franchises; training, including the RightStart Training Program; knowledge of, specifications for and suppliers of certain products, materials, equipment and supplies used to operate a Franchised Business; knowledge of the operating results and financial performance of franchised businesses other than the Franchised Business; the Manuals; passwords, codes and user names to access the Manuals in electronic format; and, contracts for clients served by Franchisee, the client lists and details of service, all written or electronic information and materials, computer files, documents, records and data that Franchisor or anyone on behalf of Franchisor furnishes or otherwise discloses to Franchisee, Franchisee's Operating Principal, Executive Management Personnel, Franchisee's affiliates, Restricted Parties or any of Franchisee's representatives, together with all directives, analyses, compilations, studies, memoranda, bulletins, roll out guides, recordings, training materials, publications, translations, notes or other documents, records or data (in whatever form maintained, whether documentary, computer or other electronic storage or otherwise), Proprietary Information, Trade Secrets and intellectual property, including any of the foregoing prepared by Franchisee, Franchisee's Operating Principal, Executive Management Personnel, Franchisee's Affiliates, Restricted Parties or any of Franchisee's representatives which contain or otherwise reflect or are generated from such Confidential Information. Confidential Information may be oral, written, recorded, visual or otherwise.

1.14 Conversion Franchised Business. Means a pre-existing, independent business that provides hands-on personal care, non-medical care, in-home assistance, Specialized Nursing Services and/or companionship care services to seniors and adults that converts to a Franchised Business.

1.15 **Conversion Grandfathered Clients.** Means clients that a Conversion Franchised Business provided services to prior to converting to a Franchised Business.

1.16 **Core Services.** Means the hands-on personal care, non-medical care, in-home care assistance and companionship care services to seniors and other adults and other related products, materials, and equipment (if any) that Franchisor has or may develop and implement.

1.17 **Curable Defaults.** Defined in **Section 18.3.**

1.18 **Customer Data.** Means information, records, lists or data that contains Personal Information as further set out in **Section 10.8.3.**

1.19 **Designated Area.** Means the zip codes listed in the Basic Terms and generally includes a population of at least 15,000 Potential Clients .

1.20 **Digital Resource Library.** Means the online database that includes the Manuals accessible via an intranet.

1.21 **Dispute.** Means any dispute, controversy or claim between Franchisor, Franchisee and the Operating Principal, and any of Franchisor's Affiliates or Franchisee's Affiliates, officers, directors, Guarantors, Executive Management Personnel, and other employees, arising under, out of, in connection with or in relation to (a) this Agreement; (b) any loan or other finance arrangement between Franchisor or Franchisor Affiliates and Franchisee or Franchisee's Affiliates; (c), the parties' relationship; (d) the Franchised Business; (e) any System Standard; or (f) the scope or validity of the arbitration obligation under **Section 20.**

1.22 **Dispute Notice.** Means a written notice from a party that a Dispute exists as further set out in **Section 20.1.1(a).**

1.23 **Effective Date.** The date Franchisor executes this Agreement as indicated on the signature page hereto.

1.24 **EFT.** Means Electronic Funds Transfer as further described in **Section 6.3.1**

1.25 **Executive Management Personnel.** Means Owners, Operating Principal, trustee(s) and other personnel with management responsibilities.

1.26 **Exercise Notice.** Defined in **Section 19.3.**

1.27 **Expiration Date.** Means the 10th anniversary date of the Initial Term or the fifth (5th) anniversary date of any Renewal Term, as applicable.

1.28 **Fees.** Means all Royalty Fees, Brand Marketing and Promotion Fees, and all other amounts due from Franchisee to Franchisor, a Franchisor Affiliate or the Brand Marketing and Promotion Fund under this Agreement or any other related agreement.

1.29 **Franchised Business.** Means a business using the System and Marks to provide the Core Services and Ancillary Services.

1.30 **Franchisee.** Means all persons who succeed to the interest of the original Franchisee by transfer or operation of law and will be deemed to include not only the individual

or entity identified as Franchisee in the Basic Terms but will also include all owners of a legal or beneficial interest in the Franchised Business and/or Franchisee entity.

1.31 Franchisee Affiliates. Means Franchisee's Executive Management Personnel and Guarantors.

1.32 Franchisee's Offer. Means a bona fide, executed written offer or proposal to Transfer a Transferred Interest.

1.33 Franchisee Quarrel. Means a disagreement between at least Owners regarding the Franchised Business.

1.34 Franchisor Affiliates. Means Franchisor's parent, subsidiaries or affiliates and their respective officers, directors and sales employees.

1.35 ~~Grandfathered Clients.~~ Means Open Territory Clients and/or Other Franchisee's Designated Area Clients located in the Franchisee's Designated Area prior to the Effective Date or prior to the date Franchisee establishes an Open Office in the Designated Area.

1.36 HIPAA. Means the Health Insurance Portability Accountability Act of 1996, as the same may be amended from time to time.

1.37 ~~HIPAA Manual.~~ Means the HIPAA compliance template prepared by an Approved Supplier.

1.38 Home Improvement Annual Conference or HIAC. Means the Right at Home annual meeting.

1.39 Incapacity. Means the inability of Franchisee to operate or oversee the operation of the Franchised Business on a regular basis by reason of any continuing physical, mental or emotional incapacity, chemical dependency or other limitation.

1.40 Initial Franchise Fee. Means the amount set out in the Basic Terms.

1.41 ~~Initial Term~~~~General liability and professional liability insurance policies will be on an "occurrence" basis unless Franchisee receives Franchisor's prior approval to obtain claims-made coverage.~~ Means the period set out in the Basic Terms.

1.42 Interim Period Means the month-to-month period that Franchisee continues to operate the Franchised Business beyond the Initial Term or any subsequent Renewal Term.

1.43 Improvements. Means all ideas, concepts, techniques, changes, improvements, enhancements, advertising, promotional materials, methods, materials, copyrights, confidential information relating to the Franchised Business or other materials relating to the Franchised Business, whether or not protectable intellectual property, created by or for Franchisee, the Executive Management Personnel and/or Franchisee's other employees, agents, Affiliates or independent contractors.

1.44 ~~Management Fee.~~ Means the fee in the amount set out in **Section 6.2.11** for Franchisor's management services set out in **Section 17.4.**

1.45 Manual(s). Means the Brand Standards Manual, the HIPAA Manual, the Right at Home Personal Care Policy and Procedure Manual, directives, memoranda, bulletins, roll out guides, written and electronic materials, recordings, videos, training materials, other publications and documents, and communications in whatever form setting forth information, advice, standards, procedures, instructions, policies and/or requirements, all of which may be changed, improved and further developed by Franchisor from time to time.

1.46 Marks or Trademarks. Means trade names, service marks and trademarks, including but not limited to, "RIGHT AT HOME", "RAH STAFFING SERVICES", associated logos, commercial symbols and such other trade names, service marks and trademarks as are now designated (and may hereinafter be designated by Franchisor).

1.47 Minimum Brand Marketing and Promotion Fee. Means the minimum Brand Marketing and Promotion Fee, in the amount set out in the Basic Terms (or an amendment), required to be contributed to the Brand Marketing and Promotion Fund by Franchisee as further described in **Section 6.2.4**.

1.48 Minimum Quarterly Net Billings. Means the minimum Net Billings for each Quarter set out in the Basic Terms (or an amendment) and as further described in **Section 10.14**.

1.49 Minimum Royalty. Means the minimum Royalty amount set out in the Basic Terms (or an amendment) required to be paid by Franchisee as further set out in **Section 6.2.2**.

1.50 MSA. Means the Metropolitan Statistical Area as defined by the US Government from time to time or such geographical area designated by Franchisor.

1.51 MSA Cap. Means the maximum Brand Marketing and Promotion Fee required to be paid to the Brand Marketing and Promotion Fund. The MSA Cap is calculated from the Net Billings in Calendar Year (subject to adjustment in accordance with **Section 6.4**) and the Brand Fund and Promotion Fee Percent of Net Billings set out in the Basic Terms.

1.52 National/Regional Accounts and Alliances. Means national or regional accounts that Franchisor may develop for the System.

1.53 Net Billings. Means the total of all revenues from the operation of the Franchised Business whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is received) or otherwise. The following will be deducted from Net Billings (if included) the amount: (a) of all sales tax receipts or similar tax receipts which, by law, are chargeable to clients, if such taxes are separately stated when the client is charged and paid to the appropriate taxing authority; (b) of any documented refunds, chargebacks, credits and allowances given in good faith; and (c) the amount of mileage and out-of-pocket expenses incurred by and reimbursed to Franchisee's employees in connection with providing Core Services, Ancillary Services and Specialized Nursing Services (if any) to clients.

1.54 Net Judgment. Means the judgment determined by subtracting the smallest award of money or money equivalent from the largest award.

1.55 Non-Curable Defaults. Defined in **Section 18.2**

1.56 Notice Date. Means the date the Notice of Intent to Purchase is received by Franchisee.

1.57 Notice of Intent to Purchase. Means Franchisor's written notice to Franchisee as set out in **Section 16.6.1** of its intention to exercise its Right of First Refusal set out in **Section 16.6** to purchase the Transferred Interest or all or part of the Transferred Interest (as the case may be) according to the terms contained in Franchisee's Offer

1.58 Notice to Arbitrate. Means a written notice by Franchisor to Quarreling Owners ordering Franchisee and such Quarreling Owners to promptly initiate/submit to (as the case may be) a binding arbitration proceeding.

1.59 Nursing Practice Act. Means the laws governing the practice of nursing in a state.

1.60 Office. Means the premises from which the Franchised Business is operated.

1.61 Office Open Training. Means training that is a component of the RightStart Training Program.

1.62 Onboarding Training. Means training that is a component of the RightStart Training Program.

1.63 On-Site/Onboarding Training. Means the on-site/onboarding training at a Franchised Business selected by Franchisor.

1.64 Open Office. Means an Office that (a) has at least two(2) full-time equivalent staff members at all times (one of whom may be the Operating Principal; (b) has at least one(1) full time staff member with authority to make employment decisions, manage employees and actively market the Franchised Business; (c) produces the reports required in **Section 12.2** and (d) meets the criteria set out in the Manuals, all of which may be modified from time to time.

1.65 Open Territory Client(s). Means client(s) that are not located in any franchisee designated area at the time such client(s) start to receive Core Services and Ancillary Services.

1.66 Operating Principal. Means the individual responsible for the day-to-day, direct and continuous supervision of the Franchised Business as further set out in **Section 10.1**.

1.67 Owners. Means an individual or Entity who owns any (a) shares of capital stock if the Franchisee is a corporation; (b) membership interest if the Franchisee is a limited liability company; (c) partnership interest if the Franchisee is a partnership; (d) limited or general partnership interest if the Franchisee is a limited partnership; and (e) any other kind or type of ownership or legal interest in the Franchisee or Franchised Business.

1.68 Other Franchisee's Designated Area Client. Means client(s) that are located in another franchisee's designated area at the time such client(s) start to receive Core Services and/or Ancillary Services from a franchisee.

1.69 Performance Improvement Plan. Means a detailed business plan prepared by Franchisee that describes how Franchisee will meet the Minimum Quarterly Net Billings within a reasonable time frame, not to exceed six (6) months, which must include, but not be limited to attending HIAC.

1.70 Permitted Transferees. Means a spouse or child of a Franchisee who is an individual; a Business Transferee Entity that is 100% owned by a spouse or a child of a Franchisee who is an individual, or an owner of more than fifty percent (50%) of a Business Transferee Entity.

1.71 Personal Information. Means information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer, potential consumer, individual or household, as such term may be further defined or amended by applicable federal, state and local statutes, regulations, ordinances and requirements, including but not limited to, the California Consumer Privacy Act.

1.72 Potential Clients. Means persons that are 65 years and older.

1.73 Prevailing Party. Means the party that obtains the greatest Net Judgment in terms of money or money equivalent as further set out in **Section 20.7**.

1.74 Privacy Laws. Means applicable federal, state and local statutes, regulations, ordinances and requirements, including but not limited to, the California Consumer Privacy Act, relating to the data protection, collection, maintenance and use of Customer Data.

1.75 Promotional Materials. Means advertising and promotional materials to be used by Franchisee, including, but not limited to, direct mail, newspaper, radio, television, Internet (including social media), website, on-line listings, other web-based marketing, specialty items, novelty items and other promotional materials.

1.76 Promulgated Rules. Means the written policies, specifications, standards, procedures, rules and regulations promulgated by Franchisor from time to time and supplied to Franchisee.

1.77 Proprietary Information. Means all Confidential Information; Trade Secrets, intellectual property, and ~~If Franchisor approves a claims made policy, the claims made policy(ies) "Retroactive Date" will at all times be the original inception date of the first claims made policy acquired for insuring Franchisee or the Franchisee entity. Should the claims made liability policies be replaced, full retro dated coverage is required. Should any policies be terminated or cancelled for any reason, or a "claims made" policies be rewritten to an "occurrence form" of coverage, Franchisee will maintain at a minimum and secure twelve (12) months additional years of "Extended Reporting Period" for claims that may not be discovered until after policy termination. General liability and professional liability insurance coverage must be for the entire statute of limitations period under Nebraska law.~~

~~14.3 Right to Require Additional Insurance. Franchisor reserves the right to require additional insurance coverages as necessary including 3rd Party Employment Practices coverage.~~

~~14.4 Requirements for Insurance Policies. The insurance afforded by the policy or policies respecting Commercial General Liability and Professional Liability will not be limited in any way by reason of any insurance which may be maintained by Franchisor. Prior to commencement of operations of the Franchised Business, Franchisee will provide Franchisor with a current Certificate of Insurance issued on a standard ACORD certificate of insurance form evidencing all required and optional insurance requirements of this Agreement. Franchisee will maintain all such insurance at all times while operating under any authorization granted to Franchisee by Franchisor and including any completed or discontinued operations.~~

~~It is Franchisee's sole responsibility to provide Franchisor with notice should any required insurance be cancelled, not renewed, materially changed or reduced from the required coverages. Failure of Franchisee to provide all insurance required, or failure to provide notice to Franchisor, will not relieve Franchisee of its obligations under this Agreement. Maintenance of such insurance and the performance by Franchisee of the obligations under this **Section 14** will not relieve Franchisee of liability under the indemnity provision set forth in this Agreement. Minimum limits, as required above, may be modified from time to time, as conditions require, by written notice to Franchisee and Franchisee must maintain any such revised insurance coverage. As mentioned above, the coverages set forth in this Agreement are the minimum, but they may not be adequate for all losses of every type and size. Franchisor encourages Franchisee to make decisions with the advice of Franchisee's insurance consultant and legal counsel.~~

~~14.5 — **Failure to Obtain Insurance.** Should Franchisee, for any reason, not supply Franchisor with the required insurance certificate or procure and maintain such insurance coverage as required by this Agreement, Franchisor will have the right and authority (without, however, any obligation to do so) to procure such insurance coverage and to charge the cost of the same to Franchisee, which charges, together with a reasonable fee for expenses incurred by Franchisor in connection with such procurement, will be payable by Franchisee immediately upon notice from Franchisor.~~

15. — COVENANTS

~~15.1 — **"Franchisee" Defined.** Unless otherwise specified, the term "Franchisee" as used in this **Section 15** will include, collectively and individually, Franchisee as defined in **Section 30**.~~

~~15.2 — **Full Time and Best Efforts.** Franchisee covenants that during the term of this Agreement, except as otherwise approved in writing by Franchisor, Franchisee or the Operating Principal will devote his or her full-time energy and best efforts to the management and operation of the Franchised Business.~~

~~15.3 — **Prohibited Actions.** Franchisee covenants that during the term of this Agreement, except as otherwise approved in writing by Franchisor, Franchisee and the Operating Principal will not, either directly or indirectly, for itself or through, on behalf of or in conjunction with any person, persons or entities:~~

~~15.3.1 — Divert or attempt to divert any business or client of the Franchised Business or any other franchisee's franchised business to any competitor by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks or the System; or~~

~~15.3.2 — Own, maintain, engage in or have any interest in any business (including any business operated by Franchisee prior to entry into this Agreement) specializing, in whole or in part, in offering or providing non-medical in-home assistance, companionship, medical staffing services or other services or products, materials or equipment that are the same as, or similar to, those Services offered and/or sold in the System or the Franchised Business or offering or providing any services or products, materials or equipment that are the same as, or similar to, a component of the operation or Services of the Franchised Business or System to any party, including other franchisees and competitors. Notwithstanding the foregoing, nothing herein is intended to prevent Franchisee from accepting referrals to provide the Services.~~

~~15.4 — Non Competition. Franchisee and the Operating Principal will not, for a period of one and one half (1½) years after the first to occur of the termination or expiration or transfer of the Franchise Agreement, regardless of the cause of termination, whether as an agent, consultant, independent contractor, owner, stockholder, partner, director, officer, manager or otherwise:~~

~~15.4.1 — engage or become interested in, own, organize, finance, lease, operate, or invest in any business which engages in the services and business of the Franchise or the Franchised Business or services and businesses that are substantially similar to the Franchise or Franchised Business anywhere within a radius of ten (10) miles from the outer boundaries of Franchisee's Designated Area.~~

~~15.4.2 — become an employee of any business which engages in the services and business of the Franchise or the Franchised Business anywhere within a radius of ten (10) miles from the outer boundaries of Franchisee's Designated Area.~~

~~15.4.3 — directly or indirectly, solicit, call on or attempt to solicit or call on any of the then current or past customers, accounts or clients served by the Franchised Business, or other franchisee's franchised business, for the purpose of inducing such customers, accounts or clients to become a customer, client or account of any party in competition with the business of the Franchisor, Franchise or the Franchised Business.~~

~~15.4.4 — directly or indirectly, solicit, call on or attempt to solicit or call on any of the then current or past referral sources and contacts utilized by the Franchised Business during the Restricted Party's affiliation with the Franchised Business, for the purpose of obtaining referral of customers or business from such referral sources and contacts in competition with the business of the Franchisor, Franchise or the Franchised Business.~~

~~15.4.5 — directly or indirectly provide services or products, materials or equipment that are the same as, or similar to the Franchise, the Franchised Business or a component to the operation of the Franchised Business, Services offered or sold in the Franchised Business or the System to any party, including but not limited to other franchisees and competitors.~~

~~15.5 — Confidentiality and Non Compete Agreement. Franchisee specifically acknowledges that, pursuant to this Agreement, Franchisee and the Operating Principal will receive valuable training and confidential information from Franchisor, including, without limitation, information regarding the promotional, operational, sales and marketing methods and techniques of Franchisor and the System. Thus, Franchisee covenants that at the time of execution of this Agreement and at all times during the Initial Term and any Renewal Term, the Franchisee, the Operating Principal and all shareholders or members of the Franchisee, as the case may be, will enter into a written Confidentiality and Non Compete Agreement in the form of Exhibit C attached to this Agreement.~~

~~15.6 — Independent Covenants. Each of the foregoing agreements, acknowledgements and covenants will be construed as independent of any other provision of this Agreement. If all or any portion of any covenant in this Section 15 is held unreasonable or unenforceable by a court or agency having valid jurisdiction, Franchisee covenants that Franchisee and the Operating Principal will 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 15. The invalidity of any covenant~~

~~contained in this Agreement does not affect the validity of remaining covenants contained in this Agreement.~~

~~15.7 — Franchisor's Right to Reduce Scope of Non-Competition Requirements. Franchisee understands and acknowledges that Franchisor has the right to reduce the scope of any covenant set forth in Section 15.3 and Exhibit C of this Agreement or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof. Franchisee will comply forthwith with any covenant as so modified, which will be fully enforceable despite the provisions of Section 26 hereof.~~

~~15.8 — Franchisee's Obligation to Act in Good Faith. Franchisee covenants and agrees to cooperate in good faith with Franchisor as to all aspects relating to the performance of Franchisee's obligations under this Agreement, and Franchisee will use good faith efforts to promote and develop the Franchised Business and Franchisor.~~

~~15.9 — Confidentiality Agreements for Franchisee's Staff. Franchisee will require those personnel performing managerial or supervisory functions and all personnel receiving training from Franchisor to execute confidentiality agreements in a form that incorporates Franchisee's obligations under this Agreement.~~

16. — DEFAULT AND TERMINATION

~~16.1.1 Termination by Franchisee. Franchisee may not terminate this Agreement prior to the expiration of its term except through legal process resulting from Franchisor's breach of this Agreement which breach results in a material adverse effect on Franchisee or otherwise with Franchisor's consent. In the event that Franchisee will claim that Franchisor has failed to meet any obligation under this Agreement, Franchisee will provide Franchisor with written notice of such claim within one (1) year after its occurrence, specifically enumerating all alleged deficiencies and providing Franchisor with an opportunity to cure, which will in no event be less than thirty (30) days after the date of receipt of such notice by Franchisor from Franchisee; provided, however, that if the nature of Franchisor's breach is such that more than thirty (30) days are reasonably required for performance or cure, then Franchisor will not be in breach if it commences performance within the thirty (30) day period and thereafter diligently continues and cures the breach. Failure to timely give any such notice will constitute a waiver of any such alleged breach by Franchisor.~~

~~16.2.1 Franchisee's Non-Curable Defaults. If any of the following occurs, Franchisee will be in default, will have no right or opportunity to cure the default and Franchisor will have the right and good cause to terminate this Agreement, which termination will be effective immediately upon Franchisor's delivery of the written notice of termination pursuant to Section 25 identifying the grounds for the termination because Franchisee or any one or more of its Operating Principal, owners, officers, members, shareholders or managers:~~

~~16.2.1(a) Makes any material misrepresentation or omission in its application for the franchise;~~

~~16.2.2 — Is convicted of or pleads no contest (if applicable in Franchisee's jurisdiction) to a felony or other crime or offense that is likely to adversely affect the reputation of Franchisee or the Franchised Business;~~

~~16.2.3 — Makes any unauthorized use, disclosure or duplication of any portion of the Manuals or the passwords, access codes or usernames to access the Manuals in electronic format or duplicates, discloses or makes any unauthorized use of any Confidential Information;~~

~~16.2.4(a) Abandons, fails or refuses to continuously operate the Franchised Business for five (5) business days in any twelve (12) consecutive months period, unless the Franchised Business has been closed for a purpose approved by Franchisor or due to force majeure, or fails to relocate to approved premises within an approved period of time following expiration or termination of the lease for the Office;~~

~~16.2.5(a) Surrenders or transfers control of the operation of the Franchised Business, makes an unauthorized direct or indirect assignment of the Franchised Business or its assets or an ownership interest in Franchisee, or fails or refuses to assign the Franchised Business or the interest in Franchisee of a deceased or disabled controlling owner thereof as required in this Agreement;~~

~~16.2.6 — Submits to Franchisor on three (3) or more separate occasions at any time during the term of this Agreement any reports or other data, information or supporting records which understate by more than two percent (2%) the Royalty Fees for any accounting periods, and Franchisee is unable to satisfactorily demonstrate to Franchisor that such understatements resulted from inadvertent error;~~

~~16.2.7(a) Misuses or makes an unauthorized use of any Marks or commits any act which action can reasonably be expected to impair the goodwill associated with any Marks;~~

~~16.2.8 — Misuses or makes an unauthorized use of any of Franchisor's proprietary software (if developed which can reasonably be expected to adversely affect the Franchisor's interest in such software);~~

~~16.2.9 — Fails on two (2) or more separate occasions within any period of twelve (12) consecutive months to pay the Royalty Fees when due, amounts due for purchases from Franchisor, or other payments due to Franchisor or a Related Entity;~~

~~16.2.10 — Any other franchise agreement with Franchisor is terminated by Franchisor as a result of Franchisee's default, other than a default due to Franchisee's failure to meet the average Net Billing requirements set forth in such franchise agreement;~~

~~16.2.11 — If Franchisee files for bankruptcy, becomes insolvent, commits any affirmative act of insolvency or files any action or petition of insolvency, or if a receiver (permanent or temporary) of its property or any part thereof is appointed by a court of competent authority, if Franchisee makes a general assignment for the benefit of its creditors, or if a final judgment remains unsatisfied of record for thirty (30) days or longer (unless supersedeas bond is filed), if execution is levied against Franchisee's business or property, or if suit to foreclose any lien or mortgage against its Office or equipment is instituted against Franchisee and not dismissed within thirty (30) days or is not in the process of being dismissed within thirty (30) days;~~

~~16.2.12(a) Attempts to assign, transfer, or sell the clients or the client service contracts or the identity of clients of the Franchised Business without Franchisor's written consent;~~

~~16.2.13 — Performs Core Services or Ancillary Services in another franchisee's designated area on two (2) or more separate occasions, even if Franchisee has complied with Franchisor's then current Promulgated Rules on encroachment set out in the Manual, unless Franchisee has received the written permission of such other franchisee;~~

~~16.2.14 — Fails to meet the Minimum Royalty or Minimum Brand Marketing and Promotion Fee requirements as set forth in **Section 12.13** for four (4) consecutive Quarters or fails to meet the Minimum Royalty or Minimum Brand Marketing and Promotion Fee requirements more than four (4) Quarters in any twenty four (24) month period;~~

~~16.2.15 — Fails to timely submit to arbitration any Franchisee Quarrel, for which Franchisor has given a Notice to Arbitrate, in accordance with **Section 29.6**;~~

~~16.2.16 — Fails to have an Operating Principal; or~~

~~16.2.17 — If three (3) or more notices of default have been given by Franchisor to Franchisee within any twelve (12) month period pursuant to this Agreement, whether or not Franchisee has cured the reason for the default.~~

~~16.3 — **Good Cause for Termination.** If Franchisee fails or refuses to make payment of any amount due Franchisor for Royalty Fees, purchases from Franchisor, or any other amount due to Franchisor, and Franchisee does not make payment within five (5) business days after written notice is delivered to Franchisee pursuant to **Section 25**, such failure to pay will provide Franchisor with good cause to terminate this Agreement.~~

~~16.41.1 Franchisee's Right to Cure Defaults.— If any of the following defaults occur, Franchisee must cure the default within the time periods set forth in this **Section**:~~

~~16.4.1 — Fails to complete RightStart Training Program within thirty (30) days of opening the office, as provided in **Section 12.2** of this Agreement;~~

~~16.4.2 — Fails to cure any violation of a health, safety or other local, state or federal regulation or ordinance in a manner that presents a hazard to a client of the Franchised Business or other member of the public within the time period required by such regulation or ordinance; or~~

~~16.4.3 — Fails to cure a default under the lease for the Office according to the terms of the lease.~~

~~16.51.1 **30-Day Curable Defaults.** If any of the following defaults occurs, Franchisee will have 30 days to cure the default:~~

~~16.5.1 — Fails to establish and continuously maintain an Open Office as provided in **Section 12.2** of this Agreement;~~

~~16.5.2 — Fails to meet with Franchisor after receiving a Notice of Dispute pursuant to **Section 29.1**;~~

~~16.5.3 — Defaults under any covenant to Franchisor in Section 15;~~

~~16.5.4 — Fails to meet the Quarterly Net Billings in any Quarter and does not submit a Performance Improvement Plan acceptable to Franchisor within the time period required by Franchisor; does not execute the Performance Improvement Plan; or fails to achieve the required Quarterly Net Billings within the time period specified in the Performance Improvement Plan as set forth in Section 12.12;~~

~~16.5.5 — Except as provided in Section 16.2.13, performs Core Services or Ancillary Services in another franchisee's designated area, unless Franchisee has complied with Franchisor's then-current Promulgated Rules on encroachment or has received the written permission of such other franchisee;~~

~~16.5.6 — Fails or refuses to comply with (a) any provision of this Agreement not specifically referenced in Sections 16.2, 16.3 or 16.4 above, or (b) any mandatory specification, standard or operating procedure prescribed in the Manuals or otherwise directed in writing by Franchisor, and Franchisee does not correct such failure or refusal (or provide proof acceptable to Franchisor that Franchisee has made all reasonable efforts to correct such failure or refusal and will continue to make all reasonable efforts to cure until a cure is effected, if such failure or refusal cannot reasonably be corrected within thirty (30) days) after written notice of such failure or refusal to comply is delivered to Franchisee;~~

~~16.5.7 — Fails or refuses to obtain Accreditation or satisfactorily maintain such Accreditation if such Accreditation is required by Franchisor in accordance with Section 12.16; or~~

~~16.5.8 — Fails or refuses to Participate in any client satisfaction survey program, caregiver satisfaction survey program, or any other required satisfaction programs or surveys; or~~

~~16.5.9 — Fails to meet any performance criteria set out by Franchisor regarding client satisfaction survey programs or surveys.~~

~~16.6.1 Franchisor's Right to Terminate Uncured Defaults. If Franchisee fails to cure the defaults with the time periods set forth in Sections 16.3, 16.4 or 16.5, termination of this Agreement will be accomplished by Franchisor delivering written notice of termination to Franchisee pursuant to Section 25 identifying the grounds for the termination. Termination will be effective immediately upon Franchisor's delivery of the written notice of termination.~~

~~16.7.1 Application of State Laws. To the extent that the provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation, nonrenewal or the like, other than in accordance with applicable law, such provisions will, to the extent such are not in accordance with applicable law, not be effective, and Franchisor will comply with applicable law in connection with each of these matters.~~

~~16.8.1 Non-Exclusive Remedies. The remedies described in this Agreement and in particular this Section 16 are not exclusive and will be in addition to any other remedies Franchisor may have in this Agreement or as provided by law. In addition to the remedy of termination set forth in this Agreement, Franchisor will have the right, without prejudice to any other right or remedy, to pursue an action at law for damages. Termination will be in addition to and not in limitation of any rights or remedies to which Franchisor is or may be entitled to at law~~

~~or in equity. Franchisor's rights under this Agreement are cumulative and no exercise or enforcement by Franchisor or any right or remedy under this Agreement will preclude the exercise or enforcement by it of any other right or remedy under this Agreement or which Franchisor is entitled by applicable law to enforce.~~

17. ~~RIGHTS AND DUTIES OF PARTIES UPON EXPIRATION OR TERMINATION~~

~~Upon termination or expiration of this Agreement all rights granted by this Agreement to Franchisee will terminate, and:~~

~~17.1 Cease to Operate the Franchised Business. Franchisee will immediately cease to operate the Franchised Business and will not thereafter, directly or indirectly, represent to the public or hold itself out as a present franchisee of Franchisor.~~

~~17.2 Assign Lease. Upon demand by Franchisor, Franchisee will assign Franchisee's interest in any lease then in effect for the Office to Franchisor, and Franchisee will furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within fifteen (15) days after termination or expiration of this Agreement.~~

~~17.3 Cease Use of Marks, Confidential Information, Etc. Franchisee will immediately and permanently cease to use, by advertising or in any manner whatsoever, any Confidential Information, Marks, any distinctive forms, slogans, signs, symbols, logos, devices, methods, procedures and techniques associated with the System. In particular, Franchisee will cease to use, without limitation, all signs, vehicle wraps, advertising materials, websites, stationery, forms and any other articles which display the Marks.~~

~~17.4 Assign Trade Names. Upon demand by Franchisor, Franchisee will take such action as may be necessary to cancel, or, if Franchisor so requests, to assign to Franchisor or its designee, any fictitious or assumed name rights or equivalent registration filed with state, city or county authorities which contain the names "RIGHT AT HOME," "RAH STAFFING SERVICES" or any other service mark or trademark associated with the System, and Franchisee will furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement. All goodwill attendant to, related to, and in connection with the Marks, clients, and use of Franchisor's System belong to the Franchisor.~~

~~17.5 Cease Using Entity. Franchisee will immediately and permanently cease using any entity used for operating the Franchised Business. In the event Franchisee subsequently operates any other business, Franchisee will not use any reproduction, counterfeit, copy or colorable imitation of the Marks either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake or deception, or which is likely to dilute Franchisor's rights in and to the Marks and further, Franchisee will not utilize any designation of origin, description or representation which falsely suggests or represents an association or connection with Franchisor. Franchisee will make such modifications or alterations to the Office (including, without limitation, the changing of the telephone number) immediately upon termination or expiration of this Agreement as may be necessary to prevent any association with Franchisor or the System and any business thereon subsequently operated by Franchisee or others, and will make such specific additional changes thereto as Franchisor may reasonably request for that purpose including, without limitation, removal of all distinctive physical and structural features identifying the System. In the event Franchisee fails or refuses~~

to comply with the requirements of this ~~Section 17~~, Franchisor will have the right to enter upon the Office without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required at the expense of Franchisee, which expense Franchisee will pay upon demand.

~~17.6 — Pay Amounts Owed to Franchisor.~~ Franchisee will promptly within fifteen (15) days after the effective date of termination or expiration pay all sums owing to Franchisor. In the event of termination for any default of Franchisee, such sums will include all damages, costs and expenses, including reasonable attorney fees, incurred by Franchisor as a result of the default. Franchisee must contemporaneously with payment furnish a complete accounting of all amounts owing to Franchisor.

~~17.7 — Pay Damages and Costs.~~ Upon demand by Franchisor, Franchisee will pay to Franchisor all damages, costs and expenses, including reasonable attorney fees, incurred by Franchisor subsequent to the termination or expiration of the franchise herein granted in obtaining injunctive or other relief for the enforcement of any provisions of this ~~Section 17~~ or Section 15.

~~17.8 — Return Confidential Information, Manuals, Etc.~~ Franchisee will immediately turn over to Franchisor the Confidential Information; Manuals; the passwords, access codes and users names to access the Manuals in electronic format; all other manuals; client information and client lists (subject to any applicable state or federal laws, including but not limited to privacy laws), details of service to clients (subject to any applicable state or federal laws, including but not limited to privacy laws), supplier lists, records, files, electronic files, instructions, brochures, agreements, disclosure statements, relevant data bases and any materials provided by Franchisor to Franchisee relating to the operation of the Franchised Business, ~~all of which are acknowledged by Franchisee to be Franchisor's property.~~ Franchisor acknowledges that time schedules, time limits, and requirements specified in this ~~Section 17.8~~ are of the essence in order for Franchisor to protect its Confidential Information and System. For each full day or part thereof after termination or expiration of this Agreement that the Manuals and the passwords, access codes and users' names to access the Manuals in electronic format are not delivered back to Franchisor, Franchisee will pay to Franchisor liquidated damages in the amount of Two Hundred and Fifty Dollars (\$250.00). Liquidated damages as provided in this Section 17.8 will not be the exclusive liability of Franchisee for delay but are in addition to all other remedies available to Franchisor. Franchisor and Franchisee further agree that the terms, conditions and amounts fixed for liquidated damages are reasonable considering the damages. Franchisor will sustain in the event of Franchisee's failure to meet the requirements for timely turning over the Manuals, together with the passwords, access codes and user names to access the Manuals in electronic format and that the amount is agreed upon and fixed as liquidated damages because of the difficulty of ascertaining the exact amount of damages that may be sustained by Franchisor and will be applicable regardless of the actual amount of damages sustained.

~~17.9 — Take Possession of Signs.~~ Upon demand, Franchisor will have the right, title and interest to any sign or sign faces bearing the Marks. Franchisee hereby acknowledges Franchisor's right to access the Office should Franchisor elect to take possession of any said sign or sign faces bearing the Marks.

~~17.10~~ 17.8 ~~Option to Purchase~~ Purchased Assets. Franchisor will have the option and right (but not the duty), to be exercised by notice of intent to do so within thirty (30) days after

termination or expiration of this Agreement, to purchase the following: (1) all fixed assets of the Franchised Business at depreciated value as reflected on the Franchisee's most recent financials; (2) the real property consisting of the designated site of the Franchised Business, as specified under **Section 3** of this Agreement, at fair market value; and (3) all other assets/property of the Franchised Business at fair market value. If the parties cannot agree on fair market value within a reasonable time, the determination will be made by a Qualified Appraiser (as defined below) selected by both the Franchisor and the Franchisee to determine the amount of the fair market value; provided that in the event that the Franchisor and Franchisee cannot agree upon a Qualified Appraiser within thirty (30) days after the notice of intent is given by the Franchisor to the Franchisee to purchase the assets, the Franchisor and Franchisee will each have the opportunity to appoint a Qualified Appraiser, within five (5) days following the expiration of such thirty (30) day period. The two (2) Qualified Appraisers will establish the amount of the fair market value in a single written opinion agreed to and signed by both of them. If these two (2) Qualified Appraisers cannot agree on the amount of the fair market value within ten (10) days after the appointment of the latter of them, these two (2) appointed Qualified Appraisers will together appoint a third. Defined in **Section 19.3**.

1.79 Qualified Appraiser ~~whose sole written opinion will establish the amount of the fair market value. A "Qualified Appraiser" will mean.~~ Means a professional appraiser or independent certified public accountant that is qualified by experience and ability to appraise the amount of the fair market value. ~~The fees of any Qualified Appraiser or Qualified Appraisers will be equally shared by Franchisor and~~

1.80 Quarreling Owners. Means at least two (2) Owners that have a Franchisee. ~~If either the Franchisor or the Franchisee entitled to appoint an appraiser fails to do so or if one of the two initial appraisers fails after appointment to submit his/her appraisal within the required period, the appraisal submitted by the remaining appraiser will be controlling. If Franchisor elects to exercise any option to purchase herein provided, it will have the right to set off all amounts due from Franchisee under this Agreement, if any, against any payment therefor.~~ Quarrel.

1.81 Quarter. Means consecutive 13-week periods.

~~17.11 Records Transfer Telephone Numbers, Internet and Email Addresses.~~ Franchisee acknowledges that all telephone and facsimile numbers, Internet addresses and electronic mail addresses and domain names used in the operation of the Franchised Business constitute assets of the Franchisor and Franchisee will promptly execute all documents, including, but not limited to, authorization forms, prescribed by Franchisor to transfer and assign said assets to Franchisor upon termination or expiration of this Agreement. At termination or expiration of this Agreement, Franchisee will assign to Franchisor or its designee, all of Franchisee's right, title and interest in and to Franchisee's telephone and facsimile numbers, Internet addresses and electronic mail addresses and domain names and will notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use any telephone and facsimile numbers, Internet addresses and electronic mail addresses and domain names and any regular, classified or other telephone directory listing associated with the Marks and authorize a transfer of same to or at the direction of Franchisor.

1.82 Compliance with Records. Means books, records and accounts, including records maintained in electronic format related to the Franchised Business, including, without limitation, client lists, referral sources, current and past prospective clients, prior clients, clients' families and responsible parties, referral sources, vendors, sales reports, checks, purchase orders, invoices,

payroll records, check stubs, sales tax records and returns, cash receipts and disbursement journals, general ledgers, periodic reports, forms, income tax returns, and any other financial records or similar documents designated by Franchisor or required by law.

1.83 Renewal Fee. Means the amount set out in the Basic Terms.

1.84 Renewal Term. Means three (3) separate options to renew the right to operate the Franchised Business for additional consecutive five (5) year periods.

1.85 Required Insurance Policies. Defined in **Section 15.1.2(a)**.

1.86 Required Suppliers List. Means a list of Approved Suppliers for items or services that Franchisee is required to use to operate the Franchised Business. [

1.87 Required Supplies List. Means a list of Approved Supplies inventory, products, materials, fixtures, furniture, equipment, signs, stationery, supplies and other items or services necessary to operate the Franchised Business or offer for sale to clients.

1.88 Residence Week Training. Means training that is a component of the RightStart Training Program.

1.89 Restricted Parties. Defined in **Section 14.3**.

1.90 Right at Home Personal Care Policy and Procedure Manual. Means a personal care policy and procedure manual prepared by an Approved Supplier.

1.91 RightStart Training Program. Means the Onboarding Training, Residence Week Training and Office Open Training conducted by Franchisor as set out in **Section 8.1**

1.92 Royalty Fee. Means the fee paid by Franchisee to Franchisor in accordance with **Section 6.2.1** in the amount set out in the Basic Terms.

1.93 Sales Training. Means the sales training from Franchisor or its Approved Supplier.

1.94 Security Incident. Means any actual or suspected accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to Customer Data in violation of applicable Privacy Laws.

1.95 Social Media. Means any social network, social media or online community on the Internet or any other online, digital or electronic medium including, but not limited to, any "blog," YouTube, Facebook, Instagram, Tik Tok, Wikipedia, professional networks like Linked-In, live-blogging tools like Twitter, virtual worlds, file, audio and video sharing sites, and other similar social networking media or tools.

1.96 Specialized Nursing Services. Means Ancillary Services relating to specialized nursing as further described in **Section 10.17**.

1.97 Specialized Nursing Services Training Program. Means the training program specifically relating to Specialized Nursing Services as further described in **Section 8.7**.

1.98 Strategic Leadership Council. Means Franchisor's established committee composed of franchisees and Franchisor staff members as further described in the Manual.

1.99 Successor Franchise Agreement. Means the then-current form franchise agreement, which may include terms and conditions materially different from those in this Agreement, including but not limited to, different performance standards, fee structures, increased fees and renewal rights. Unless otherwise provided in this Agreement, the Designated Area will remain the same unless agreed to in writing by the parties.

1.100 System. Means, without limitation, the programs, resources, support services, exclusively designed signage, equipment, products, materials and Manuals; uniform policies, operating methods, procedures and techniques; Confidential Information, System Standards, other confidential operations procedures; methods and techniques for record keeping and reporting, and training, marketing and advertising, owned by Franchisor and identified by the Marks, relating to the establishment, development and operation of a Franchised Business, all of which may be changed, modified and further developed from time to time.

1.101 System Standards. Means standards, guidelines, rules and specifications established by Franchisor to ensure consistency, quality and uniformity and include, but are not limited to, the matters in the Manuals that regulate among other things, quality standards, branding, customer experience, operational procedures, marketing strategies, the Required Suppliers List, Required Supplies List, types, models and brands of required equipment, signs, stationery, promotional materials and other items or services necessary to operate the Franchised Business or offer for sale to clients of a Franchised Business.

1.102 Term. Means the Initial Term and any Renewal Term.

1.103 Terminating Event. Means the expiration, transfer, or termination of this Agreement.

1.104 Trade Secrets. Means information, including systems, patterns, compilations, programs, methods techniques or processes that both derive independent economic value, actual or potential from not being generally known to, and not being readily ascertainable by proper means by other person who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy, including the Franchised Business' clients, client lists, details of service, and contracts.

1.105 Transfer or Transferred. Means a (a) sale, assignment, transfer, conveyance, gift, or encumbrance; or (b) the issuance of shares of common or preferred voting stock, membership interests or partnership interests (of whatever nature) in Franchisee, to any person, partnership, trust, foundation, limited liability company, corporation or other party.

1.106 Transfer Fee. Means the fee paid by Franchisee to Franchisor in the amount set out in the Basic Terms.

1.107 Transferred Interest. Means any interest or rights in this Agreement, any legal or beneficial interest in the Franchised Business or Franchisee and any assets of the Franchised Business.

1.108 Trust Transferee Entity. Means a trust or similar entity.

1.109 Weekly Report(s). Means the true and accurate statement of Franchisee's Net Billings submitted by Franchisee to Franchisor, in a form and manner designated by Franchisor.

1.110 Workweek. Means the period from Sunday through Saturday.

2. GRANT OF FRANCHISE; RESERVATION OF RIGHTS

2.1 Grant of Franchise. Subject to this Agreement, during the Initial Term and any Interim Period, Franchisor grants to Franchisee, and Franchisee accepts, a license to use the System and Marks solely for the purpose of establishing, owning and operating a Franchised Business in the Designated Area. The rights granted to Franchisee in this Agreement are limited to the Designated Area and are subject to the Reservation of Rights described in **Section 2.2.**

2.2 Reservation of Rights. Notwithstanding the rights granted to Franchisee in Section 2.1, Franchisor retains the sole right to:

(a) Establish and/or license other Franchised Businesses at any location outside of the Designated Area as Franchisor deems appropriate;

(b) Establish and license others to establish businesses under other systems using the Marks or other proprietary marks, including but not limited to Ancillary Services, which businesses may be located within or outside the Designated Area, provided, however, that, except as specifically provided in this Agreement, Franchisor will not license or establish a business offering the Core Services within Franchisee's Designated Area;

(c) Advertise and sell the Core Services and Ancillary Services under other trademarks, service marks and commercial symbols through similar or dissimilar channels of distribution, including, without limitation, by electronic means such as the Internet and websites that Franchisor establishes and pursuant to terms Franchisor deems appropriate outside Franchisee's Designated Area;

(d) Advertise the System on the Internet (including social media) and to create, operate, maintain and modify, or discontinue the use of one or more websites or social media accounts using the Marks;

(e) Offer for sale products that are ancillary or related to the Core Services and Ancillary Services and needs of clients and customers through Franchisor's website(s) or through such similar channels of distribution within and outside Franchisee's Designated Area;

(f) Acquire the assets or ownership interest of one or more businesses providing Core Services and Ancillary Services similar to those provided at Franchisee's Franchised Business, and operate, franchise, license and/or grant the right to others to operate, franchise or license those businesses once acquired, regardless of whether these businesses are located or operating within Franchisee's Designated Area; provided, however, that such businesses will not be granted the rights to use the Marks;

(g) Be acquired by an entity providing services, products, materials and equipment similar to those provided at Franchisee's Franchised Business, even if such business operates, franchises and/or licenses competitive businesses in Franchisee's

Designated Area; provided, however, that any business operated directly or indirectly by such acquirer that is similar to the Franchised Business will not be granted the right to operate using the Marks in the Designated Area;

(h) Engage in joint marketing programs with partner companies and all forms of sales through the Internet or any other form of electronic media (including social technology, social media and social networking platforms); and

(i) Engage in any other activities not expressly prohibited in this Agreement.

3. DESIGNATED AREA; OPEN TERRITORY CLIENTS; OTHER FRANCHISEE'S DESIGNATED AREA CLIENTS; GRAND FATHERED CLIENTS

18.13.1 Designated Area. The Designated Area is set out in the Basic Terms. The Designated Area is defined by zip codes, which are subject to change by the U.S. Postal Service from time to time. Franchisor may revise the Designated Area if the U.S. Postal Service changes zip codes.

3.2 Characteristics of Franchisee's Designated Area. Franchisee acknowledges that uniformity may not be possible or practical. Franchisor specifically reserves the right to vary standards for any franchisee based on a variety of factors, including the peculiarities of a designated area, density of population, business potential, population of any designated area, existing business practices or any other condition which Franchisor deems important to the successful operation of a Franchised Business. Franchisor will not have any obligation to grant Franchisee like or similar variations.

3.3 Franchisor and Franchisor Affiliate Prohibited Activities. Subject to **Section 2.2** and **Section 3.5** or as otherwise set forth in this Agreement, so long as Franchisee is not in Default of this Agreement or any other Agreement with Franchisor or a Franchisor Affiliate, during the Initial Term and any Interim Period, Franchisor and a Franchisor Affiliate will not establish, or operate or license any third party to establish or operate, any other Franchised Business within the Designated Area.

3.4 Providing Core Services and Ancillary Services Outside of Designated Area. Except as provided in this **Section**, Franchisee will only operate the Franchised Business in the Designated Area and will only provide the Core Services and Ancillary Services to clients located in the Designated Area.

(a) Franchisee may provide Core Services and Ancillary Services to Open Territory Clients in accordance with the Manual.

(b) Franchisee may also provide Core Services and Ancillary Services to Other Franchisee's Designated Area Clients in accordance with the Manual if Franchisee and such other franchisee enter into Franchisor's then current Authorization to Provide Services in Designated Area Agreement (or such other agreement required by Franchisor).

(c) Notwithstanding anything herein to the contrary in **Section (a)** and **Section (b)** Franchisee must obtain Franchisor's prior written approval in accordance with the Manual, which may be denied or subsequently withdrawn by Franchisor at any time and for any reason without any further obligation to Franchisee.

(d) Franchisee may also be required to cease providing such Core Service and Ancillary Services to Other Franchisee's Designated Area Clients in accordance with the Manual, the Authorization to Provide Services in Designated Area Agreement or such other agreement required by Franchisor).

(e) Subject to **Section (c)** and **Section (d)**, the Open Territory Clients and the Other Franchisee's Designated Area Client that receive Core Services and Ancillary Services from Franchisee may become Franchisee's Grandfathered Clients unless Franchisor revokes its approval or Franchisee ceases to provide Core Services or Ancillary Services to such Open Territory Client(s) or Other Franchisee's Designated Area Client(s) for 30 consecutive days.

3.5 Grandfathered Clients and Conversion Grandfathered Clients.

(a) There may be Grandfathered Clients and Conversion Grandfathered Clients in the Designated Area. In the best interests of continuity of client care, Franchisor may permit another franchisee to continue to serve Grandfathered Clients and Conversion Grandfathered Clients in Franchisee's Designated Area as further described in the Manual.

(b) If a Transfer, Grandfathered Clients and Conversion Grandfathered Clients will continue to be serviced by the transferee so long as the conditions set out in the Manual are met.

3.6 Final Decisions. Notwithstanding anything in this Agreement to the contrary, Franchisor has the authority to resolve any Franchisee request or dispute that arises regarding zip codes, Designated Area make-up, Open Territory Clients, Other Franchisee's Designated Area Clients, Grandfathered Clients, Conversion Grandfathered Clients, and marketing and providing Core Services and Ancillary Services outside the Designated Area. Franchisor's decision will be final and conclusive.

4. INITIAL TERM

4.1 Initial Term. The Initial Term for this Agreement is 10 years commencing on the Effective Date, unless terminated sooner in accordance with this Agreement.

4.2 Interim Period. If Franchisee does not sign the Successor Franchise Agreement prior to the expiration of the Initial Term or Renewal Term as set out in **Section 5.3(g)** and Franchisee continues to accept the benefits of this Agreement after it expires, then at Franchisor's option, this Agreement may be treated either as (1) expired as of the date of expiration with Franchisee then operating without a license to do so and in violation of Franchisor's rights; or (2) continued for the 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. In the latter case, all of Franchisee's and Franchisor's obligations will remain in full force and effect during the Interim Period as if this Agreement had not expired, and all obligations and restrictions imposed on Franchisee upon expiration of this Agreement will be deemed to take effect upon termination of the Interim Period.

5. RENEWAL TERM.

5.1 Expiration Date. Subject to **Section 4.2** and unless terminated earlier, this Agreement expires on the Expiration Date.

5.2 Renewal Term. Prior to the Expiration Date, Franchisee has the option to renew Franchisee's right to operate the Franchised Business for the Renewal Term, if Franchisee meets the conditions in **Section 5.3**.

5.3 Conditions for Exercise of Option for a Renewal Term. Franchisee must comply with the following conditions to renew Franchisee's right to operate the Franchised Business. Franchisor may refuse to renew Franchisee's right to operate the Franchised Business for the Renewal Term if the following conditions are not met. A renewal of the right to operate the Franchised Business will not grant Franchisee an additional option for Renewal Terms.

(a) Franchisee has provided Franchisor with the notice required in **Section 5.4**;

(b) Franchisee has, during the entire Initial Term, Interim Period and any subsequent Renewal Term of a Successor Franchise Agreement, duly performed all provisions of this Agreement or the Successor Franchise Agreement as the case may be;

(c) Franchisee has provided evidence satisfactory to Franchisor that Franchisee is not in default of any lease for the Office and has the right to remain in possession of the Office for the duration of the applicable Renewal Term; or, If Franchisee is unable to legally retain possession of the Office, or, in the judgment of Franchisor, the Franchised Business should be relocated, Franchisee has secured a new Office approved by Franchisor;

(d) Franchisee's Franchised Business and Owners are in full compliance with the specifications and standards then applicable for a new or renewing Franchised Businesses;

(e) Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor and a Franchisor Affiliate and has timely met these obligations throughout the Initial Term and any Renewal Term;

(f) In lieu of paying the then current Initial Franchise Fee set out in the Successor Franchise Agreement, Franchisee has paid to Franchisor the Renewal Fee prior to executing the Successor Franchise Agreement and renewing the right to operate the Franchised Business;

(g) Franchisee has executed Franchisor's Successor Franchise Agreement, or such other documentation required by Franchisor to renew the right to operate the Franchised Business;

(h) Franchisee and its Owners have executed a general release, in a form satisfactory to Franchisor, of any and all existing claims against Franchisor, a Franchisor Affiliate and their respective officers, directors, agents and employees, except such claims as are not permitted to be waived under applicable law;

(i) Franchisee has all licenses, insurance, registrations, and approvals required by Franchisor or applicable governing authority to operate the Franchised Business in the Designated Area; and

(j) Franchisee or its Operating Principal has complied with any new training requirements designated by Franchisor.

5.4 Notice to Exercise Right to Renewal Term. To exercise the option to renew the right to operate the Franchised Business, Franchisee must give Franchisor written notice of its intent to renew at least eight (8) months, but not more than 14 months, prior to the Expiration Date. Within 60 days after its receipt of such timely notice, Franchisor will furnish Franchisee with a copy of Franchisor's Successor Franchise Agreement and written notice of any other requirements set out in **Section 5.3**, which Franchisee must satisfy as a condition of renewal.

6. FEES AND PAYMENTS

6.1 Initial Franchise Fee. In consideration of the right to operate a Franchised Business granted in this Agreement, Franchisee must pay to Franchisor, upon execution of this Agreement, the Initial Franchise Fee in the amount set forth in the Basic Terms. Franchisee acknowledges and agrees that the Initial Franchise Fee is fully earned by Franchisor and is non-refundable.

6.2 Payments Due After Signing Franchise Agreement. In addition to other fees and charges described in this Agreement, Franchisee will pay the following non-refundable fees and charges to Franchisor, a Franchisor Affiliate, or third parties (as designated by Franchisor):

6.2.1 Royalty Fee. Beginning the Active Grand Opening Date, Franchisee will pay to Franchisor, without offset, credit or deduction of any nature, the Royalty Fee set out in the Basic Terms. The Royalty Fee is paid weekly in the manner specified below or as otherwise prescribed in the Manuals.

6.2.2 Minimum Royalty. Beginning the 13th month after the Active Grand Opening Date, for each Quarter thereafter, Franchisee will pay to Franchisor the greater of (1) the Royalty Fee; or (2) the Minimum Royalty set out in the Basic Terms.

(a) If the Royalty Fee paid by the end of any Quarter does not meet or exceed the Minimum Royalty, Franchisee will pay Franchisor the difference. The difference will be included with the last weekly invoice for such Quarter.

(b) Notwithstanding anything herein to the contrary, if Franchisee acquired the Franchised Business as a Transfer, the original Active Grand Opening Date for the Franchised Business will be used to determine the commencement date for the Minimum Royalty.

(c) Any Royalty Fee paid in any Quarter in excess of the Minimum Royalty will not apply toward any Minimum Royalty for any future Quarter.

6.2.3 Brand Marketing and Promotion Fee.

(a) Beginning the Active Grand Opening Date, Franchisee will contribute the Brand Marketing and Promotion Fee, in the amount set out in the Basic Terms, to the Brand Marketing and Promotion Fund.

(b) The Brand Marketing and Promotion Fee is paid weekly at the same time and in the same manner as the Royalty Fee or as otherwise prescribed in the Manuals until the maximum amount that Franchisee is obligated to contribute has been paid in each calendar year. The calculation for the Brand Marketing and Promotion Fee resets each calendar year.

(c) If Franchisee operates multiple Franchised Businesses in Designated Areas within the same MSA, the Brand Marketing and Promotion Fee will be subject to the MSA Cap. To determine if the MSA Cap is met, the total Net Billings for all the Franchised Businesses in the Designated Area within the same MSA will be used to calculate the Net Billings in Calendar Year. The MSA Cap resets each calendar year.

6.2.4 Minimum Brand Marketing and Promotion Fee.

(a) Beginning the 13th month after the Active Grand Opening Date, Franchisee will contribute to the Brand Marketing and Promotion Fund the greater of (1) the Brand Marketing and Promotion Fee; or (2) the Minimum Brand Marketing and Promotion Fee each Quarter. The amount of the Minimum Brand Marketing and Promotion Fee is set out in the Basic Terms. If the MSA Cap applies, the Franchisee will contribute to the Brand Marketing and Promotion Fund, the greater of (1) the Brand Marketing and Promotion Fee up to the MSA Cap; or (2) the Minimum Brand Marketing and Promotion Fee up to the MSA Cap.

(b) If the Brand Marketing and Promotion Fee paid by the end of any Quarter does not meet or exceed the Minimum Brand Marketing and Promotion Fee, Franchisee will contribute to the Brand Marketing and Promotion Fund the difference. The difference will be included with the last weekly invoice for such Quarter.

(c) Any Brand Marketing and Promotion Fees paid in any Quarter in excess of the Minimum Brand Marketing and Promotion Fee will not apply toward any such Minimum Brand Marketing and Promotion Fee for any future Quarter.

6.2.5 Training Fees.

(a) Training Program Fee. Franchisee must pay the then-current training program fees prior to attending any training in accordance with Franchisor's or its designated supplier's invoice.

(b) Educational Programs, Seminars and Convention Fees. Franchisor has the right to charge a fee for any educational training programs, seminars, conferences, regional conferences, HIAC, webinars and Specialized Nursing Services Training. Franchisor will waive the registration fee for up to two (2) of

Franchisee's attendees (attending at the same time), for the first HIAC attended by Franchisee.

(c) Additional Onsite Assistance and Additional Training. Should Franchisee request additional assistance or additional training from Franchisor, or should Franchisor determine that Franchisee or the Operating Principal needs additional training, Franchisee will pay Franchisor its then-current rate for additional on-site assistance or additional training, as published in the Manuals, plus expenses.

6.2.6 Manual and Subscription Fees. Franchisee must pay the then-current fees for any Manuals, setup fees, and subscription fees in accordance with Franchisor's or its designated supplier's invoice.

6.2.7 Technology Fee(s). Franchisee must pay the then current fees for any required technology, in accordance with Franchisor's or its designated supplier's invoice.

6.2.8 Survey Program Fees. Franchisee must pay the then-current fees (if any) for participating in client satisfaction survey programs and caregiver satisfaction survey programs.

6.2.9 Transfer Fee. Franchisee will pay the Transfer Fee at or before the closing of a Transfer in accordance with **Section 16.2.3(f)**.

6.2.10 Renewal Fee. Prior to renewing the right to operate the Franchised Business in accordance with **Section 5.3**, Franchisee will pay the Renewal Fee per Franchisor's invoice in accordance with **Section 5.3(f)**.

6.2.11 Management Fee. If Franchisor exercises its rights in **Section 17.4**, Franchisee will pay the Management Fee equal to 15% of the Net Billings of the Franchised Business and reimburse Franchisor's out-of-pocket expenses to provide management services, including travel, room and board and expenses for Franchisor's representatives. The Management Fee will be paid within 10 days after the end of each month, or part thereof, that management services are provided by Franchisor.

6.2.12 Late Fees and Interest. Franchisee will pay Franchisor a late fee in the amount up to \$250.00 each time a Weekly Report or other required reports are not timely submitted or any time payments under this Franchise Agreement are not paid when due. All amounts, Fees and charges due by Franchisee to Franchisor, a Franchisor Affiliate or Approved Suppliers under this Franchise Agreement or otherwise, will bear interest after the due date at the highest applicable legal rate for open account business credit, not to exceed one and one-half percent (1.5%) per month. The Franchisee will, on demand, reimburse the Franchisor for the actual costs incurred by the Franchisor in the collection of any past-due sums from Franchisee including reasonable attorneys' fees and costs. Franchisee acknowledges that this **Section 6.2.12** will not constitute agreement by Franchisor to accept such payments after same are due and payable or a commitment by Franchisor to extend credit to, or otherwise finance Franchisee's operation of, the Franchised Business. Nothing in this **Section** will limit Franchisor's rights and remedies under any other provision of this Agreement.

6.3 Payment Terms.

6.3.1 Payment of Fees. Franchisee is required to pay all Fees to the Franchisor, a Franchisor Affiliate and the Brand Marketing and Promotion Fund through an EFT as further described in the Manuals (unless otherwise indicated by Franchisor or a Franchisor Affiliate). Franchisee will set up a business bank account in the manner and time directed by Franchisor and Franchisor will have access to such account. Each week, Franchisee will make deposits to the business bank account sufficient to cover the Fees and other amounts owed to Franchisor, the Brand Marketing and Promotion Fund, and any Franchisor Affiliate. Deposits are due to the business account each Friday following the previous Workweek.

6.3.2 Off-set. The Franchisee's obligation to pay Fees to the Franchisor, the Brand Marketing and Promotion Fund and/or Related Entities are absolute and unconditional and will remain in full force and effect for the entire Initial Term of this Agreement and any Interim Period. Franchisee will not withhold or "offset" such payments and any alleged non-performance or breach of Franchisor's or a Franchisor Affiliate's obligations under the Franchise Agreement, or any related agreement does not establish a right at law or in equity for Franchisee to withhold payments due Franchisor, the Brand Marketing and Promotion Fund or Related Entities.

6.3.3 Application of Payments. Despite any designation by Franchisee, Franchisor will have the absolute right to apply any payments by Franchisee to any past due indebtedness of Franchisee for Fees, purchases from Franchisor or ', late fees, interest or any other indebtedness owed by Franchisee to Franchisor, the Brand Marketing and Promotion Fund, and/or a Franchisor Affiliate in such amounts and in such order as Franchisor determines.

6.3.4 Taxes on Fees. Franchisee will pay to Franchisor or any Franchisor Affiliate when due the amount of all sales taxes, use taxes, personal property taxes and similar taxes imposed upon, required to be collected, or paid by Franchisor or any Franchisor Affiliate on the account of services or goods furnished by Franchisor or any Franchisor Affiliate to Franchisee through sale, lease or otherwise, or on account of collection by Franchisor of the initial Franchise Fee, Fees, and any other amounts which Franchisee pays to Franchisor or any Franchisor Affiliate.

6.3.5 Weekly Reports. Franchisee will submit the Weekly Reports in accordance with **Section 12.2.1**.

6.4 Increase to Fees and Minimums. Franchisor has the right to increase any Fees and charges for any products, materials and services provided to Franchisee (whether referred to in this **Section** or elsewhere in this Agreement), based on Franchisor's Business Judgment, from time to time. Franchisor also has the right to increase each calendar year, the dollar amounts of the Minimum Royalty Fee, Minimum Brand Marketing and Promotion Fees, Minimum Quarterly Net Billings and the Brand Marketing and Promotion Fee Net Billings for the Calendar Year by up to five (5%). Franchisor will notify Franchisee of such increases at least 30 days before they go into effect. Notwithstanding anything herein to the contrary, the percentage amounts of the Royalty Fee and Brand Marketing and Promotion Fee will not be subject to such increase.

7. SERVICES AND ASSISTANCE PROVIDED BY FRANCHISOR.

7.1 Franchisor's Services. Franchisor may offer Franchisee initial and continuing services that Franchisor deems necessary or advisable in furthering Franchisee's Franchised Business and the System as a whole. Franchisee will not be excused from performing its obligations under this Agreement if Franchisor fails to provide any particular service.

7.2 Initial Services. Currently, the initial services that Franchisor or its designee may provide prior to Franchisee's Active Grand Opening Date are as follows:

7.2.1 Approval Office and Operating Principal. Franchisor will provide Franchisee with Office location criteria and Franchisor will approve Franchisee's Office in accordance with **Section 10.4**. Franchisor will approve the Operating Principal in accordance with **Section 10.1**.

7.2.2 RightStart Training Program. Franchisor may provide the RightStart Training Program as further described in **Section 8.1**.

7.2.3 On-Site/Onboarding Training. Franchisor may provide On-Site/Onboarding Training to Franchisee in accordance with **Section 8.2**.

7.2.4 Additional Opening Training. Upon Franchisee's completion of the RightStart Training Program, Franchisor may provide the Operating Principal with the Additional Opening Training as further described in **Section 8.3**. Error! Reference source not found.

7.2.5 Access to Manuals. During the Initial Term and any Interim Period, Franchisor will provide Franchisee with password protected electronic access to the Manuals on the Digital Resource Library as further described in **Section 7.4**.

~~17.12—Required Suppliers List and Required Supplies List.~~ Franchisor will provide the Required Suppliers List and Required Supplies List to Franchisee. Franchisor may revise the Required Supplies List and Required Suppliers List from time to time, as Franchisor determines is appropriate. ~~and Covenants.~~ ~~Franchisee will comply with the requirements and covenants contained in Sections 11 and 15 of this Agreement.~~

~~17.13—Survival.~~ All obligations of Franchisor and Franchisee which expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect subsequent to and despite its expiration or termination and until they are satisfied or, by their nature, expire.

~~17.14—Provide Contact Information.~~ Franchisee will provide Franchisor with its current contact information for a period of one year from the date of termination or expiration of this Agreement.

18.—TRANSFERABILITY OF INTEREST

~~18.1—Transfer by Franchisor.~~ This Agreement and any rights hereunder can be assigned and transferred by Franchisor and, if so, will be binding upon and inure to the benefit of Franchisor's successors and assigns; provided, however, that with respect to any assignment or transfer resulting in the subsequent performance by the assignee or transferee of the

~~functions of Franchisor, the assignee or transferee will: (i) at the time of such assignment, be financially responsible and economically capable of performing the obligations of Franchisor under this Agreement; and (ii) expressly assume and agree to perform such obligations.~~

~~7.2.6 Specifically, and without limitation to~~ Franchisor reserves the right to designate exclusive suppliers, including designated Franchisor or a Franchisor Affiliate as an approved or exclusive supplier.

7.2.7 Website Hosting. Franchisor will host a website and, pursuant to the Manuals, provide a link within such website that includes up to four (4) pages dedicated to the Franchised Business. Franchisee will provide Franchisor the information necessary for the pages; provided that, the information from Franchisee and the content on the website is subject to Franchisor's approval.

7.3 Continuing Services. Currently, the continuing services provided by Franchisor or its designee after the Active Grand Opening Date include the following:

7.3.1 On Site Support. Within six (6) months after the Active Grand Opening Date, Franchisor, at Franchisor's expense, may furnish to Franchisee, at Franchisee's Office, one (1) Franchisor representative, for up to two (2) days, for the purpose of facilitating the early stages of the Franchised Business. If this Agreement is for an additional Franchised Business, Franchisor is not required to provide the On-Site Support described in this **Section**.

7.3.2 Negotiating Group Pricing. Franchisor may negotiate group rates for purchases of services, products, materials, and equipment as Franchisor deems necessary and appropriate.

7.3.3 Research and Development. Franchisor may, but is not required, to research and develop new services for the Franchised Business and System.

7.3.4 Additional Ongoing Assistance, Advice and Guidance. Franchisor may make a representative reasonably available to Franchisee, as Franchisor deems necessary, during Franchisor's normal business hours, to provide to Franchisee ongoing assistance, advice and guidance in connection with the operation of the Franchised Business. Such ongoing assistance, advice and guidance may include:

(a) advertising materials, promotion and strategies;

(b) pricing and cost of products, equipment and services. Notwithstanding the foregoing, Franchisee has no obligation to charge any minimum prices, but Franchisor reserves the right to establish maximum prices;

(c) services, products, materials and equipment to be offered or used by the Franchised Business; and

(d) administrative, bookkeeping, accounting, inventory control, supervisory and general operating procedures for the operation of the Franchised Business.

7.3.5 Designated Third-Party Supplier for HIPAA Compliance. Franchisor has the right to designate a third-party supplier to provide Franchisee with tools for implementing Franchisee's own HIPAA compliance program.

7.3.6 Software. Franchisor may provide software support and develop and license to Franchisee proprietary software. If Franchisor requires Franchisee to use any software developed by Franchisor, then, Franchisor has the right to charge a fee; but the fee will not exceed those charged for similar third-party software.

7.3.7 On-Site Visits to Franchised Business. Franchisor may visit the Franchised Business periodically to consult, assist and guide the Franchisee in the operation and management of the Franchised Business.

7.3.8 Specialized Nursing Services Training. If Franchisor approves Franchisee's request to provide Specialized Nursing Services in accordance with **Section 10.17**, Franchisor will provide to Franchisee, or a qualified person designated by Franchisee, the Specialized Nursing Services training in accordance with **Section 8.7**.

7.4 Manuals.

7.4.1 General Provisions. The Manuals contain: (a) mandatory and suggested specifications, standards, procedures, compliance guidelines for the System and rules prescribed from time to time by Franchisor for the operation of the Franchised Businesses, (b) information on Franchisee's obligations under this Agreement; and (c) Confidential Information. Franchisor may deliver the Manuals, information, policies, standards, procedures, Confidential Information and any updates thereto, in a written document, via CD, videos, electronically on its website, Intranet or through other electronic communication methods as it deems appropriate. The Manuals will also include any other materials, in any form provided by Franchisor to Franchisee under this Agreement, or provided by third parties to Franchisee, as may be required by Franchisor under this Agreement, including written, unwritten, oral, visual and electronic or by access to a website or Intranet. If of any dispute regarding the contents of the Manuals, the terms of the master copy of the Manuals maintained by Franchisor at Franchisor's corporate office will control.

7.4.2 Ownership of Manuals. The Manuals, together with the passwords, access codes and users' names to access the Manuals, are and will always remain the sole and exclusive property of Franchisor. Franchisee's access to the Manuals will be terminated upon the expiration or termination of this Agreement.

7.4.3 Confidentiality of Manuals. The Manuals contain Franchisor's proprietary and confidential information. Franchisee will promptly notify Franchisor by telephone and in writing if Franchisee discovers any unauthorized access to the Manuals and, will comply with Franchisor's directions with regard to any action Franchisor determines is necessary to remedy any unauthorized access and the consequences thereof.

7.4.4 Right at Home Personal Care Policy and Procedure Manual. During the Initial Term and any Interim Period, Franchisor will also provide Franchisee with access to the Right at Home Personal Care Policy and Procedure Manual prepared by an Approved Supplier, for Franchisee to use in the operation of its Franchised Business.

Franchisee will pay the Right at Home Personal Care Policy and Procedure Manual and Subscription Fee in accordance with **Section 6.2.6**.

7.4.5 HIPAA Manual. During the Initial Term and any Interim Period, Franchisor's Approved Supplier will provide Franchisee with the HIPAA Manual, for Franchisee to use to create and implement Franchisee's own HIPAA compliance program.

7.4.6 Changes to Manuals. Franchisor has the right to modify, change, add to, delete, improve, revise and alter the Manuals to conform to the changing needs of the System, as provided in **Section 9**. Franchisee may be notified of such modifications, changes, additions, deletions, improvements, revisions and alterations by any method. But, Franchisee is responsible for any such modifications, changes, additions, deletions, improvements, revisions and alterations as provided in **Section 9** regardless of whether Franchisee receives notice from Franchisor.

7.5 Performance of Services.

7.5.1 Notice to Franchisor. If Franchisee believes Franchisor failed to adequately provide initial services and continuing services to Franchisee as provided in this Agreement, including **Section 7.2** and **Section 7.3**, Franchisee shall notify Franchisor in writing within 30 days following the completion of such services provided. Absent the timely provision of such notice to Franchisor, Franchisee shall be deemed to conclusively acknowledge that all initial services and continuing services required to be provided by Franchisor were sufficient and satisfactory in Franchisee's judgment.

7.5.2 Level of Service. Franchisor is not obligated to perform services set forth in this Agreement to Franchisee's particular level of satisfaction, but as a function of Franchisor's experience, knowledge and business judgment. Franchisor does not represent or warrant that any other services will be provided to Franchisee, other than as set forth in this Agreement. To the extent any other services, or any specific level or quality of service is expected, Franchisee must obtain a commitment to provide such service or level of service in writing signed by an authorized officer of Franchisor, otherwise Franchisor shall not be obligated to provide any other services or specific level or quality of services.

8. TRAINING

8.1 RightStart Training Program.

8.1.1 Content. The RightStart Training Program consists of Onboarding Training, Residence Week Training and Office Open Training. The RightStart Training Program includes virtual instructor-led training, individual self-paced online instruction and, as feasible, instructor-led classroom training at Franchisor's headquarters and/or another location designated by Franchisor. The RightStart Training Program may cover administrative, operational, sales and marketing matters based on various milestones and may include subject matter expert (SME) calls. Franchisor reserves the right to change the topics covered by the RightStart Training Program and the SME calls.

8.1.2 Timing. The RightStart Training Program begins on the date designated by Franchisor.

8.1.3 Participants. In addition to the Franchisee's Operating Principal, Franchisee may have up to two (2) additional Executive Management Personnel attend the RightStart Training Program.

8.1.4 Additional Participants. In addition to the participants set out in **Section 8.1.3**, Franchisee may, upon Franchisor's approval and space availability, elect to have additional Executive Management Personnel attend the RightStart Training Program.

8.2 On-Site/Onboarding Training. If Franchisee is opening a new Franchised Business (rather than a Transfer from an existing franchisee), Franchisor will provide the On-Site/Onboarding Training to Franchisee's Operating Principal for up to two (2)-days, or such other duration designated by Franchisor. The On-Site/Onboarding Training will be conducted at a Franchised Business location selected by Franchisor after Franchisee successfully completes Residence Week Training, but prior to the Active Grand Opening Date.

8.3 Additional Opening Training. Upon completion of the RightStart Training Program, Franchisee's Operating Principal will be required to complete the Sales Training, at the time designated by Franchisor and pay the Training Program Fee as set out in **Section 6.2.5(a)**.

8.4 Conferences; Additional Training.

8.4.1 Home Improvement Annual Conference. Franchisor may, from time to time, require Franchisee and its Executive Management Personnel to attend the HIAC. Unless waived by Franchisor, attendance at the HIAC is mandatory for new franchisees and franchisees that do not meet the Minimum Royalty in **Section 6.2.2** or the Minimum Quarterly Net Billings in the amount set out in the Basic Terms. If Franchisor waives the attendance requirement for Franchisee's first year of operation, Franchisee is required to attend during the second year of operation.

8.4.2 Periodic Seminars, Conferences and Training Programs. Franchisor may, from time to time, require Franchisee and its Executive Management Personnel to attend and successfully complete additional refresher and updated and new training programs, seminars, conferences, regional conferences, and selling training programs. Attendance will not be required for more than two (2) live programs in any calendar year and such live programs will not collectively exceed five (5) business days in duration.

8.4.3 Locations. The additional refresher and updated training programs, seminars, conferences, regional conferences, selling training programs and the HIAC will be conducted at such times and locations as may be designated by Franchisor.

8.5 Training for Employees. Franchisee is solely responsible for training its employees. Franchisor does not require or recommend that employees attend the Home Improvement Annual Conference. It is solely Franchisee's decision to have its employees attend the Home Improvement Annual Conference.

8.6 Training for Replacement Operating Principal. If Franchisee replaces the Operating Principal, the new Operating Principal, must attend and satisfactorily complete all (or a portion as determined by Franchisor) the RightStart Training Program prior to becoming the Operating Principal or such other period agreed to by Franchisor.

8.7 Training for Specialized Nursing Services. If Franchisee voluntarily elects to offer Specialized Nursing Services in accordance with **Section 10.17**, Franchisee or a qualified person designated by Franchisee must successfully complete the Specialized Nursing Services Training, for up to five (5) days, before Franchisor approves Franchisee offering Specialized Nursing Services pursuant to **Section 10.17**. At any time afterwards, Franchisor may require Franchisee, or a qualified person designated by Franchisee, to attend additional training related to Specialized Nursing Services, which may include online training through Franchisor's learning management system, teleconferences, and webinars. Franchisor has the right to charge the Educational Program, Seminars and Convention Fee set out in **Section 6.2.5(b)**.

8.8 Cost and Expenses. Franchisee is responsible for all expenses incurred by Franchisee's participants to attend the RightStart Training Program (or any portion thereof), any other training, seminars, conferences, regional conferences, the HIAC, webinars and Specialized Nursing Services Training, including without limitation, travel costs, living expenses, room and board, and employees' salaries.

9. MODIFICATION OF THE SYSTEM.

9.1 Acknowledgments. Franchisee acknowledges that from time-to-time Franchisor may modify, change, add to, delete, improve, revise and alter the System, including Manuals, the Marks, Confidential Information, copyrighted materials, the computer systems, technology, equipment, techniques, Core Services, Ancillary Services, Specialized Nursing Services, and/or other services and products; provided that, no such modification, change, addition, deletion, improvement, revision or alteration will materially alter Franchisee's fundamental status and material rights under this Agreement, in Franchisor's Business Judgement.

9.2 Compliance with System Changes. Franchisee expressly agrees to promptly abide by such modifications, changes, additions, deletions, improvements, revisions and alterations as if they were part of the System and this Agreement as of the Effective Date. Franchisee will make such expenditures of money as are reasonably required to make such modifications, changes, additions, deletions, improvements, revisions and alterations to the System. Franchisor will permit Franchisee a reasonable period, based on the amount of expenditure, if any, to implement such modifications, changes, additions, deletions, improvements, revisions and alterations. Franchisee will not modify, change, add to, delete, improve, revise or alter the System in any way, except as directed by Franchisor.

10. OPERATING PRINCIPAL; FRANCHISEE DUTIES AND OBLIGATIONS.

10.1 Operating Principal.

10.1.1 Designation. Upon the Effective Date, and at all times during the Initial Term and any Interim Period, Franchisee must designate an individual to serve as the Operating Principal for the Franchised Business who meets the qualifications set out in **Section 10.1.2**. If Franchisee is an individual, Franchisee will be designated as the Operating Principal. If Franchisee is a corporation, limited liability company, partnership or trust, the person designated as the Operating Principal must be an individual that meets the requirements set out in **Section 10.1.2**.

10.1.2 Requirements. The Operating Principal for the Franchised Business must, during the entire Initial Term and any Interim Period, meet the following qualifications and conditions:

(a) Unless otherwise agreed to in writing by Franchisor, the Operating Principal must maintain a 25% direct or indirect ownership interest in Franchisee. Except as otherwise provided in this Agreement, the Operating Principal's ownership interest in Franchisee must remain free of any pledge, mortgage, hypothecation, lien, charge, encumbrance, voting agreement, proxy, security interest or purchase right or options;

(b) The Operating Principal must have the full authority to act on behalf of Franchisee in all matters related to the performance of this Agreement and the operation of the Franchised Business;

(c) The Operating Principal's primary business focus must be the operation of the Franchised Business and the Operating Principal must devote his or her best efforts to the supervision and conduct of the Franchised Business;

(d) The Operating Principal must meet Franchisor's standards and criteria for such individual, as set forth in the Manuals or otherwise in writing by Franchisor;

(e) The Operating Principal must complete the training requirements set forth in **Section 8** successfully; and

(f) The Operating Principal and his/her spouse must execute the Guaranty and Assumption of Obligations in the form attached as **Exhibit A** and the Confidentiality and Non-Compete Agreement in the form attached hereto as **Exhibit B**.

10.1.3 Operating Principal's Supervision of Franchised Business. During the Initial Term and any Interim Period, the Operating Principal must direct and continuously supervise the day-to-day operations of the Franchised Business and each Open Office unless Franchisor agrees otherwise in writing.

10.1.4 Reliance on Operating Principal's Authority. Franchisor has the right to rely on any and all directions, elections, information and other communication from Operating Principal as being made on behalf of Franchisee, even if Franchisor receives information from any other Owner or person who claims to have an ownership interest in Franchisee which may be contrary to or different from the information provided by Operating Principal. Franchisor has no duty or obligation to inquire into or resolve any conflicting information provided by Operating Principal and any other owner or person on behalf of Franchisee.

10.1.5 Replacement Operating Principal. If, during the Initial Term or any Interim Period, (1) the Operating Principal is not able to continue to serve as the Operating Principal; (2) the Operating Principal no longer meets the qualifications set out in **Section 10.1.2**; or, (3) Franchisee desires to replace the Operating Principal with another person who is qualified to act as such in accordance with this **Section**, Franchisee must notify Franchisor in writing within seven (7) days that the Operating Principal has ceased to serve or be so qualified. Within 30 days of the former Operating Principal ceasing to serve in that capacity, Franchisee must:

(a) Designate a new Operating Principal that meets the qualifications set out in **Section 10.1.2**

(b) Provide to Franchisor the name and qualifications of the newly appointed Operating Principal;

(c) Provide evidence satisfactory to Franchisor that the new Operating Principal meets the qualifications of **Section 10.1.2**; and

(d) Provide evidence to Franchisor that the Owners of more than fifty percent (50%) of the ownership interests in Franchisee designated such person to be the new Operating Principal.

10.1.6 Informing Franchisor. Franchisee will keep Franchisor informed at all times of the identity of any Executive Management Personnel.

10.2 Entity or Trust Formation.

10.2.1 Requirements for an Entity or Trust to be a Franchisee. If Franchisee is a corporation, limited liability company, partnership or trust:

(a) Franchisee must be created and duly organized, in good standing in its state of origin, have the power to own and operate the Franchised Business, be duly authorized to do business in the state of origin and validly exist solely for the exclusive purpose of owning and operating the Franchised Business. Franchisee's organizational documents must state the foregoing;

(b) Each stock certificate, membership certificate, and any other evidence of ownership of an equity or beneficial interest in Franchisee must have conspicuously endorsed upon it a statement that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed by this Agreement;

(c) The Franchisee's bylaws, operating agreement, partnership agreement or trust agreement, must be in writing conspicuously state that all ownership interests in Franchisee are held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed by this Agreement;

(d) All Owners and trustees must be listed on the Basic Terms together with Owner's ownership interest; and

(e) All Owners and their spouses must enter the Guaranty and Assumption of Obligations in the form attached hereto as **Exhibit A** and the Owners, trustees and their spouses must enter the Confidentiality and Non-Compete Agreement in the form attached hereto as **Exhibit B**.

10.2.2 Delivery of Organizational Documents. If Franchisee has not done so prior to the Effective Date, Franchisee must deliver copies of Franchisee's organizational documents and trust documents (if applicable) to Franchisor no later than 10 days after the Effective Date and from time to time upon Franchisor's request.

10.3 Training.

10.3.1 Training Programs Prior to the Active Grand Opening Date. Prior to the Active Grand Opening Date and commencing business operations Franchisee's Operating Principal will attend and successfully complete the:

(a) RightStart Training Program in accordance with **Section 8.1**; and

(b) On-Site/Onboarding Training (if applicable) in accordance with **Section 8.2**.

Notwithstanding the foregoing, Franchisor has the right to waive this **Section 10.3.1**, if the Franchisee operates more than one Franchised Business and the Operating Principal has already attended and successfully completed the Training described herein for Franchisee's other Franchised Business.

10.3.2 Additional Opening Training. Upon successfully completing the RightStart Training Program, Franchisee's Operating Principal will attend and successfully complete the Additional Opening Training in accordance with **Section 8.3**.

10.3.3 Training for Replacement Operating Principals. If Franchisee replaces an Operating Principal in accordance with **Section 10.1.5**, the newly added Operating Principal must attend and successfully complete the RightStart Training Program, the On-Site/Onboarding Training (if applicable) and the Additional Opening Training prior to such appointment or such other period agreed to by Franchisor.

10.4 Office.

10.4.1 Location. The Office must: (a) be separate from any personal residence, nursing facility, assisted living facility (or similar facility) or executive suites; (b) exist and be used solely and exclusively for the operation of the Franchised Business; and, (c) at all times be located within the Designated Area, unless otherwise approved by Franchisor, which Franchisor may grant or deny.

10.4.2 Selection of Office Location. The Office is subject to Franchisor's approval, which Franchisor has the right to grant or deny. Franchisee acknowledges that Franchisor's approval of the Office indicates only that Franchisor believes that the Office falls within the acceptable criteria established by Franchisor as of the approval date and nothing contained herein will be interpreted as a guarantee of success for said Office location or the Franchised Business.

10.4.3 Condition of Office. Franchisee will be solely responsible for purchasing or leasing suitable premises for the Office and is responsible for maintaining the Office in the condition and appearance consistent with Franchisor's standards.

10.4.4 Use of Office. Franchisee will not use the Office for any purpose other than the operation of the Franchised Business.

10.5 Start of Business; Active Grand Opening Date; Operating Requirements.

10.5.1 Requirements to Commence Operations. Prior to the Active Grand Opening Date, the Franchisee must complete the following to Franchisor's satisfactions:

(a) The Franchisee designates an Operating Principal in accordance with **Section 10.1**;

(b) The Operating Principal successfully completes the RightStart Training Program in accordance with **Section 10.3.1**

(c) The Franchisee leases or purchases the Office in accordance with **Section 10.4**;

(d) The Franchisee obtains the insurance required in accordance with **Section 15.1**;

(e) The Franchisee has the necessary licenses as required in **Section 10.9.1**; and

(f) The Franchisee complies with all of Franchisor's pre-opening standards and specifications.

10.5.2 Active Grand Opening Date. The Active Grand Opening Date is as follows:

(a) The Active Grand Opening Date for a new Franchised Business is the date that the requirements in **Section 10.5.1** and **Section 10.5.3** are met, which cannot be later than six (6) months after the Effective Date, unless otherwise agreed to in writing by Franchisor.

(b) The Active Grand Opening Date for a Franchised Business acquired as a Transfer is the original Active Grand Opening Date from the prior franchisee.

10.5.3 Open Office. Franchisee must meet the Open Office requirements set out in the Manual.

10.5.4 Material Default. Franchisee's failure, for any reason, to commence the operations of the Franchised Business in accordance with **Section 10.5.2** or to continue to operate the Franchised Business in accordance with **Section 10.5.3** is a material default of this Agreement and Franchisor may, in addition to all other remedies provided for under this Agreement, terminate this Agreement.

10.6 Technology.

10.6.1 Tracking Customer Leads; Satisfaction Surveys and Applicant Tracking System. To be able to verify Franchisee's compliance with this Agreement and the Manuals, and to establish uniform standards for maintaining and managing client information, scheduling, satisfaction survey programs, accounting records, administrative functions and activities to operate the Franchised Business, Franchisor has

the right to designate and require Franchisee to purchase, license and utilize the following:

(a) commercially available software or Approved Suppliers for tracking sales leads, customer satisfaction survey programs, caregiver satisfaction survey programs and marketing support, sales reports, job cost, estimating, appointment scheduling, service calls, administrative functions, accounting and other business functions and activities;

(b) an ATS that meets Franchisor's criteria for Franchisee's use in tracking employee candidates throughout the recruiting and hiring process; and

(c) proprietary software developed for or on behalf of Franchisor.

10.6.2 Compliance with Technology Requirements. Franchisee agrees to:

(a) only use software, ATS and Approved Suppliers as prescribed by Franchisor as further provided for in **Section 10.6.1**;

(b) license, at its cost (including any monthly or annual license fees, setup fees, usage fees etc.), the software and/or ATS from Franchisor or any Approved Supplier as determined by Franchisor;

(c) comply with all specifications and standards prescribed by Franchisor regarding any such software and ATS as provided from time to time in the Manuals, including the terms of any applicable master service agreements, SAAS agreements, or license agreements; and

(d) upgrade any software used and approved by Franchisor for bookkeeping and record keeping purposes at least once every two (2) years.

10.6.3 Technology Support. Franchisee will obtain software and ATS support and service from the software manufacturer, Approved Suppliers or the ATS provider and is responsible for all costs of such support. Franchisee will pay the support costs directly to the software manufacturer, Approved Supplier or ATS provider (unless designated otherwise by Franchisor).

10.6.4 Technology Dealers. Franchisee may license commercially available software from any authorized dealer that meets Franchisor's criteria, unless otherwise an Approved Supplier is designated in the Manuals or by Franchisor.

10.6.5 Internet Security. Franchisee acknowledges and understands that computer systems are vulnerable to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, date-related problems, and attacks by hackers and other unauthorized intruders. Franchisor does not guarantee that information or communication systems supplied by Franchisor, or its suppliers will not be vulnerable to these problems. As such, Franchisee acknowledges and agrees that Franchisee is responsible for:

(a) protecting itself from these Internet security problems;

(b) taking reasonable steps to verify that Franchisee's suppliers, lenders, landlords, clients and governmental agencies on which Franchisee relies, are reasonably protected. This may include taking reasonable steps (including those required by Franchisor) to secure Franchisee's systems, including, but not limited to, firewalls, access code protection, anti-virus systems, and use of backup systems.

10.7 Approved Suppliers and Supplies Lists.

10.7.1 Required Supplies List. Unless otherwise provided for by Franchisor in this Agreement and the Manuals, Franchisee must purchase, sell and use only those suppliers, equipment, and supplies that are set forth on the Required Suppliers List or Required Supplies List. Franchisee acknowledges that Franchisor or a Franchisor Affiliate may be a Required Supplier.

10.7.2 Approval of Franchisee Suppliers and Supplies. Franchisee must obtain Franchisor's prior written approval before using or selling any service, product, material, equipment or supply not on the Required Supplies List and before purchasing any service, product, material or equipment from a supplier not on the Required Supplier List.

(a) Franchisee must submit to Franchisor all information, specifications and samples that Franchisor may request regarding a supplier, product, material, equipment or supply proposed by Franchisee.

(b) Franchisor may require that its representatives be permitted to inspect the proposed supplier's facilities and that samples from any proposed supplier or any new service, product, material, equipment or supply be delivered to Franchisor for evaluation and testing.

(c) Franchisor has the absolute right to determine whether such supplier and such service, product, material, equipment or supply meet the System standards and Franchisor's specifications.

(d) Franchisor will typically provide a response to Franchisee's written request within 30 days from the date Franchisor receives Franchisee's written request and the necessary items Franchisor requires for review.

10.7.3 Revocation of Approval. Franchisor will be entitled to revoke its approval of any supplier, service, product, material, equipment or supply if any (a) such supplier, service, product, material, equipment or supply fails to continue to meet Franchisor's standards and specifications; or (b) the supplier breaches any agreement it may have with Franchisor or a Franchisor Affiliate.

10.7.4 Rebates. Franchisee acknowledge and understand that Franchisor or a Franchisor Affiliate may receive rebates, discounts, commissions, allowances, advantages, concessions and other benefits from Required Suppliers or other suppliers in relation to Required Supplies or other supplies, products, services, materials, or equipment purchased by Franchisee. Franchisor is under no obligation to account for or share such rebates, discounts, commissions, allowances, advantages, concessions or other benefits with Franchisee.

10.8 Compliance.

10.8.1 Compliance with System Standards, Manuals and Promulgated Rules. Franchisee agrees and acknowledges that (1) establishing and maintaining a common identity creates substantial value to Franchisor, Franchisee and other franchisees in the System; (2) that the System Standards, Manuals and Promulgated Rules promote the uniform and high quality standards for the Franchised Business, Core Services, Ancillary Services and Specialized Nursing Services (if any); (3) full compliance with the System Standards, Manuals and Promulgated Rules is essential to promoting, preserving, maintaining and enhancing the reputation and goodwill of the System and the Marks; (4) Franchisee's failure to operate the Franchised Business in accordance with the System Standards, Manuals and Promulgated Rules can cause damage to Franchisor, Franchisee and other franchisees within the System; and (5) the way Core Services, Ancillary Services and Specialized Nursing Services (if any) are offered and provided by the Franchised Business are essential to the System, Franchisor, Franchisee and other franchisees in the System. Therefore,

(a) Franchisee will always strictly operate the Franchised Business in accordance with the System Standards and will comply with all requirements set forth in this Agreement and all mandatory specifications and requirements set forth in the Manuals, System Standards and the Promulgated Rules; and

(b) Subject to **Section 9.1**, the requirements in the Manuals, System Standards and the Promulgated Rules will constitute provisions of this Agreement as if fully set forth herein.

10.8.2 Compliance with HIPAA Requirements.

(a) Franchisee will comply with all portions of HIPAA that apply to the Franchised Business, including complying with those portions of HIPAA relating to client lists and client data irrespective of Franchisor's ownership of such information.

(b) Franchisee is solely responsible for implementing Franchisee's own HIPAA compliance program and training its employees on all such policies and procedures, including HIPAA's privacy and security regulations.

(c) If Franchisee engages a third party to perform functions that require access to patients' personal information, Franchisee and such third party are required to execute a Business Associate Agreement in a form similar to the form attached as **Exhibit C**.

(d) Franchisee is prohibited from transferring client information, except as required or permitted by HIPAA.

10.8.3 Compliance with Privacy Laws. Franchisee agrees, at its sole cost and expense, to at all times:

(a) comply with the data protection, collection, maintenance and use requirements for Customer Data set out in the Manual and this Franchise

Agreement, including all policies, procedures and controls that Franchisor implements now or in the future;

(b) comply with all applicable Privacy Laws;

(c) assist and otherwise cooperate with Franchisor to ensure Franchisor and Franchisee's compliance with applicable Privacy Laws;

(d) promptly notify Franchisor in writing when Franchisee becomes aware or discovers any Security Incident and comply with the procedures in the Manual;

(e) promptly provide Franchisor with the ability to delete, access or copy Customer Data in Franchisee's possession or control upon request;

(f) promptly notify Franchisor of any request regarding Customer Data received by Franchisee from a "consumer" as defined by applicable Privacy Laws;

(g) adopt policies, procedures, and controls set out in the Manual;

(h) never sell, disclose, release, transfer, make available, divulge or use the Customer Data, or derivatives thereof for Franchisee's benefit or for the benefit of a third party, nor for any commercial purpose, other than to operate the Franchised Business;

(i) not disclose, release, divulge, or otherwise make Customer Data available to third parties except to the extent such access is strictly necessary to achieve a business purpose for the benefit of the Franchised Business only if such third-party recipient is contractually bound to comply with data protection provisions no less restrictive than those set out in this Agreement and the Manual, including an agreement to comply with applicable Privacy Laws; and

(j) at Franchisor's instruction, de-identify, delete or destroy Customer Data and provide Franchisor with written confirmation that such actions are completed within 10 days of Franchisor's instruction.

10.9 Franchisee's Franchised Business Operations.

10.9.1 Required Licenses, Permits and Certificates. Franchisee, at its expense, will secure and maintain in force all required licenses, permits and certificates relating to the operation of the Franchised Business, including all mandatory drug test requirements, medical examinations and the like.

10.9.2 Compliance with Laws. Franchisee, at its expense, will operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations including, without limitation, all government regulations relating to housing and the care of individuals, occupational hazards, Medicare and Medicaid, beneficial ownership information reporting requirements, and health, trade regulation, workers' compensation, employment regulations, immigration, pay and billing practices, fraud and abuse, privacy rights, nondiscrimination, unemployment insurance, and

withholding and payment of federal and state income taxes, social security taxes and sales, use and property taxes. Franchisee is solely responsible for independently assessing, including confirming with independent legal counsel, whether the resources, templates and the like provided or made available by Franchisor comply with state and local laws, ordinances and regulations applicable to Franchisee's Franchised Business.

10.9.3 Services Offered by Franchisee. Franchisee will offer for sale and provide at the Franchised Business the Core Services, Ancillary Services and all types of services that Franchisor from time to time authorizes. Franchisor will not offer for sale or provide at the Franchised Business or the Office which it occupies, any other category of services, products, materials or equipment.

10.9.4 Participation in National Regional Accounts and Alliances. Franchisor reserves the right to designate certain National Or Regional Accounts And Alliances. Franchisee's obligation to participate and Franchisor's policies and procedures for National/Regional Accounts and Alliances will be included on the Manuals. Franchisor has created a proprietary process to support delegated credentialing, that allows Franchisees to opt in or opt out of a variety of National and Regional Accounts and Alliances.

10.9.5 Duty to Promote and Increase Sales. Franchisee will at all times continuously use its best efforts to promote and increase the sales of the Franchised Business and to affect the widest and best possible distribution, sales and placement, soliciting all Potential Clients and accounts for services and related products, materials and equipment within the Designated Area.

10.9.6 Full Time and Best Efforts. During the Initial Term and any Interim Period, except as otherwise approved in writing by Franchisor, the Operating Principal will devote his or her full-time energy and best efforts to the management and operation of the Franchised Business.

10.9.7 Obligation to Act in Good Faith. Franchisee covenants and agrees to cooperate in good faith with Franchisor as to all aspects relating to the performance of Franchisee's obligations under this Agreement, and Franchisee will use good faith efforts to promote and develop the Franchised Business and the System. Franchisee will, at all times, faithfully, honestly and diligently perform its obligations and will not engage in any business or other activities that will conflict with its obligations.

10.9.8 Accreditation. Franchisor may require Franchisee to obtain Accreditation through a third-party designated by Franchisor, including but not limited to the Joint Commission Accreditation at its sole cost and expense. If required, Franchisee will obtain the Accreditation within the time frames set out by Franchisor and will satisfactorily maintain such Accreditation in good standing during the Initial Term and any Interim Period (unless no longer required by Franchisor).

10.10 Quarreling Franchisee Owners. If Franchisee is owned by more than one Owner, Franchisor has the right to determine if any Franchisee Quarrel among any Quarreling Owners has resulted in, or may result in, a negative and adverse effect upon Franchisor or its System. If Franchisor makes such a determination, Franchisor may provide the Quarreling Owners with a Notice to Arbitrate. The arbitration proceeding among the Quarreling Owners will be

conducted pursuant to and in accordance with the then-current Commercial Arbitration Rules of the AAA by one (1) arbitrator selected by mutual agreement of the Quarreling Owners within 15 days after the Notice to Arbitrate is given, or, if the single arbitrator is not mutually agreed upon, then, within 15 days after such failure to agree, in accordance with the rules of the AAA. Each Owner agrees that the determination of the arbitrator as to Franchisee Quarrel and the allocation of the costs of the proceeding will be final and binding upon such Owners, who will comply in all material respects with such determination. Each Owner further agrees that the prevailing Quarreling Owner will have the right to bring an action in any court of competent jurisdiction within the State wherein Franchisee is authorized to do business to enforce the arbitrator's award, and for that purpose each Owner accepts generally and unconditionally the non-exclusive jurisdiction and venue of such courts and waives any defense related thereto including any defense of an inconvenient forum.

10.11 Conferences.

10.11.1 Attendance at HIAC. Franchisee and its Executive Management Personnel will attend the HIAC in accordance with **Section 8.4.1.**

10.11.2 Attendance at Periodic Seminars, Conferences and Training Programs. Franchisee and its Executive Management Personnel will attend and successfully complete any mandatory additional refresher and updated training programs, seminars, conferences, regional conferences, and selling training programs in accordance with **Section 8.4.2.**

10.12 Franchisee's Employees.

10.12.1 Background Checks on Employees. Franchisee will conduct criminal background checks on all prospective employees and current employees of the Franchised Business in accordance with the Manual.

10.12.2 Sole Responsibility of Franchisee. Franchisee is solely responsible for and assumes all liability for all employment-related decisions involving Franchisee's employees for the Franchised Business. Franchisee acknowledges that:

~~18.1.1.1~~(a) Franchisee has the sole right to define the job duties and working conditions and control the way Franchisee's employees perform their job duties;

~~18.1.1.2~~(b) Franchisor is not the employer or joint employer of Franchisee's employees;

(c) Franchisor will not exercise direct or indirect control of Franchisee's employees' working conditions;

(d) Franchisor does not share or co-determine the terms and conditions of employment of Franchisee's employees or participate in matters relating to the employment relationship between Franchisee and its employees. Franchisee is solely responsible for all employment matter, including hiring, promotion, demotion, termination, hours or schedule worked, rate of pay, benefits, work assigned, discipline, response to grievances and complaints, non-discrimination policies, workplace respect, and working conditions. Franchisee

has the sole responsibility and authority for the terms and conditions of employment; and

(e) Franchisee must conspicuously and in writing notify its employees that only Franchisee is their employer, and that Franchisor is not their employer.

10.12.3 Franchisee's Control Over Employment Practices. From time-to-time Franchisor may make certain recommendations regarding employment policies and procedures of a general nature, not related to specific employees. Franchisee will have the exclusive right to determine if it will adopt such policies and procedures and the specific terms of such policies and procedures. Franchisee is also solely responsible for training its employees in all such policies and procedures.

10.12.4 Services Only Provided by Employees. Franchisee acknowledges that the Core Services, Ancillary Services and Specialized Nursing Services (if any) provided to clients will be provided by Franchisee and its employees and not independent contractors.

10.12.5 Employee Training. Franchisee acknowledges that it will be solely responsible for training Franchisee's employees in the operation of the Franchised Business. All of Franchisee's employees must participate in applicable training.

10.13 Communications with Franchisor.

10.13.1 Notice of Legal Actions Against Franchisee. Franchisee will notify Franchisor in writing within five (5) days after Franchisee's receipt of any written threat or the actual commencement of any action, suit or proceeding, or of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality which may adversely affect the operation or financial condition of the Franchised Business

10.13.2 Cooperation. Franchisee agrees to cooperate with and communicate directly with Franchisor.

10.14 Minimum Quarterly Net Billings.

10.14.1 Obligations to Meet Minimum Quarterly Net Billings. To maintain the exclusivity of Franchisee's Designated Area, beginning on the Active Grand Opening Date and continuing throughout the Initial Term and any Interim Period, Franchisee must meet the Minimum Quarterly Net Billings set out in the Basic Terms.

10.14.2 Failure to Meet the Minimum Quarterly Net Billings.

(a) If Franchisee does not meet the Minimum Quarterly Net Billings for (1) four (4) consecutive Quarters; or (2) more than four (4) Quarters in any consecutive 24-month period, then Franchisor has the right, in addition to other remedies in the Franchise Agreement and by law to:

(i) change the size of the Designated Area;

(ii) establish other Franchised Businesses within the Designated Area;

(iii) permit other franchisees to provide services to clients located within the Designated Area; and/or

(iv) terminate the Franchise Agreement.

(b) If Franchisee fails to meet the Minimum Quarterly Net Billings in any Quarter, Franchisor has the right to require Franchisee to participate in a Performance Improvement Plan.

(i) Franchisee will submit the Performance Improvement Plan in the form and substance acceptable to Franchisor within 30 calendar days of Franchisor's request. Franchisor will approve or disapprove Franchisee's Performance Improvement Plan within 14 calendar days of Franchisor's receipt. If Franchisor, in its sole judgment, believes that the Performance Improvement Plan is reasonably achievable within the time period set out in the Performance Improvement Plan (but in no event longer than six (6) months), Franchisor will grant Franchisee additional time to meet the Minimum Quarterly Net Billing requirements in accordance with the Performance Improvement Plan.

(ii) If Franchisee fails or refuses to provide the Performance Improvement Plan within the time prescribed, Franchisor does not approve the Performance Improvement Plan, Franchisee fails to execute the Performance Improvement Plan, or Franchisee fails to meet the Minimum Quarterly Net Billing requirements as applicable within the time set out in the Performance Improvement Plan, Franchisor may exercise the remedies described in **Section 10.14.2(a)** above. Details as to the form and content required for the Performance Improvement Plan and the process described above may be more specifically explained and modified in the Manuals.

10.15 Participation in Satisfaction Survey Programs. In order to protect the Marks and the System, Franchisor may require that Franchisee participate in certain client satisfaction survey programs and caregiver satisfaction survey programs. Franchisor may also set certain performance criteria and metrics regarding such client satisfaction survey programs and caregiver satisfaction survey programs and Franchisee's participation in such client satisfaction survey programs and caregiver satisfaction survey programs. Franchisee acknowledges that Franchisee is solely responsible for reviewing and responding to any issues or alerts provided through any caregiver satisfaction survey programs. Franchisee may be required to pay a Survey Program Fee in accordance with **Section 6.2.8**. Franchisor may require Franchisee to participate in additional satisfaction or survey programs at any time. Franchisee will be required to pay any fees to participate in such programs.

10.16 Confidentiality Agreements. Franchisee agrees that during the Initial Term and the Interim Period, if any, Franchisee, Executive Management Personnel, trustees and their spouses will execute the Confidentiality and Non-Compete Agreement in the form attached hereto as **Exhibit B** in accordance with **Section 10.1.2(f)** and **Section 10.2.1(e)**. Franchisee further agrees

to require all personnel attending RightStart Training, HIAC, any additional training from Franchisor, conferences and seminars to execute confidentiality agreements that incorporates Franchisee's obligations in **Section 14** in a form satisfactory to Franchisor. Franchisee will deliver such executed confidentiality agreements within seven (7) days of Franchisor's request.

10.17 Specialized Nursing Services. Franchisee must obtain Franchisor's prior written approval (which Franchisor may approve or deny) prior to offering Specialized Nursing Services in its Franchised Business.

10.17.1 Conditions. As a condition to Franchisor approving Franchisee's request to provide Specialized Nursing Services, Franchisee must demonstrate, to Franchisor's satisfaction, that it has met the following conditions:

(a) Except as provided in **Section 10.17.4**, the Franchised Business must be in operation for at least 12 months;

(b) Franchisee has completed the RightStart Training Program;

(c) The Franchised Business must not have any uncured defaults under the Franchise Agreement;

(d) Franchisee must comply with all state, federal and local laws and regulation, including employment laws, wage laws and obtaining all applicable licenses and permits, including as required under the applicable Nurse Practice Act;

(e) Franchisee or a qualified person designated by Franchisee must have successfully completed Franchisor's Specialized Nursing Services Training set out in **Section 8.7** and must have satisfactorily completed a third-party accreditation program acceptable to Franchisor;

(f) Franchisee must follow the guidelines outlined in the third-party policy and procedure manual designated by Franchisor from time to time, which Franchisee will be required to purchase from an Approved Supplier;

(g) Franchisee must satisfy any other requirements established by Franchisor that Franchisor believes is necessary for a Franchised Business to offer Specialized Nursing Services, including all insurance requirements;

(h) Franchisee must execute the Specialized Nursing Services Amendment in the form attached hereto as **Exhibit I**; and

(i) Franchisee must engage a licensed registered nurse in good standing to deliver the Specialized Nursing Services.

10.17.2 Referrals. If Franchisor authorizes Franchisee to offer Specialized Nursing Services Franchisee must determine the referrals for such Specialized Nursing Services Franchisee will accept based on the skill level of its personnel and applicable law.

10.17.3 Revocation of Approval to Offer Specialized Nursing Services. Franchisor has the right to revoke its approval for Franchisee to offer Specialized Nursing Services if Franchisee fails or refuses to continue to meet any of the conditions in this **Section**.

10.17.4 Transfer; Conversion Franchised Business.

(a) If Franchisee purchases a Franchised Business that is already approved to offer Specialized Nursing Services and is already providing Specialized Nursing Services, Franchisee may continue offering Specialized Nursing Services so long as Franchisee and the Franchised Business meet all of the conditions in **Section 10.17.1**, excluding the condition set forth in **Section 10.17.1(a)**.

(b) If Franchisee is a Conversion Franchised Business that is already providing Specialized Nursing Services, Franchisee may continue offering Specialized Nursing Services so long as Franchisee and the Conversion Franchised Business meets all of the conditions in **Section 10.17.1**, excluding the condition set forth in **Section 10.17.1(a)**.

(c) If Franchisee purchases a Franchised Business that is not already approved to offer Specialized Nursing Services or Franchisee has a Conversion Franchised Business that does not offer Specialized Nursing Services, Franchisee and the Franchised Business must meet all of the conditions in **Section 10.17.1**.

10.18 Enforcement. Franchisor may require Franchisee's compliance with this **Section 10**, even if it does not require such compliance from all franchisees.

11. LOCAL MARKETING; PROMOTIONAL MATERIALS; BRAND MARKETING AND PROMOTION FUND

11.1 Local Marketing Requirements. Subject to **Section 11.2**, each month during the Initial Term and any Interim Period, Franchisee will directly spend at least two percent (2%) of its Net Billings on local marketing, sales and promotion, and other Promotional Materials in its Designated Area.

11.2 Reduction of Local Marketing Requirement. If the amount of the Brand Marketing and Promotion Fee paid by Franchisee is (2%) of total monthly Net Billings, then Franchisee's local marketing, sales and promotion expenditures pursuant to **Section 11.1** of the Franchise Agreement will be reduced so that Franchisee's required total combined expenditures on local marketing, sales and promotion, other Promotional Materials pursuant to **Section 11.1** and the Brand Marketing and Promotion Fee payments will not exceed three percent (3%) of Franchisee's Net Billings. Franchisor may remove this three percent (3%) cap upon 30 days prior notice.

11.3 Local Marketing Guidelines. Franchisor may provide guidelines for conducting local marketing and promotional programs. Any proposed deviations from such guidelines will be approved by Franchisor in writing prior to use. Franchisee does not have the right to use other channels of distribution, such as the Internet (including social media), telemarketing or other direct marketing to make sales outside of Franchisee's Designated Area, unless otherwise permitted in writing by Franchisor. If requested by Franchisor, within 30 days after the end of

each calendar month, Franchisee will furnish to Franchisor, in a manner approved by Franchisor, an accurate accounting of Franchisee's expenditures on local marketing, sales and promotion for the preceding calendar month.

11.4 Franchisor's Approval of Promotional Materials. Franchisee will submit to Franchisor or its designated agency, for its prior written approval, all Promotional Materials. Franchisor or its designated agent will provide written approval or disapproval of said Promotional Material to Franchisee within 10 business days after the date such materials are received by Franchisor or its designated agent. If Franchisor or its designated agent fails to respond in 10 business days, then such Promotional Materials will be deemed to be approved by Franchisor. Franchisor may withdraw approval of any Promotional Materials for any reason by sending written notice to Franchisee.

11.5 Marketing, Promotion, Advertising and Use of Promotional Materials. Franchisee will use its best efforts to confine all advertising and promotion (including using online or traditional media), use of Promotional Materials, solicitation, and similar efforts to the Designated Area, except as may be authorized by written communication from Franchisor in accordance with **Section 11.6**. Notwithstanding this **Section**, Franchisee understands that certain activities and programs undertaken by the Brand Marketing and Promotion Fund set out in **Section 11.7.2** and approved by the Strategic Leadership Council may not lend themselves to be confined to franchisees' designated areas or other geographic areas. Therefore, Franchisee will not be deemed to be in default if Franchisee participates in such activities and programs in accordance with their approved terms and conditions.

11.6 Advertising and Promotions Outside Designated Area. If Franchisor provides its prior written approval, Franchisee may advertise and promote, use Promotional Materials, and solicit and engage in similar efforts outside of its Designated Area. If Franchisor has granted Franchisee approval to advertise and promote, use Promotional Materials, solicit and engage in similar efforts outside of Franchisee's Designated Area, Franchisor may withdraw its approval at any time and for any reason without further obligation to Franchisee.

11.7 Brand Marketing and Promotion Fund. Franchisor has established a Brand Marketing and Promotion Fund to promote market growth and increase brand awareness and preference of the System.

11.7.1 Purpose. The Brand Marketing and Promotion Fund will be used by Franchisor to develop and implement programs to promote market growth and increase awareness and preference of the Right at Home brand and System.

11.7.2 Use of the Brand Marketing and Promotion Fund. Franchisor, with input and advice from the Strategic Leadership Council, has the right to direct expenditures from the Brand Marketing and Promotion Fund for the purposes described below:

(a) The development of programs and materials to build brand awareness and preference with referral sources, consumers, insurance companies or related businesses, caregivers, health care providers, facilities, social service organizations, and others at the local, regional, and/or national level;

(b) Local, regional, or national advertising, promotions, marketing, public relations, and/or direct sales including print, social media, Internet or web

based, direct mail, radio or television; development and maintenance of any Internet and/or e-commerce programs; Internet promotions and on-line marketing activities, and related expenses;

(c) The creation, production and placement of commercial advertising; agency costs and commissions; creation and production of video, audio and written advertisements; market research and research agency fees; administering local, regional, or national advertising programs, direct mail, promotions, public relations, Internet/e-commerce, social media, and other media advertising;

(d) The attendance or participation in local, regional, or national tradeshow, conferences, exhibitions where promoting the brand would be appropriate; affiliate with national/community organizations to leverage the brand;

(e) Developing and administering sales, marketing, and/or public relations training or support programs for franchisees utilizing employees or third parties to develop, administer, or conduct the training or support programs and such other programs designed to promote or enhance the brand, with the advice of the Strategic Leadership Council; and

(f) Reimbursing Franchisor for administrative expenses incurred in administering the Brand Marketing and Promotion Fund and the Strategic Leadership Council.

11.7.3 Administration of the Brand Marketing and Promotion Fund. The Brand Marketing and Promotion Fund will be held in a separate account and will not be commingled with Franchisor's funds or considered to be income of Franchisor. Any business operated by Franchisor or Franchisor's Affiliates under the same Marks as the Franchised Business will contribute to the Brand Marketing and Promotion Fund on the same basis as franchisees. The Brand Marketing and Promotion Fund will not be used for advertising or marketing activities whose principal purpose is to solicit new franchisees. Expenditures from the Brand Marketing and Promotion Fund may not be proportionate to contributions made by Franchisee or provide a direct or any benefit to Franchisee. Subject to these foregoing limitations, Franchisor may accumulate these funds, and the balance may be carried over to subsequent years and used for the purposes stated in the Franchise Agreement. Franchisor reserves the right to change the name of the Brand Marketing and Promotion Fund from time to time.

11.7.4 Financial Statement for Brand Marketing and Promotion Fund. An unaudited annual financial statement and report of the Brand Marketing and Promotion Fund will be prepared and delivered to the Strategic Leadership Council members and all franchisees participating in the Brand Marketing and Promotion Fund within 120 days after the end of Franchisor's fiscal year. The report will show the total Brand Marketing and Promotion Fees collected and expenditures from the Brand Marketing and Promotion Fund during the previous fiscal year.

11.7.5 Overhead; Loans. Franchisor may engage a third-party agency or agencies to assist Franchisor with these initiatives in addition to Franchisor's own in-house

efforts. If the Brand Marketing and Promotion Fund needs additional funds at any time to pay for expenditures, with input and advice from the Strategic Leadership Council, Franchisor may loan such funds to the Brand Marketing and Promotion Fund at an interest rate not to exceed five percent (5%) per annum and with repayment terms that will not unreasonably burden the Brand Marketing and Promotion Fund or prevent it from performing its obligations.

11.7.6 Liability. Franchisor assumes no direct or indirect liability or obligation to Franchisee for collecting amounts due to the Brand Marketing and Promotion Fund. Franchisor will not be liable for any act or omission with respect to the Brand Marketing and Promotion Fund, including but not limited to, maintaining, directing or administering the Brand Marketing and Promotion Fund. No action taken by Franchisor will diminish Franchisee's obligation to pay the Brand Marketing and Promotion Fee. Franchisee and Franchisor agree that their rights and obligations with respect to the Brand Marketing and Promotion Fund and all related matters are governed solely by this Agreement and neither this Agreement or the Brand Marketing and Promotion Fund creates a trust, fiduciary relationship, or similar arrangement.

11.7.7 Termination of Brand Marketing and Promotion Fund. If Franchisor terminates the Brand Marketing and Promotion Fund, any unused Brand Marketing and Promotion Fees in the Brand Marketing and Promotion Fund will be paid back to all franchisees in the System in proportion to their contributions to the Brand Marketing and Promotion Fund during the preceding 12 months.

11.8 Website and Internet Use.

11.8.1 Domain Names. Franchisee may not establish a website or any other web presence or Internet presence for the Franchised Business or for marketing the Franchised Business without Franchisor's prior written approval. Any domain name used by Franchisee cannot contain the Marks or any variation thereof without Franchisor's prior written consent. Franchisee acknowledges that Franchisor is the owner of all rights, title and interest in and to any domain name that contains the Marks or any variation thereof, irrespective of Franchisor's consent. Franchisor retains the sole right to use the Marks or a domain name that contains the Marks or any variation thereof to create a website or to develop, design and execute any content, promotion, social networking, or advertising on the Internet (including social media).

~~18.1.2~~ 11.8.2 Linking. Franchisee may not use linking and framing between Franchisee's pages or website and any other websites or web or Internet presence without the prior approval of Franchisor, which Franchisor has the right to withhold for any reason. If requested by Franchisor, Franchisee will, within five (5) days, dismantle any frames and links between Franchisee's website and any other websites.

11.9 Social Media. Franchisee and its Executive Management Personnel, employees and agents will comply with all of Franchisor's policies, standards and procedures for use of any Social Media that in any way references the Marks or involves the Franchised Business. Franchisee and its Operating Principal, Owners, Executive Management Personnel, employees and agents will not have the right to use any of the Marks or other intellectual property of Franchisor on any personal Social Media accounts. Franchisor may set up Social Media accounts for Franchisee's Franchised Business and grant Franchisee and its Operating Principal

access to such Social Media accounts for use in Franchisee's Franchised Business. Social Media accounts for the Franchised Business and the content therein will remain the property of Franchisor.

12. ACCOUNTING; RECORDS; INSPECTIONS AND AUDITS

12.1 Requirements

12.1.1 Books and Record Requirements. Franchisee will regularly prepare, maintain and preserve during the Initial Term, the Interim Term, if any, and for the time period specified in the Manuals, full, complete and accurate Records in accordance with the standard accounting system and procedures prescribed by Franchisor in the Manuals or otherwise.

12.1.2 Electronic Database. Franchisee will maintain an electronic database of the names and addresses and contact notes of all current and past clients, clients' families, and responsible parties, current and past prospects, referral sources and vendors of the Franchised Business. To preserve the proprietary and unique aspects of the System, Franchisee will maintain the confidentiality of said information and will not disclose, provide, transfer, assign, sell or otherwise disclose such database or contents thereof to any person or entity other than Franchisor, or as required by applicable law.

12.1.3 Independent Access. Franchisor will have independent electronic access to all of Franchisee's Records, information and data relating to the Franchised Business, some of which may be provided to Franchisor in an aggregated format. Franchisee's software and databases will be configured to provide Franchisor with such access to provide for Franchisor to upload the data, Records, the electronic database set out in **Section 12.1.2**, and other information that Franchisee is required to provide to Franchisor pursuant to this Agreement and the Manuals. Franchisee will make available to Franchisor all original Records that Franchisor may deem necessary to ascertain Franchisee's Net Billings for inspection at reasonable times. There are no contractual limitations on Franchisor's access to Franchisee's Records, information and data, however, Franchisor has no obligation to review or otherwise respond to survey results, including but not limited to, caregiver satisfaction survey results, customer satisfaction survey results or information in any ATS.

12.2 Reports.

12.2.1 Weekly Reports. On a weekly basis on a date designated by Franchisor in the Manual, Franchisee will submit to Franchisor, the Weekly Reports for the preceding week.

12.2.2 Monthly Reports. On or before the 15th day of each calendar month in a form and in the manner approved by Franchisor, Franchisee will supply to Franchisor a balance sheet as of the end of the last preceding calendar month, a profit and loss statement for such month and Franchisee's fiscal year-to-date, and a statement of the aging of accounts receivable of the Franchised Business.

12.2.3 Fiscal Year End Reports. Franchisee will, at its expense, submit to Franchisor within 120 days after the end of each fiscal year, an income statement for such fiscal year and a balance sheet as of the last day of such fiscal year, prepared in accordance

with generally accepted accounting principles. Such financial statements will be certified to be true and correct by Franchisee.

12.2.4 Other Reports. Franchisee will submit to Franchisor such other periodic reports, forms and records, including income tax returns of Franchisee and, if applicable, its Owners, in the manner and at the time specified in the Manuals, or as Franchisor will otherwise require in writing from time to time.

12.2.5 Late Fee. Each time Franchisee fails to submit a report, form or record Franchisee to Franchisor when due, Franchisee will incur a Late Fee in the amount set out in **Section 6.2.12**. The late fee will recur every seven (7) calendar days during the period that such report, form or record is not submitted.

12.3 Inspections and Audits.

12.3.1 Right to Inspect Books and Records. To be able to verify Franchisee's compliance with this Agreement and the Manuals, Franchisor or its designated agents will have the right at all reasonable times to examine, inspect and copy, at its expense, Franchisee's Records. If an inspection reveals that any payments or Fees due to Franchisor or a Franchisor Affiliate have been understated in any report to Franchisor, then Franchisee will immediately pay to Franchisor the amount understated upon demand, in addition to late fees and interest set out in **Section 6.2.12** from the date such amount was due until paid. If an inspection discloses an understatement in any report equal to two percent (2%) or more or shows that the Franchisee operated the Franchised Business in violation of this Agreement, Franchisee will also reimburse Franchisor for any and all costs and expenses connected with the inspection (including, without limitation, reasonable accounting and attorney fees). The remedies described in this **Section 12.3.1** are not exclusive and will be in addition to any other remedies Franchisor may have in this Agreement or as provided by law.

12.3.2 Right to Audit. Franchisor and its agents have the right, at any time, to audit Franchisee's books, Records and accounts at Franchisor's expense.

12.3.3 Right to Inspect Office and Services. Franchisor and its agents have the right to enter the Office at all reasonable times for inspection and the right to observe how Franchisee (a) renders the Core Services, Ancillary Services, Specialized Nursing Services (if any) and any other services of the Franchised Business; (b) operates the Franchised Business; and, (c) manages employees and clients. Franchisor may also require the Franchisee, at its expense, to provide samples of products, materials, inventory, equipment, advertising, Promotional Materials, other items, and supplies for inspection and evaluation purposes to ensure quality control.

12.4 Use of Information. Franchisor reserves the right to use, advertise, publish (including inclusion in its Franchise Disclosure Document) and disclose information regarding the performance of Franchisee, including but not limited to, revenues, expenses and profits of Franchisee to other franchisees in the System, prospective franchisees and in the media to advertise or promote the System. Notwithstanding the foregoing, without the prior written

permission of Franchisee, Franchisor will not specifically identify any of such financial information as it relates specifically to Franchisee in its Franchise Disclosure Document.

12.5 Status of Franchisee's License. . In addition to the foregoing, Franchisee acknowledges that if Franchisor becomes aware, by any means, of any situation where any license required for the Franchised Business is or may be suspended, terminated or affected in any manner that could result in the closing of the Franchised Business for any period time, Franchisor may, but is not obligated to, notify any federal, state or local authority. If Franchisor takes such action, Franchisee agrees that Franchisor shall not be liable to Franchisee for any costs, expenses or damages resulting therefrom.

13. PROPRIETARY MARKS

13.1 Ownership of Marks and Copyrighted Material. Franchisee acknowledges that Franchisor owns all right, title and interest, together with all the goodwill, in the Marks, domain names containing the marks, and copyrighted materials. Franchisee acknowledges that all usage of the Marks by Franchisee and any goodwill established by Franchisee's use of the Marks will inure to the exclusive benefit of Franchisor. The contents of all material available from Franchisor are copyrighted by Franchisor unless otherwise indicated. All rights are reserved by Franchisor. In no event will the right to use a fictitious name in accordance with **Section 13.4** be considered a grant of any ownership rights in any of the Marks.

13.2 Contest Ownership. Franchisee will not, at any time during the Initial Term, Interim Period or anytime thereafter, contest the validity, strength, enforceability or ownership of any of the Marks or copyrighted material and Franchisee will not assist any other person in contesting the validity, strength, enforceability or ownership of any of the Marks or copyrighted material.

13.3 Permitted Use of the Marks. Franchisee acknowledges that Franchisee's right to use the Marks and copyrighted material is derived solely from this Agreement and is limited to Franchisee's operation of the Franchised Business in strict compliance with this Agreement, the Manuals and all applicable standards, specifications and operating procedures prescribed by Franchisor from time to time. Franchisee will make every effort consistent with this Agreement and the Manuals to protect, maintain and promote the Marks in its Franchised Business.

13.4 Business Name. Except as provided for below, Franchisee will not use any Mark or portion of any Mark as part of any corporate or entity name or corporate title, with any prefix, suffix or other modifying words, terms, designs or symbols or in any modified or other confusingly similar form. During the Initial Term and any Interim Period, Franchisee may use "RIGHT AT HOME" "RAH" and/or "RAH STAFFING SERVICES" as a fictitious or assumed name. Franchisee will obtain such fictitious or assumed name registrations at Franchisee's expense. Such fictitious or assumed name registrations will recognize Franchisee as doing business under an assumed name but will not recognize Franchisee as having the exclusive right to use such name in that state.

13.5 Prohibited Uses. Franchisee will not use any of the Marks , any confusingly similar form of the Marks or copyrighted materials in any manner that has not been specified or approved by Franchisor, including in connection with the sale of unauthorized services or products. Any prohibited use by Franchisee will constitute an infringement of Franchisor's rights and a material breach of this Agreement. Franchisee acknowledges that such prohibited and unauthorized use of the Marks or copyrighted materials will cause substantial harm to Franchisor.

Franchisee will not reproduce, disseminate, publish, or transfer copyrighted materials in any form or by any means without Franchisor's prior written approval.

13.6 Registrations.

13.6.1 Franchisor's Right To Register. Franchisor has the absolute right to decide to apply to register or to register, anywhere in the world, for any trademark, copyright, trade name or patent protection for any of the Marks, any component of the System, Confidential Information, Manuals and other proprietary information provided to Franchisee by Franchisor or on behalf of Franchisor. Franchisor's failure to obtain or maintain in effect any such application or registration is not a breach of this Agreement.

13.6.2 Franchisee's Prohibition On Registration. Franchisee will not register or apply to register the System or any component thereof, Confidential Information, Manuals, website content, domain names URLs containing the Marks or any portion thereof and other proprietary information provided to Franchisee by Franchisor or on behalf of Franchisor or any Mark or trademark, name, service mark or logo confusingly similar thereto anywhere in the world before, during the Initial Term or any Interim Period, or any time thereafter.

13.7 Infringement. Franchisee will notify Franchisor promptly upon becoming aware of any claim, demand or cause of action based upon or arising from any attempt by any other person, firm or corporation to use any of the Marks, any confusingly similar form of any of the Marks or the copyrighted material. Franchisee will also notify Franchisor of any action, claim or demand against Franchisee relating to the Marks or copyrighted materials within 10 days after Franchisee receives notice of said action, claim or demand. Upon receipt of notice of any action, claim or demand against Franchisee relating to the Marks or copyrighted materials, Franchisor will have the sole right to defend any such action. Franchisor will also have the exclusive right to contest or bring action against any third party regarding the third party's use of any of the Marks or copyrighted materials. In any defense or prosecution of any litigation relating to the Marks, copyrighted materials or components of the System undertaken by Franchisor, Franchisee will cooperate with Franchisor and execute all documents and take all actions as may be desirable or necessary, in the opinion of Franchisor's legal counsel, to carry out such defense or prosecution.

13.8 Right to Modify the Marks. Franchisor has the right to add to, substitute, modify or discontinue use of any Mark or copyrighted materials. Franchisee will comply with Franchisor's directions regarding such substitution, addition, modification or discontinuance within a reasonable time after notice from Franchisor, at its cost and expense. Franchisor will have no liability or obligation whatsoever with respect to Franchisee's substitution, addition, modification or discontinuance of any Mark or copyrighted material.

13.9 Notices. Franchisee will use all appropriate notices required by applicable laws or by Franchisor, including, without limitation, ©, ®, TM, SM, on all uses of the Marks and copyrighted materials, including in advertising, Promotional Materials, and any other form of promotion.

13.10 Work Made for Hire. All copyrighted materials and Improvements created by Franchisee, Executive Management Personnel, and any other person or entity retained or employed by Franchisee are "works made for hire" within the meaning of the United States Copyright Act and are the property of Franchisor. To the extent the copyrighted materials are

not “works made for hire” or rights in the copyrighted materials do not automatically accrue to Franchisor, Franchisee, its Owners, Operating Principals and the author of such copyrighted materials irrevocably assign to Franchisor, its successors and assigns, the entire right, title and interest in perpetuity throughout the world in and to any and all rights, including all copyrights, in such copyrighted material. Franchisor is entitled to use and license others to use such copyrighted materials and Improvements unencumbered by moral rights. Franchisee, its Owners, Operating Principals and the author of such copyrighted materials and Improvements warrant and represent that such copyrighted materials and Improvements are created by and wholly original with the author. Where applicable, Franchisee agrees to obtain any other assignments of rights in the copyrighted materials and Improvements from another person or entity necessary to ensure Franchisor's rights therein as required in this **Section** and **Section 13.11**. Improvements. Franchisee will create a record of and disclose to Franchisor all Improvements promptly upon creating any Improvements. All Improvements will be solely owned by Franchisor, with no rights of ownership to Franchisee. If any Improvement does not qualify as a “work made-for-hire”, as set out in **Section 13.10**, or rights in the Improvements do not automatically accrue to Franchisor, Franchisee, its Owners, Operating Principals and any other author or inventor must assign, and does hereby assign, all right, title and interest in perpetuity throughout the world in and to any Improvements to Franchisor, its successors and assigns. Franchisee, its Owners and Operating Principals agree to sign any assignments or other documents as Franchisor reasonably requests to evidence its ownership of or to otherwise assist Franchisor in obtaining intellectual property rights in the Improvements. Franchisor will have the right to offer such Improvements to other franchisees. Franchisee appoints Franchisor as its attorney-in-fact to make any filings required by law to affect the rights in **Section 13.10** and this **Section**, which power of attorney will be irrevocable and coupled with an interest.

13.12 Rights on Expiration or Termination. Upon a Terminating Event, Franchisee will cease use of the Marks, terminate all fictitious name registrations using the Marks, cancel or transfer social media accounts (if any) to Franchisor and deliver to Franchisor any signs, advertising, promotional or merchandising materials utilizing the Marks and will execute such documents and take such steps as Franchisor may request to affect such cancellation or transfer. Franchisee appoints Franchisor as its attorney-in-fact to make any filings required by law to affect the foregoing, which power of attorney will be irrevocable and coupled with an interest.

14. CONFIDENTIAL INFORMATION, TRADE SECRETS AND COVENANTS

14.1 Confidential Information.

14.1.1 Franchisor's Disclosure of Confidential Information and Trade Secrets. Franchisor will disclose Confidential Information and Trade Secrets to Franchisee during the Initial Term and any Interim Period. Franchisee and the Operating Principal acknowledge that Confidential Information and Trade Secrets is proprietary to Franchisor and involves Franchisor's Trade Secrets.

14.1.2 Ownership. Franchisor owns and possesses (and may continue to develop and acquire) Confidential Information and Trade Secrets. Franchisee and the Operating Principal acknowledge that all Confidential Information and Trade Secrets are owned by Franchisor alone and they and their Executive Management Personnel have no claim to or right in any Confidential Information or Trade Secrets, except as expressly authorized in **Section** Error! Reference source not found..

14.1.3 Franchisee's Obligations. Franchisee, Operating Principal and Executive Management Personnel agree to comply with all the following conditions and acknowledge that the Confidential Information and Trade Secrets is being disclosed only upon their agreement to:

(a) keep Confidential Information and Trade Secrets confidential during the Initial Term, the Interim Period (if any) and after a Terminating Event;

(b) use the Confidential Information and Trade Secrets only in operating the Franchised Business in compliance with this Agreement during the Initial Term and any Interim Period and not in any other business or capacity;

(c) not make any unauthorized copies of any Confidential Information or Trade Secrets;

(d) adopt and implement all reasonable procedures periodically prescribed by Franchisor to prevent unauthorized use or disclosure of Confidential Information and Trade Secrets including restrictions on disclosures only to Franchisee's Operating Principal, Executive Management Personnel and employees who must have access to it to perform their responsibilities to operate the Franchised Business.

14.1.4 Passwords. Franchisee will also protect the confidentiality of all passwords, access codes and users' names used to access the Manuals and will not make any disclosure, duplication or other unauthorized use of such passwords, access codes and users' names or any portion of the Manuals.

14.1.5 Exclusion from Confidential Information . Confidential Information does not include any information, knowledge or know-how that Franchisee obtained prior to Confidential Information being provided to Franchisee directly or indirectly by Franchisor or any of Franchisor's Affiliates (including, without limitation, pursuant to any license agreement or similar agreement between Franchisee and any such party). Franchisee and the Operating Principal have the burden of proving that the elements of this **Section** apply to any information, knowledge or know-how.

14.1.6 Wrongful Use of Confidential Information and Trade Secrets. Franchisee acknowledges that any unauthorized disclosure or use of the Confidential Information and Trade Secrets would be wrongful and would cause irreparable injury and harm to Franchisor and/or its Affiliates. Therefore, Franchisee, Franchisee's Operating Principal, Executive Management Personnel and those individuals identified in **Section 14.3** will not at any time, directly or indirectly, communicate, publish, disclose, divulge, copy, imitate or cause or permit any other party to communicate, publish, disclose, divulge, copy or imitate in any manner the Confidential Information or and Trade Secrets to any person, firm, corporation, association, partnership or any other entity whatsoever or use, directly or indirectly, for its own benefit or for the benefit of any person, firm, corporation, association, partnership or other entity other than Franchisor or its Affiliates or in the operation of the Franchised Business as permitted by this Agreement or the Manuals.

14.1.7 Required Actions. Franchisee and the Operating Principal further agree that the Operating Principal and each officer, director, Executive Management Personnel and Franchisee's supervisory level employees having access to Confidential

Information and/or Trade Secrets will be required by Franchisee to sign a Confidentiality and Non-Compete Agreement in the form attached hereto as **Exhibit B**.

14.2 Non-Competition.

14.2.1 Prohibited Actions During the Term and Interim Period. During the Term and any Interim Period, except as otherwise approved in writing by Franchisor, the Restricted Parties will not, either directly or indirectly, for themselves or through, on behalf of or in conjunction with any person, persons or entities:

(a) Divert or attempt to divert any business or client of the Franchised Business or any other franchisee's franchised business to any competitor by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks or the System; or

(b) Own, maintain, engage in or have any interest in any business (including any business operated by Franchisee prior to entry into this Agreement) specializing, in whole or in part, in offering or providing non-medical in-home assistance, companionship, medical staffing services or other services or products, materials or equipment that are the same as, or similar to, those Core Services, Ancillary Services or other services offered and/or sold in the System or the Franchised Business or offering or providing any services or products, materials or equipment that are the same as, or similar to, a component of the operation or Core Services, Ancillary Services or other services of the Franchised Business or System to any party, including other franchisees and competitors. Notwithstanding the foregoing, nothing herein is intended to prevent Franchisee from accepting referrals to provide the Core Services, Ancillary Services or other services of the Franchised Business or System.

14.2.2 Prohibited Actions After a Terminating Event. For a period of one and one-half (1½) years after the first to occur of a Terminating Event, regardless of the cause, the Restricted Parties will not, whether as an agent, consultant, independent contractor, owner, stockholder, partner, director, officer, manager, employee or otherwise:

(a) engage or become interested in, own, organize, finance, lease, operate, or invest in any business which engages in the services and business of the System or the Franchised Business or services and businesses that are substantially similar to the System or Franchised Business anywhere within a radius of 10 miles from the outer boundaries of Franchisee's Designated Area.

(b) become an employee of any business which engages in the services and business of the System or the Franchised Business anywhere within a radius of 10 miles from the outer boundaries of Franchisee's Designated Area.

(c) directly or indirectly, solicit, call on or attempt to solicit or call on any of the then current or past customers, accounts or clients served by the Franchised Business, or other franchisee's franchised business, for the purpose of inducing such customers, accounts or clients to become a customer, client or

account of any party in competition with the business of Franchisor, the System or the Franchised Business.

(d) directly or indirectly, solicit, call on or attempt to solicit or call on any of the then current or past referral sources and contacts utilized by the Franchised Business during the Restricted Party's affiliation with the Franchised Business, for the purpose of obtaining referral of customers or business from such referral sources and contacts in competition with the business of Franchisor, the System or the Franchised Business.

(e) directly or indirectly provide services or products, materials or equipment that are the same as, or similar to the System, the Franchised Business or a component to the operation of the Franchised Business, Core Services, Ancillary Services or other services offered or sold in the Franchised Business or the System to any party, including but not limited to other franchisees and competitors.

14.3 Restricted Parties. The restrictions in this **Section 14** will apply to (a) Franchisee, the Operating Principal and Executive Management Personnel; (b) Franchisee's, the Operating Principal's and the Executive Management Personnel's immediate family members who have access to the Confidential Information and/or Trade Secrets; (c) employees, agents or contractors who have access to the Confidential Information and/or Trade Secrets; and, (d) Franchisee's Guarantors who sign the Guaranty and Assumption of Obligations attached as **Exhibit A**. Franchisor, at its option, may require the persons described in this **Section 14.3** to sign a Confidentiality and Non-Compete Agreement, in the form of **Exhibit B** attached to this Agreement.

14.4 Acknowledgments. Franchisee, the Operating Principal and the Executive Management Personnel acknowledge that:

(a) Franchisee and Franchised Business will, during the franchise relationship, become identified with the goodwill associated with the Trademarks;

(b) The covenants not to compete in this Agreement are fair, reasonable (Including the period restrictions and the geographic area), are necessary to protect the interests of the Franchisor, and will not impose any undue hardship on Franchisee or the Restricted Parties;

(c) Due to the nature of the Franchised Business, a more limited geographical restriction would be reasonable or appropriate;

(d) Franchisee and the Restricted Parties have other considerable skills, experience and education which afford Franchisee and the Restricted Parties the opportunity to derive income from other endeavors;

(e) Franchisee and the Restricted Parties' entire knowledge of the operation of the Franchised Business, System, System Standards, and Promulgated Rules that Franchisee now or will be granted access to is derived from Franchisor's and/or its Affiliates' Confidential Information and Trade Secrets;

(f) Communication among Franchisee, Franchisee's Operating Principal, Franchisor, its Affiliates and Franchisor's other franchisees and licensees will be chilled if it is perceived that the Restricted Parties are violating this **Section 14**; and

(g) They have read and considered the provisions of this Agreement carefully and have had an opportunity to review this Agreement with legal counsel.

14.5 Injunctive Relief. Franchisor and its Affiliates must be protected against the potential for unfair competition by the Restricted Parties' use of Franchisor's and/or its Affiliates training, assistance, Confidential Information and Trade Secrets in direct competition with Franchisor and/or its Affiliates. Franchisee further acknowledges that Franchisor would not have entered into this Agreement or shared the Confidential Information, Trade Secrets and other proprietary information with Franchisee, Franchisee's Operating Principal and the other Restricted Parties absent the Restricted Parties agreement to comply strictly with the provisions of this **Section 14**. Franchisee acknowledges that as a franchisee of Franchisor, Franchisee and the Restricted Parties will have access to Franchisor's and/or its Affiliates' Confidential Information and Trade Secrets and therefore will be in a unique position to use the special knowledge gained as a franchisee. Franchisee acknowledges that a breach of the covenants contained in this **Section 14** will be deemed to threaten immediate and substantial irreparable injury to Franchisor and its Affiliates, which cannot be compensated for in monetary damages. Accordingly, Franchisee agrees that Franchisor and its Affiliates will have the right, without prior notice to Franchisee, to obtain immediate injunctive relief without limiting any other rights or remedies it may have and without posting a bond.

14.6 Severability. If all or any portion of any covenant in this **Section 14** is held unreasonable or unenforceable by a court or agency having valid jurisdiction, Franchisee covenants that Franchisee, the Operating Principal and the Restricted Parties will 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 14**. The invalidity of any covenant contained in this Agreement does not affect the validity of remaining covenants contained in this Agreement.

14.7 Independent Obligations. Each of the foregoing agreements, acknowledgements and covenants will be construed as independent of any other provision of this Agreement.

14.8 Franchisor's Right to Reduce Scope of Covenant Requirements. Franchisee understands and acknowledges that Franchisor has the right to reduce the scope of any covenant in **Section** Error! Reference source not found. and **Section 14.1.6** and the Confidentiality and Non-Compete Agreement attached as **Exhibit B** or any portion thereof, without Franchisee's, the Operating Principal or other Restricted Parties consent, effective

immediately upon receipt by Franchisee of written notice. Franchisee will comply with any covenant as so modified, which will be fully enforceable despite the provisions of **Section 22.14.**

15. INSURANCE; INDEMNIFICATION

15.1 Insurance.

15.1.1 Obligation to Procure Insurance. On the earlier of the Active Grand Opening Date or when Franchisee hires its first employee, Franchisee will procure, at its expense, the Required Insurance Policies and maintain the Required Insurance Policies, in full force and effect, during the Term and any Interim Period.

15.1.2 Requirements – In General.

(a) The Required Insurance Policies will include, at a minimum (except as different coverages and policy limits may reasonably be specified for all franchisees from time to time by Franchisor in the Manuals or otherwise in writing), the coverages listed in the Basic Terms. Franchisor reserves the right to require additional insurance coverages as necessary, including Third Party Employment Practices coverage, and the right to modify the minimum required limits from time to time, as conditions require. Franchisor will provide written notice to Franchisee of such changes.

(b) General liability and professional liability insurance policies will be on an "occurrence" basis, unless Franchisee receives Franchisor's prior approval to obtain claims-made coverage. If Franchisor approves a claims-made policy, the claims made policy(ies) "Retroactive Date" will at all times be the original inception date of the first claims-made policy acquired for insuring Franchisee or the Franchisee entity. Should the claims made liability policies be replaced, full retro dated coverage is required. Should any policies be terminated or cancelled for any reason, or a "claims made" policies be rewritten to an "occurrence form" of coverage, Franchisee will maintain at a minimum and secure twelve 12 months additional years of "Extended Reporting Period" for claims that may not be discovered until after policy termination. General liability and professional liability insurance coverage must be for the entire statute of limitations period under Nebraska law.

(c) Franchisee must name Franchisor as "Additional Insured" on a primary basis on Franchisee's insurance policies for Commercial General Liability and Medical Professional Liability.

(d) Franchisee must provide Franchisor with an ACORD Form Certificate of Insurance for each policy.

(e) The required Insurance Policies must be purchased from insurance carrier(s) identified on Franchisor's Required Suppliers List; and, written by an insurance company licensed to do business in the state where the Franchised Business operates.

(f) The Commercial General Liability and Professional Liability policies will not be limited in any way by reason of any insurance which may be maintained by Franchisor.

(g) Franchisee must provide Franchisor with written notice if any required insurance is cancelled, not renewed, materially changed or reduced from the required coverages.

(h) Franchisee must obtain and maintain any revised insurance coverage required by Franchisor.

(i) Maintenance of such insurance and the performance by Franchisee of the obligations under this **Section 15** will not relieve Franchisee of liability under the indemnity provision in **Section 15.2**.

(j) The Required Insurance Policies are the minimum, but they may not be adequate for all losses of every type and size. Franchisor encourages Franchisee to make decisions with the advice of Franchisee's insurance consultant and legal counsel.

15.1.3 Franchisor's Right to Obtain Insurance. If Franchisee does not procure and maintain such Required Insurance Policies or provide Franchisor with the required insurance certificate, Franchisor will have the right and authority (without, however, any obligation to do so) to procure such insurance coverage and to charge the cost of the same to Franchisee. Such charges, together with a reasonable fee for expenses incurred by Franchisor in connection with such procurement, will be payable by Franchisee immediately upon demand from Franchisor.

15.2 Indemnification by Franchisee. At its own cost, Franchisee will defend, indemnify and hold Franchisor, its members, officers, directors, employees, agents and Affiliates harmless, from and against any and all losses, costs, claims, expenses, damages and liabilities, however caused, resulting directly or indirectly, from or pertaining to

(a) the use, condition or construction, equipping, decorating, maintenance or operation of the Franchised Business, including the sale of any service or product sold from the Franchised Business, except to the extent caused by Franchisor's gross negligence or willful misconduct with regard to the foregoing;

(b) the death or injury to any person or damage to the property of Franchisee or Franchisor, their agents or employees or any third person, whether or not such losses, claims, costs, expenses, damages or liabilities were actually or allegedly caused wholly or in part by the active or passive negligence of Franchisor or any of its agents or employees or resulting from any strict liability imposed on Franchisor or any of its agents or employees;

(c) any breach of this Agreement by Franchisee;

(d) any violations of applicable Privacy Laws or **Section 10.8.3** by Franchisee, any contractor or subcontractor, employee, affiliate or other third

party to whom Franchisee has sold, disclosed, released, transferred, made available, divulged or otherwise permitted to access Customer Data; and

(e) any costs, expenses, damages and liabilities Franchisor incurs as a result of a determination by a court of competent jurisdiction or a state or federal government agency that Franchisor is a joint employer.

15.2.2 Fees; Expenses. Such losses, claims, costs, expenses, damages and liabilities described in **Section 15.2** include reasonable accountant, attorney and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses.

15.2.3 Survival. This indemnity will continue in full force and effect subsequent to and notwithstanding a Terminating Event.

16. ASSIGNMENT; TRANSFER; ENCUMBRANCE

16.1 By Franchisor.

(a) Franchisor has the right to transfer and assign this Agreement and any of its rights in this Agreement without the prior consent or approval of Franchisee. Any assignment or transfer will be binding upon and inure to the benefit of Franchisor's successors and assigns; provided, however, the assignee or transferee will expressly agree to assume and perform the subsequent performance of Franchisor's duties and obligations in this Agreement.

~~18.1.1~~ (b) Franchisee expressly agrees and acknowledges that Franchisor may sell its assets, Marks and/or System ~~outright to a third party~~; may make a public offering of ~~Franchisor as~~ securities; may engage in a private placement ~~of some or all of its securities~~; may merge, with or be acquire by other ~~corporations or~~ entities, ~~or be acquired by another corporation or other entity~~; may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring; and, with regard to any or all of the above ~~sales, assignments and dispositions~~, Franchisee ~~expressly and specifically~~ waives any claims, demands or damages arising from or related to the loss of any Marks (or any variation thereof) and/or the loss of association with or identification of Right at Home, LLC as Franchisor.

~~18.1.2~~ (c) Nothing contained in this Agreement will require ~~Right at Home, LLC Franchisor~~ to continue to offer franchises ~~in the event that~~ if Franchisor exercises its rights to assign or otherwise transfer its rights in this Agreement.

~~18.2~~ 16.2 ~~Transfer~~ By Franchisee.

16.2.1 Requirements for Franchisee ~~understands and~~ to Transfer. Franchisee acknowledges that the rights and duties created by this Agreement are personal to Franchisee and its Owners and that Franchisor entered into this Agreement in reliance upon the individual or collective character, skill, aptitude, attitude, business ability and financial capacity of Franchisee and its Owners. This Agreement and all rights ~~hereunder in this Agreement~~, including, but not limited to, any legal or beneficial interest in the Franchised Business and any assets of the ~~Franchisee relating to the~~ Franchised

Business, may not be Transferred without obtaining Franchisor's prior written consent and then, only be sold, assigned, transferred, conveyed, given away, encumbered, or otherwise transferred by Franchisee subject to the following upon compliance with the conditions and requirements first being met, together with Franchisor's option/right to purchase and its right of first refusal as set forth in this Agreement and, if so sold, assigned, transferred, conveyed, given away, encumbered, or otherwise transferred, will be binding upon and inure to the benefit of Franchisee's successors and assigns.:in this Agreement.

~~18.3~~ Restrictions on Transfer by Franchisee. Except as set forth in **Section 18.7, 16.4** neither Franchisee, its Operating Principal, its Owner(s) nor any holder of a legal or beneficial interest in Franchisee will sell, assign, transfer, convey, give away, encumber or otherwise transfer to any person, firm, corporation, publicly traded company, or other entity, all or any part of its interest in this Agreement ~~or, the Franchised Business,~~ its assets or its interest in the franchise granted by this Agreement or its interest in any proprietorship, partnership, limited liability company or corporation which owns any interest in the franchise, nor offer, permit or suffer the same to be sold, assigned, transferred, conveyed, given away, encumbered or otherwise transferred in any way to any person, firm, corporation, publicly traded company, limited liability company or other entity without the prior written consent of Franchisor. Franchisee may not, without the prior written consent of Franchisor, fractionalize any of the rights of Franchisee granted pursuant to this Agreement. The restrictions on transferability described in ~~the remainder of this Section 18.16.2~~ also apply to any purported transfers through a shell, through divorce or separation proceedings or by operation of law. Any purported assignment or Transfer of any of Franchisee's rights herein not having ~~the aforesaid~~ Franchisor's consent will be null and void and will constitute a Default ~~of this Agreement.~~

~~18.4~~ 16.2.3 Conditions for Transfer of Franchised Business by Franchisee. Franchisor will not unreasonably withhold its consent to ~~any transfer referenced in Section 18.3 of this Agreement~~ a Transfer when requested in writing; provided, however, that the following conditions and requirements ~~will first~~ must be met to the full satisfaction of Franchisor:

~~18.4.1~~ If Franchisee is an individual or general partnership and desires to assign and transfer its rights to a corporation, limited liability company or other entity (hereinafter the "Business Transferee Entity"):

~~(a) The Business Transferee Entity will be newly and duly organized, in good standing in its state of origin, and validly existing solely for the exclusive purpose of owning and operating a Franchised Business as licensed under this Agreement and will state that in its organizational documents;~~

~~(b) Franchisee will be and will remain the owner of the majority of voting stock, membership interest or other interest of the Business Transferee Entity;~~

~~(a) The individual Franchisee (or, if Franchisee is a partnership, one of the partners) will be the Operating Principal of the~~ The transferee(s) must be of good moral character; have the skill, aptitude, business ability, reputation, good credit rating, financial capacity, and competent business qualifications reasonably acceptable to Franchisor.

(b) Franchisee will provide Franchisor with a final purchase agreement, duly executed by Franchisee and transferee, together with such information as Franchisor may require to make the determination concerning each such proposed transferee;

(c) The Operating Principal and such other transferee(s) who Franchisor approves, will have completed the RightStart Training Program or other training course then in effect for new franchisees to Franchisor's satisfaction; or, will have otherwise demonstrated to Franchisor's satisfaction, sufficient ability to operate the Franchised Business being transferred;

(d) The transferee(s), including all Owners, shareholders, officers, directors, members, beneficiaries, trustees, managers, governors and partners of the transferee(s), jointly and severally will execute the following:

~~(e) — A new standard form Franchise Agreement then being offered to new franchisees and other standard ancillary agreements with Franchisor being used by Franchisor, including a non-compete agreement and Business Transferee Entity or appoint an Operating Principal approved by Franchisor;~~

~~(d) — The Business Transferee Entity will enter into a written assignment or agreement and conditional consent to transfer (in a form satisfactory to Franchisor) in which the Business Transferee Entity assumes all of Franchisee's obligations in this Agreement;~~

~~(i) — All shareholders or members of the Business Transferee Entity will enter into a written non-compete agreement, together with a guaranty and assumption of obligations agreement, except that an additional Initial Franchise Fee will not be charged; and~~

(ii) A written Agreement and Conditional Consent To Transfer Agreement or assignment from Franchisee in a form satisfactory to Franchisor, jointly and severally guaranteeing the full payment which requires the transferee(s) to assume all of Franchisee's obligations under this Agreement.

~~18.4.1.5(e) Franchisee will have paid and performance of the Business Transferee Entity's satisfied all of Franchisee's obligations to Franchisor under in this Agreement; and~~

~~(f) — Each stock certificate or membership certificate of the Business Transferee Entity will have conspicuously endorsed upon it a statement that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement;~~

(f) Franchisee, or the transferee (if approved by Franchisor in the Agreement and Conditional Consent To Transfer Agreement) will have paid Franchisor's then current Transfer Fee at or before the closing of the transfer. The Transfer Fee will not apply to an assignment of interest to a Transferee Entity under **Section 16.3** or a transfer to a Permitted Transferee under **Section 16.4**.

16.3 Transfer to A Transferee Entity. If Franchisee desires to assign and transfer its rights to a Business Transferee Entity or Trust Transferee Entity the following conditions must be satisfied:

(a) The Business Transferee Entity must be a newly and duly organized, and in good standing in its state of organization; or, the Trust Transferee Entity must be in good standing in its state of organization;

(b) Franchisee must be the owner of the majority of equity interests in the Business Transferee Entity; or, the grantor and beneficial owner of the majority of the interest of the Trust Transferee Entity;

~~(g) —~~The organizational documents of the Business Transferee Entity must state that it exists solely for the purpose of and be granted the power to own and operate the Franchised Business under this Agreement; the shareholders agreement or operating agreement of the Business Transferee Entity ~~will be in writing and will conspicuously~~must state that all interests are held subject to this Agreement, including all restrictions imposed upon Transfers; each stock certificate or membership certificate of the Business Transferee Entity must be endorsed with a statement that it is held subject to this Agreement, and that ~~further assignment or transfer thereof~~any Transfer is subject to; all restrictions imposed upon ~~assignments~~Transfers by this Agreement;

~~18.4.1.8(c) No shares of common or preferred stock or membership interests (of whatever nature) in the Business Transferee Entity will be issued or transferred, directly or indirectly, to and, copies of the foregoing documents and any person, partnership, trust, foundation, limited liability company, corporation or other entity without obtaining Franchisor's prior written consent and then, only upon disclosure of the terms and conditions contained herein being made to the prospective new holders of the stock or membership interests~~amendment to such documents must be provided to Franchisor upon request;

(d) The Trust Agreement for the Trust Transferee Entity must grant the trustees the power to own and operate the Franchised Business under this Agreement; must state that all interests in the Franchised Business are held subject to this Agreement, including all restrictions imposed upon Transfers; and, copies of the Trust Agreement and any amendment to the Trust Agreement must be provided to Franchisor upon request;

(e) Franchisee must be the Operating Principal or appoint an Operating Principal who meets the qualifications in **Section 10.1** and is approved by Franchisor;

(f) All shareholders or members of the Business Transferee Entity or the grantor and all trustees and beneficiaries of the Transferee Entity must enter into a Guaranty and Assumption of Obligations Agreement, substantially in the form of **Exhibit A**, and a Confidentiality and Non-Compete Agreement, substantially in the form of **Exhibit B**;

~~18.4.1.9(g)~~All accrued money obligations of Franchisee to Franchisee's suppliers, Franchisor, its subsidiaries or assignees, willmust be satisfied prior to ~~assignment or the~~ Transfer;

~~(j) — Franchisor has the right to require that~~ The Business Transferee Entity or the Trust Transferee Entity and Franchisee's owner and Franchisee's owner or the must execute ~~this Agreement or a new Franchise Agreement, together with a Confidentiality and Non-Compete Agreement, and other standard~~ an assignment of this Agreement, including all ancillary agreements with Franchisor ~~on the current standard forms being used by Franchisor for the term established in the standard form Franchise Agreement then being offered to new System franchisees;~~

~~(k) — The Business Transferee Entity will deliver copies of the Business Transferee Entity's organizational documents to Franchisor prior to the assignment of this Agreement and from time to time upon Franchisor's request;~~

~~(l) — , to the Business Transferee Entity will not use any Mark or portion of any Mark as part of any corporate or other entity name, with any prefix, suffix or other modifying words, terms, designs or symbols or in any modified or other confusingly similar form; and~~

~~18.4.1.13(h) — The Franchisee owner(s) prior to the transfer will execute a general release, in a form prescribed by Franchisor, of~~ for the Trust Transferee Entity, in a form satisfactory to Franchisor, agreeing to assume all of Franchisee's obligations in this Agreement; and releasing Franchisor from any and all existing claims against Franchisor and its respective officers, directors, agents and employees, except such claims as are not permitted to be waived under applicable law; and

~~18.4.2 — If Franchisee is an individual or general partnership and desires to assign and transfer its rights to a trust or other similar entity (hereinafter the "Trust Transferee Entity"):~~

~~(a) — The Trust Transferee Entity will be in good standing in its state of origin, and validly existing with the power and purpose of owning and operating a Franchised Business as licensed under this Agreement and will state that in its organizational documents;~~

~~(b) — Franchisee will be and will remain the grantor and beneficial owner of the majority of the interest of the Trust Transferee Entity;~~

~~(c) — The individual Franchisee (or, if Franchisee is a partnership, one of the partners) will be the Operating Principal of the Trust Transferee Entity or appoint an Operating Principal approved by Franchisor;~~

~~(d) — The Trust Transferee Entity will enter into a written assignment or agreement and conditional consent to transfer (in a form satisfactory to Franchisor) in which the Trust Transferee Entity assumes all of Franchisee's obligations in this Agreement;~~

~~(e) — All grantors and trustees of the Trust Transferee Entity will enter into a written non-compete agreement, together with a guaranty and assumption of obligations agreement, in a form satisfactory to Franchisor, jointly and severally guaranteeing the full payment and performance of the Trust Transferee Entity's obligations to Franchisor under this Agreement;~~

~~(f) — Any certificate or other evidence of beneficial interest in the Trust Transferee Entity will have conspicuously endorsed upon it a statement that it is held subject to;~~

~~and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement;~~

~~{g} — The trust agreement of the Trust The Business Transferee Entity will be in writing and will conspicuously state that all legal and beneficial interests are held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement;~~

~~{h} — No legal or beneficial interests (of whatever nature) in or the Trust Transferee Entity will be issued or transferred, directly or indirectly, to any person, partnership, trust, foundation, limited liability company, corporation or other entity without obtaining Franchisor's prior written consent and then, only upon disclosure of the terms and conditions contained herein being made to the prospective new holders of the legal or beneficial interests;~~

~~{i} — All accrued money obligations of Franchisee to Franchisee's suppliers, Franchisor, its subsidiaries or assignees, will be satisfied prior to assignment or transfer;~~

~~{j} — Franchisor has the right to require that the Trust Transferee Entity execute this Agreement or a new Franchise Agreement, together with a Confidentiality and Non-Compete Agreement, and other standard ancillary agreements with Franchisor on the current standard forms being used by Franchisor for the term established in the form of the standard form Franchise Agreement then being offered to new System franchisees;~~

~~{k} — The Trust Transferee Entity will deliver copies of the Business Transferee Entity's organizational documents to Franchisor prior to the assignment of this Agreement and from time to time upon Franchisor's request;~~

~~18.4.2.12 {l} — The Trust Transferee Entity will not cannot use any Mark or portion of any Mark as part of any corporate or other entity name, with any prefix, suffix or other modifying words, terms, designs or symbols or in any modified or other confusingly similar form; and.~~

16.4 Transfer to Permitted Transferees. ~~Despite anything to the contrary The Franchisee owner(s) prior to the transfer will execute a general release, in a form prescribed by Franchisor, of any and all existing claims against Franchisor and its respective officers, directors, agents and employees, except such claims as are not permitted to be waived under applicable law.~~

~~18.4.3 — If the transfer, other than such transfer as is authorized under **Section 18.4.1** of this Agreement, if consummated alone or together with other related previous, simultaneous or proposed transfers, would have the effect of transferring control of the franchise granted by this Agreement to someone other than an original signatory of this Agreement:~~

~~{a} — The transferee(s) will be of good moral character with collected skill, aptitude, business ability, and reputation, together with a good credit rating, financial capacity, and competent business qualifications reasonably acceptable to Franchisor. Franchisee will provide Franchisor with a final purchase agreement duly executed by Franchisee and transferee, together with such information as Franchisor may require to make such determination concerning each such proposed transferee;~~

~~(b) — The transferee(s) or such other individual(s) who will be the Operating Principal will have successfully completed and passed the training course then in effect for franchisees or will have otherwise demonstrated to Franchisor's satisfaction, sufficient ability to operate the Franchised Business being transferred;~~

~~(c) — Franchisor has the right to require that the transferee(s), including all owners, shareholders, officers, directors, members, beneficiaries, trustees, managers, governors and partners of the transferee(s), jointly and severally execute any or all of the following:~~

~~(i) — This Agreement or a new franchise agreement for the term established in the standard form Franchise Agreement then being offered to new System franchisees and other standard ancillary agreements with Franchisor on the current standard forms being used by Franchisor, such as a non-compete agreement and a guaranty and assumption of obligations, except that an additional Franchise Fee will not be charged; and~~

~~(ii) — A written agreement and conditional consent to transfer agreement or assignment from Franchisee in a form satisfactory to Franchisor, wherein transferee will assume all of Franchisee's obligations hereunder.~~

~~(d) — Approval by Franchisor of any transfer by Franchisee of the Franchised Business or any of Franchisee's rights under this Agreement will in no way be deemed a release by Franchisor of Franchisee's obligations pursuant to this Agreement. Consent by Franchisor to a transfer of the Franchised Business will not constitute or be interpreted as consent for any future transfer of the franchise;~~

~~(e) — The term of said agreements required pursuant to Section 18.4.3.3 will be for the term being offered in the standard form Franchise Agreement then being offered to new System franchisees;~~

~~(f) — If transferee is a corporation or a limited liability company:~~

~~(i) — The Transferee Entity will be newly and duly organized, in good standing in its state of origin, and validly existing solely for the exclusive purpose of owning and operating a Franchised Business and will state that in its organizational documents; and each stock certificate or membership certificate of the Transferee Entity will have conspicuously endorsed upon it a statement that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement;~~

~~(ii) — The shareholders agreement or operating agreement of the Transferee Entity will be in writing and will conspicuously state that all interests are held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement;~~

~~(iii) — No shares of common or preferred stock or membership interests in the Transferee Entity will be issued or transferred, directly or indirectly, to any person, partnership, trust, foundation, limited liability company, corporation or other entity without obtaining Franchisor's prior written consent and then, only upon disclosure~~

~~of the terms and conditions contained herein being made to the prospective new holders of the stock or membership interests;~~

~~(iv) — All shareholders or members of the Transferee Entity will enter into a written non-compete agreement, together with a written agreement, guaranteeing the full payment and performance of the Transferee Entity of all obligations to Franchisor under this Agreement in forms satisfactory to Franchisor; and~~

~~(v) — The Transferee Entity will designate an Operating Principal in accordance with **Section 3.4**.~~

~~(g) — All accrued money obligations of Franchisee to Franchisee's suppliers, to Franchisor, any Related Entity(ies) or assignee(s) of Franchisor, will be satisfied prior to assignment or transfer, and Franchisee will not be in default under the terms of this Agreement;~~

~~(h) — Franchisee, Operating Principal and each of its shareholders or members, prior to the transfer, will execute a general release, in a form prescribed by Franchisor, of any and all existing claims against Franchisor and its respective officers, directors, agents and employees, except such claims as are not permitted to be waived under applicable law; and~~

~~(i) — Franchisee, in this Agreement, Franchisor will consent to a Transfer referenced in **Section 1.1** when requested if the proposed transferee and Franchisor will enter into an agreement and conditional consent to transfer, which agreement will set forth all of the conditions precedent to the transfer and it will be provided by Franchisor.~~

~~18.5 — **Payment of Franchise's Obligations.** Franchisee will have fully paid and satisfied all of Franchisee's obligations to Franchisor, including at or before the closing of the transfer, Franchisor's then current transfer fee ("**Transfer Fee**") for the training, supervision, administrative costs, overhead, counsel fees, accounting and other related Franchisor incurred expenses in connection with the transfer. The Transfer Fee will not apply to an assignment of interest to a corporation or limited liability company under **Section 18.4.1** of this Agreement or a transfer to a Permitted Transferee under **Section 18.7** of this Agreement.~~

~~18.6 — **Franchisee's Continuing Obligations.** No sale, assignment, transfer, conveyance, encumbrance or gift of any interest in this Agreement or in the Franchise granted by this Agreement, will relieve Franchisee, the Operating Principal and the owners, shareholders, members, beneficiaries or partners participating in any transfer of the obligations of the covenants is a Permitted Transferee; provided, however, that the conditions and requirements contained in **Section 15**, except where Franchisor will expressly authorize in writing.~~

~~18.7 — **Transfer to Spouse or Child** 16.2.3. — Despite anything to the contrary contained in this Agreement, Franchisor will consent to any transfer referenced in **Section 18.3** of this Agreement when requested when such proposed transferee is (i) a spouse or child of a Franchisee who is an individual; (ii) a Business Transferee Entity that is 100% owned by a spouse or a child of a Franchisee who is an individual, or (iii) an owner of more than fifty percent (50%) of a Business Transferee Entity, (collectively, "**Permitted Transferees**"); provided, however, that the conditions and requirements contained in **Section 18.4.3** of this Agreement will first be met with regard to the Permitted Transferees to the full satisfaction of Franchisor.~~

16.5 Prohibition on Advertising of Sale.

~~18.8.1 Franchisor's Right of First Refusal.~~ Franchisee will not, without prior written consent of Franchisor, place any form of advertising relating to the sale of ~~Franchisee's~~ the Franchised Business, any ownership therein, or ~~any interest~~ the rights granted under this Agreement in, on or upon the location of the Franchised Business, or in any communication media.

16.6 Franchisor's Right of First Refusal. ~~Franchisee (if Franchisee is an entity)~~ The Transfer of any Transferred Interest is subject to Franchisor's right of first refusal as set out in this Section.

16.6.1 Required Offer to Franchisor. If Franchisee or its Owners propose to sell any Transferred Interest, Franchisee and its Owners must obtain and deliver to Franchisor a Franchisee's Offer. Franchisor will have a period of 30 days after the date of delivery of Franchisee's Offer to give Franchisee written notice of Franchisor's desire to waive its right of first refusal or its Notice of Intent to Purchase; provided that Franchisor may substitute cash for the fair market value of any form of payment proposed in Franchisee's Offer. If Franchisor does not exercise its right of first refusal, the offer or proposal may be accepted by Franchisee or its Owners, subject to the prior written approval of Franchisor, as provided in Section 20. ~~Franchisee will~~ **16.2.** If the sale of the Transferred Interest fails to close within 120 days after the date of Franchisee's Offer, Franchisor will again have the right of first refusal described in this **Section**. The right of first refusal in this **Section** will not apply to the Transfer of a Transferred Interest to a Permitted Transferee in accordance with **Section 16.4**.

16.6.2 Due Diligence Review by Franchisor. If Franchisor accepts Franchisee's Offer, then Franchisor will have 90 days after the Notice Date to conduct a "due diligence" review. Franchisee will provide Franchisor with all financial records and other information requested by Franchisor or its representatives promptly ~~give Franchisor written notice whenever Franchisee has received an offer to buy the Franchised Business. Franchisee will also give Franchisor~~ to all Franchisor to conduct its due diligence review. Franchisor will have the absolute and unconditional right to terminate the Notice of Intent to Purchase and any obligation to purchase the Transferred Interest from Franchisee for any reason and at any time within 90 days after the Notice Date by giving written notice ~~simultaneously with any offer made by, for or on behalf of Franchisee to (i) sell the Franchised Business or any interest therein; or (ii) if Franchisee is an entity, any offer to sell any or all of the ownership interest in the~~ to Franchisee entity.

16.6.3 Definitive Purchase Agreement. Unless Franchisor terminates its Notice of Intent to Purchase, as provided in **Section 16.6.2**, Franchisee ~~will indemnify and hold harmless Franchisor for Franchisee's failure to comply with this Section 18.8.~~ and Franchisor will act in good faith to agree on the terms and conditions of the definitive agreement or agreements for the purchase of the Transferred Interest (other than those objective terms and conditions contained in Franchisee's Offer) and the closing date for the sale to Franchisor will take place within 120 days after the Notice Date.

16.6.4 Brokers and Business Consultants. If Franchisee uses a broker or business consultant to sell ~~its Franchised Business~~ a Transferred Interest, Franchisee is responsible for paying all fees charged by such broker or business, including any such fees charged

by such broker or business consultant if Franchisor exercises its right of first refusal ~~set out in Section 20.~~

16.7 Franchisee's Continuing Obligations. Approval by Franchisor of any transfer by Franchisee of a Transferred Interest will not be deemed a release by Franchisor of Franchisee's obligations pursuant to this Agreement. No Transfer will relieve Franchisee, the Operating Principal and the Owners, shareholders, members, beneficiaries or partners of the obligations contained in this Agreement, except where Franchisor expressly authorizes in writing. Consent by Franchisor to a Transfer will not constitute or be interpreted as consent for any future Transfer.

~~18.91.1 Prohibition on Advertising of Sale.~~ Franchisee will not, without prior written consent of Franchisor, place in, on or upon the location of the Franchised Business, or in any communication media, any form of advertising relating to the sale of the Franchised Business, any ownership therein, or the rights granted under this Agreement.

19.17. DEATH OR INCAPACITY OF FRANCHISEE.

~~19.17.1~~ Required Action on Death or Incapacity of Franchisee. ~~In the event of~~ Upon the death or Incapacity of the Operating Principal or any holder of a legal or beneficial interest of ~~fifty percent (50%)~~ 50% or more in Franchisee, the heirs, beneficiaries, ~~devisee, and~~ legal representatives of said individual, ~~Settlor, partner, member or shareholder, as the case may be,~~ will, within ~~one hundred eighty (180)~~ days after such event:

19.1.1(a) Apply to Franchisor for the right to continue to operate the Franchised Business for the duration of the ~~term of this Agreement~~ Initial Term, Interim Period (if any) and any ~~renewals hereof~~ Renewal Term, which right will be granted upon the fulfillment of all of the conditions set forth in ~~Section 18.4.3 of this Agreement~~ 16.2.3 (except that no Transfer Fee will be required) and upon appointing a designated manager to operate the Franchised Business which manager must begin Franchisor's RightStart Training Program no later than six (6) months after the date of death or disability; or

19.1.2(b) Sell, assign, transfer or convey Franchisee's interest in compliance with the provisions of ~~Sections~~ Section 18.2 16.2 and ~~20 of this Agreement;~~ Section 16.6, provided, however, ~~in the event if~~ a proper and timely application for the right to continue to operate has been made and rejected, the ~~one hundred eighty (180)~~ days to ~~sell, assign, transfer or convey~~ Transfer will be computed from the date of application. For purposes of this ~~Section 19.1.2,~~ Franchisor's silence on an application made pursuant to ~~Section 18.4~~ 16.2.3 through the ~~one hundred eighty (180)~~ days following the event of death or incapacity will be deemed a rejection made on the last day of such period.

~~19.21.1 Franchisor's Right to Terminate.~~ ~~In the event of the death or incapacity of an individual Franchisee, Settlor, or any partner, shareholder or member of a Franchisee which is a partnership, corporation or limited liability company, where the aforesaid provisions of Section 18 have not been fulfilled within the time provided, all rights licensed to Franchisee under this Agreement will, at the option of Franchisor, terminate forthwith and automatically revert to Franchisor.~~

~~19.317.2~~ "Disputes Over Incapacity" Defined. ~~For purposes of this Agreement, "incapacity" will be defined as the inability of Franchisee to operate or oversee the operation~~

~~of the Franchised Business on a regular basis by reason of any continuing physical, mental or emotional incapacity, chemical dependency or other limitation.~~ Any dispute as to the existence of an Incapacity ~~as used herein~~ will be resolved by the majority decision of three ~~(3)~~ licensed medical physicians practicing in the MSA ~~in which~~ where the Franchised Business is located, with each Party selecting one (1) medical physician, and the two (2) medical physicians so designated selecting the third medical physician. The determination of the majority of the three(3) medical physicians will be binding upon the parties and all costs of making said determination will be borne by the party against whom it is made.

20. — RIGHT OF FIRST REFUSAL

~~20.1 — Required Offer to Franchisor. Franchisee will not transfer or otherwise dispose of any interest in the Franchised Business, its assets or all or part of the ownership of the Franchisee without first offering the same to Franchisor. If Franchisee or its owners propose to sell the Franchised Business (or its assets) or part or all of the ownership of Franchisee, Franchisee and its owners will obtain and deliver to Franchisor a bona fide, executed written offer or proposal to purchase or proposal to merge same ("**Franchisee's Offer**"). Franchisor will have a period of thirty (30) days after the date of delivery of Franchisee's Offer to give Franchisee written notice of the Franchisor's desire to waive its right of first refusal or its intention to exercise its rights to purchase the Franchised Business (or its assets) or all or part of the ownership of the Franchisee (as the case may be) according to the terms contained in Franchisee's Offer ("**Notice of Intent to Purchase**"; provided that Franchisor may substitute cash for the fair market value of any form of payment proposed in Franchisee's Offer. If Franchisor does not exercise its right of first refusal, the offer or proposal may be accepted by Franchisee or its owners, subject to the prior written approval of Franchisor, as provided in **Section 18**, provided that if the sale fails to close within one hundred twenty (120) days after the date thereof, Franchisor will again have the right of first refusal described in this **Section**. Should a transferee assume the rights and obligations under this Agreement, such transferee will likewise be subject to Franchisor's right of first refusal under terms and conditions as set forth herein. Despite the foregoing, the right of first refusal herein described will not apply to the sale or transfer of the Franchised Business (or its assets) or part or all of the ownership of Franchisee to a Permitted Transferee in accordance with **Section 18.7** of this Agreement.~~

~~20.2 — Due Diligence Review by Franchisor. If Franchisor accepts Franchisee's Offer, then Franchisor will have ninety (90) days after the date the Notice of Intent to Purchase is received by the Franchisee ("**Notice Date**") to conduct a "due diligence" review. The Franchisee will promptly provide the Franchisor with all financial records and other information requested by the Franchisor or its representatives to conduct its due diligence review. The Franchisor will have the absolute and unconditional right to terminate the **Notice of Intent to Purchase** and any obligation to purchase the Franchised Business, its assets or all or part of the ownership of the Franchisee from the Franchisee for any reason and at any time during the ninety (90) day due diligence review period by giving the Franchisee written notice.~~

~~20.3 — Definitive Purchase Agreement. Unless the Franchisor terminates its Notice of Intent to Purchase as provided in **Section 20.2** the Franchisee and the Franchisor will act in good faith to agree on the terms and conditions of the definitive agreement or agreements for the purchase of the Franchised Business, its assets or all or part of the ownership of the Franchisee (other than those objective terms and conditions contained in the Franchisee's Offer) and the closing date for the sale to the Franchisor will take place within ninety (90) days after the Notice Date.~~

21.—OPERATION IN THE EVENT OF ABSENCE, INCAPACITY OR DEATH

17.3 Franchisor's Right to Terminate. If the aforesaid provisions of this Section have not been fulfilled within the time provided, all rights granted to Franchisee under this Agreement will, at the option of Franchisor, terminate and automatically revert to Franchisor.

~~21.1~~17.4 Franchisor's Right to Operate Franchised Business. ~~In order~~To prevent any interruption of the Franchised Business which would cause harm to ~~said business~~ and ~~thereby~~ depreciate the value ~~thereof, in of~~ the ~~event that~~Franchised Business, if Franchisee or the Operating Principal is absent or Incapacitated ~~by reason of illness or death~~ and is not ~~, therefore, in the sole judgment of Franchisor,~~ able to operate the Franchised Business, in the sole judgment of Franchisor, Franchisee authorizes Franchisor to operate ~~said the Franchised~~ Business without waiver of any other rights or remedies Franchisor may have under this Agreement; provided, however, that (i)1) Franchisor will not be obligated to so operate the Franchised Business, ~~and if Franchisor does operate the business~~ (ii)2) Franchisor will not operate or manage the daily operations of the business for a period of time in excess of ~~ninety (90)~~ days, which period of time may be renewed from time to time as necessary in increments of ~~ninety (90) day days~~ for an aggregate period of time up to an additional ~~two hundred and seventy (270)~~ days, and (iii)~~the~~3) Franchisor will regularly and periodically discuss the status of the business operations with ~~the~~ Franchisee, its heirs, personal representatives or successors, as applicable.

~~21.2~~17.5 Franchisor's Operational Rights. Franchisor will act diligently, in good faith and honestly in Franchisor's actions hereunder. In furtherance of the foregoing, Franchisor may:

~~21.2.1~~(a) collect ~~any and~~ all revenues due and payable to the Franchised Business and endorse Franchisee's name on checks received;

~~21.2.2~~(b) pay ~~any and~~ all expenses incurred to operate the Franchised Business including, but not limited to, wages, salaries and other compensation to Franchisee's employees, to Franchisor and persons Franchisor employs on Franchisee's behalf to manage the Franchised Business and to others for professional services;

~~21.2.3~~(c) pay any amounts due to Franchisor or Franchisor's affiliates, including the continuing Royalty Fees, Brand Development fees, amounts due for purchases of product and supplies and amounts due under any financing agreements;

~~21.2.4~~(d) incur debts in the ordinary course of business for inventory, materials, supplies and other items needed for the operation of the Franchised Business;

~~21.2.5~~(e) execute documents or instruments on Franchisee's behalf;

~~21.2.6~~(f) receive a reasonable fee for Franchisor's services hereunder (as more fully set forth below);

~~21.2.7~~(g) institute legal or administrative proceedings on behalf of and defend actions brought against the Franchised Business; and

~~21.2.8(h)~~ take any other action Franchisor deems necessary or appropriate in furtherance of this provision.

~~21.3—Separate Books and Records; Bank Account.~~ Franchisor will maintain separate books and records of Franchisor's actions hereunder in accordance with the format required by the System.

17.5.3 Separate Bank Account. The net proceeds, if any, from Franchisor's operation of the Franchised Business will be deposited into a separate bank account or accounts under Franchisor's direction and control as trustee for Franchisee. Upon Franchisor's termination of the rights granted hereunder, such net proceeds, if any, will be distributed to Franchisee or as Franchisee directs. All monies from the operation of the business during such period of operation by Franchisor will be kept in a separate account and the expenses of the business, including reasonable compensation of the then-current fees as specified in the Manuals, plus travel, room and board and expenses for Franchisor's representative, will be charged to said account.

17.5.4 Limitation of Liability. Franchisor will not be liable to Franchisee, its heirs, personal representatives or successors, except for willful misconduct or gross negligence. Franchisee grants Franchisor the right to set off such charges to the account. Franchisee will indemnify and hold Franchisor harmless from and against any loss, claim, expense, damage, liability or other obligation of any nature, including legal fees and expenses arising from or in any manner connected with Franchisor's actions hereunder, excepting only those arising from or connected with Franchisor's willful misconduct or gross negligence. Franchisee acknowledges that Franchisor will have a duty to utilize only commercially reasonable efforts and will not be liable to Franchisee or its owner for any debts, losses, or obligations the business incurs, or to any of Franchisee's creditors for any supplies or services the business purchases.

~~21.4—Deposit of Monies into Separate Account.~~ ~~All monies from the operation of the business during such period of operation by Franchisor will be kept in a separate account and the expenses of the business, including reasonable compensation of the then-current fees as specified in the Manuals, plus travel, room and board and expenses for Franchisor's representative, will be charged to said account.~~

~~21.51.1 Management Fee~~ Management Fee. In addition to any other fees due under this Agreement Franchisor is entitled to receive a Management Fee in the amount set out in Section 6.2.11 for the management services provided by Franchisor and reimbursement of Franchisor's out-of-pocket expenses to provide management services, including ~~reasonable compensation of the then-current fees as specified in the Manuals, plus travel, room and board and expenses for Franchisor's representative, Franchisor is entitled to receive a fee for the management services provided by Franchisor equal to a management fee of 15% of the Net Billings of the Franchised Business ("Management Fee").~~ representatives. The Management Fee will be paid within ~~ten (10)~~ days after the end of each month, or part thereof, that management services are provided by Franchisor. Any portion of the Management Fee which is not paid when due ~~shall~~ will bear interest at the rate set forth in **Section 10.26.2.12** until such amount is paid in full.

18. DEFAULT, TERMINATION AND REMEDIES

18.1 Termination by Franchisee. Franchisee may not terminate this Agreement prior to the expiration of the Initial Term or during any Renewal Term, unless Franchisee is in compliance with the terms of this Agreement, Franchisor has breached this Agreement, such breach results in a material adverse effect on Franchisee, and Franchisee complies with the terms of this **Section** and the dispute resolution process in **Section 20**; or, obtains Franchisor's written consent to terminate. If Franchisee claims that Franchisor failed to meet any obligation under this Agreement, Franchisee must provide Franchisor with written notice of such claim within one (1) year after its occurrence, specifically enumerating all alleged deficiencies and providing Franchisor with an opportunity to cure, which will not be less than 30 days after the date of receipt of such notice by Franchisor; provided, however, that if the nature of Franchisor's breach is such that more than 30 days are reasonably required for performance or cure; then, Franchisor will not be in breach if Franchisor commences performance within the 30 day period and diligently continues and cures the breach. If Franchisee fails to give any such notice timely, Franchisee will be deemed to have waived any such alleged breach by Franchisor.

18.2 Franchisee's Non-Curable Defaults. If Franchisee, its Operating Principal, Executive Management Personnel, officers, members, shareholders or managers, cause any of the following events to occur, Franchisee will be in Default, Franchisee will have no right or opportunity to cure the Default; and, Franchisor will have the remedies set out in **Section 18.4**, including the right and good cause to terminate this Agreement, which termination will be effective immediately upon Franchisor's delivery of a written notice of termination pursuant to **Section 22.13**:

(a) Makes any material misrepresentation or omission in its application for the franchise;

(b) Is convicted of or pleads no contest (if applicable in Franchisee's jurisdiction) to a felony or other crime or offense that is likely to adversely affect the reputation of Franchisor, System, Franchisee or the Franchised Business;

(c) Makes any unauthorized use, disclosure or duplication of any portion of the Manuals or the passwords, access codes or usernames to access the Manuals in electronic format or duplicates, discloses or makes any unauthorized use or duplication of any Confidential Information, Trade Secrets or Proprietary Information;

(d) Abandons, fails or refuses to continuously operate the Franchised Business for five (5) business days in any 12 consecutive months period, unless the Franchised Business has been closed for a purpose approved by Franchisor or due to force majeure, or fails to relocate to approved premises within an approved period of time following expiration or termination of the lease for the Office;

(e) Surrenders or transfers control of the operation of the Franchised Business, makes an unauthorized direct or indirect assignment of the Franchised Business or its assets or an ownership interest in Franchisee, or fails or refuses to assign the Franchised Business or the interest in Franchisee of a deceased or disabled controlling owner thereof as required in this Agreement;

(f) Submits to Franchisor on three (3) or more separate occasions at any time during the Term or any Interim Period any reports or other data, information or supporting records which understate by more than two percent (2%) the Net Billings for any accounting periods, and Franchisee is unable to satisfactorily demonstrate to Franchisor that such understatements resulted from inadvertent error;

(g) Misuses or makes an unauthorized use of any Marks or commits any act which action can reasonably be expected to impair the goodwill associated with any Marks;

(h) Misuses or makes an unauthorized use of any of Franchisor's proprietary software (if developed which can reasonably be expected to adversely affect Franchisor's interest in such software);

(i) Fails on two (2) or more separate occasions within any period of 12 consecutive months to make any payments to Franchisor or Franchisor's Affiliates when due;

(j) Any other franchise agreement with Franchisor is terminated by Franchisor because of Franchisee's default, other than a default due to Franchisee's failure to meet the Minimum Quarterly Net Billings requirements in such franchise agreement;

(k) If Franchisee files for bankruptcy, becomes insolvent, commits any affirmative act of insolvency or files any action or petition of insolvency, or if a receiver (permanent or temporary) of its property or any part thereof is appointed by a court of competent authority, if Franchisee makes a general assignment for the benefit of its creditors, or if a final judgment remains unsatisfied of record for 30 days or longer (unless supersedeas bond is filed), if execution is levied against Franchisee's business or property, or if suit to foreclose any lien or mortgage against its Office or equipment is instituted against Franchisee and not dismissed within 30 days or is not in the process of being dismissed within 30 days;

(l) Attempts to assign, transfer, or sell the clients or the client service contracts or the identity of clients of the Franchised Business without Franchisor's written consent;

(m) Performs Core Services or Ancillary Services in another franchisee's designated area on two (2) or more separate occasions, even if Franchisee has complied with Franchisor's then-current Promulgated Rules on encroachment set out in the Manual, unless Franchisee has entered into an Authorization to Provide Services in Designated Area Agreement (or such other agreement required by Franchisor) with such other franchisee and Franchisor has not revoked its approval;

(n) Defaults under any provision in **Section 14**;

(o) Fails to meet the Minimum Quarterly Net Billing requirement, as set forth in **Section 10.14**, for more than four (4) consecutive Quarters or more than four (4) Quarters in any consecutive 24-month period;

(p) Fails to timely submit to arbitration any Franchisee Quarrel, for which Franchisor has given a Notice to Arbitrate, in accordance with **Section 10.10**;

(q) Fails to have a qualified Operating Principal as further set out in **Section 10.1**;

(r) Fails to maintain any required applicable licenses to operate the Franchised Business as provided in **Section 10.9.1**;

(s) If three (3) or more notices of default have been given by Franchisor to Franchisee within any 12-month period pursuant to this Agreement, whether or not Franchisee has cured the reason for the default.

18.3 Franchisee's Curable Defaults. If Franchisee, or its Operating Principal, Executive Management Personnel, officers, members, shareholders or managers, cause any of the following events to occur, Franchisee must cure the default within the time periods in this **Section**; and if Franchisee fails to do so, Franchisor will have the remedies set out in **Section 18.4** including the right and good cause to terminate this Agreement, which termination will be effective immediately upon Franchisor's delivery of a written notice of termination pursuant to **Section 22.13**:

18.3.1 Franchisee Fails To Cure Within Time Periods. Franchisee fails to cure the following Curable Defaults within the time periods in this **Section 18.3.1** after delivery of written notice to Franchisee:

(a) Complete RightStart Training Program within 30 days of required Active Grand Opening Date, as provided in **Section 10.5.2**;

(b) Cure any violation of a health, safety, sanitation or other local, state or federal regulation or ordinance applicable to the Franchised Business or other member of the public within the later of (1) the cure period required by such regulation or ordinance; or (2) within 10 days;

(c) Cure a default under the lease for the Office according to the terms of the lease; or

(d) Make payment of any amount due Franchisor or Franchisor's Affiliates within five (5) business days after written notice is delivered to Franchisee.

18.3.2 Franchisee Fails To Cure Within 30 Days. Franchisee fails to cure any of the following Curable Defaults within 30 days after delivery of written notice to Franchisee:

(a) Establish an Open Office in accordance with **Section 10.5.2**

(b) Continuously maintain an Open Office as provided in **Section 10.5.3**;

(c) Meet with Franchisor after receiving a Dispute Notice pursuant to **Section 20.1.1**;

(d) Submit a Performance Improvement Plan acceptable to Franchisor within the period required by Franchisor after failing to meet the Minimum Quarterly Net Billings as further set out in **Section 10.14.2**;

(e) Execute the Performance Improvement Plan;

(f) Achieve the required Minimum Quarterly Net Billings within the time period specified in the Performance Improvement Plan as set forth in **Section 10.14.2(b)**;

(g) Except as provided in **Section 18.2(m)**, performs Core Services or Ancillary Services in another franchisee's designated area, unless Franchisee has complied with Franchisor's then-current Promulgated Rules on encroachment and has entered into an Authorization to Provide Services in Designated Area Agreement (or such other agreement required by Franchisor);

(h) Obtain Accreditation or satisfactorily maintain such Accreditation if such Accreditation is required by Franchisor in accordance with **Section 10.9.8**;

(i) Participate in any client satisfaction survey program, caregiver satisfaction survey program, or any other required satisfaction programs or surveys;

(j) Meet any performance criteria set out by Franchisor regarding client satisfaction survey programs or surveys; or

(k) Comply with (1) any provision of this Agreement not specifically referenced in **Section 18.2** or this **Section 18.3**; or, (2) any mandatory specification, standard or operating procedure prescribed in the Manuals or otherwise directed in writing by Franchisor, and Franchisee does not correct such failure or refusal (or provide proof acceptable to Franchisor that Franchisee has made all reasonable efforts to correct such failure or refusal and will continue to make all reasonable efforts to cure until a cure is effected, if such failure or refusal cannot reasonably be corrected within 30 days) after written notice of such failure or refusal to comply is delivered to Franchisee;

~~18.4 Non-Exclusive Remedies **Licensing**. In addition to the foregoing, Franchisee acknowledges that if Franchisor becomes aware, by any means, of any situation where any license required for the Franchised Business is or may be suspended, terminated or affected in any manner that could result in the closing of the Franchised Business for any period time, Franchisor may, but is not obligated to, notify any federal, state or local authority. If Franchisor takes such action, Franchisee agrees that Franchisor shall not be liable to Franchisee for any costs, expenses or damages resulting therefrom.~~

22. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

~~22.1 **No Fiduciary Relationship**. This Agreement does not create a fiduciary relationship between the Franchisor, Franchisee and Franchisee's owners, nor does it constitute Franchisee, Franchisee's owners or the Operating Principal as an agent, legal representative, joint venturer, joint employer, partner, employee or servant of Franchisor for any purpose whatsoever. It is understood between the parties that Franchisee, Franchisee's~~

~~owners and the Operating Principal will be independent contractors and are in no way authorized to make any contract, agreement, warranty or representation on behalf of Franchisor to incur any debt, or to create any obligation, express or implied, on behalf of Franchisor. The occasional or sporadic act of control by Franchisor directing the detail of any work is not sufficient to destroy the agreement forming the basis of the parties' independent contractor relationship.~~

~~22.2 — Independent Contractor. It is acknowledged that Franchisee is the sole and independent owner of the Franchised Business, will be in full control thereof; and, will conduct such Franchised Business in accordance with its own judgment, subject only to the provisions of the Agreement. Franchisee will conspicuously identify itself as the independent owner of the Franchised Business and as a Franchisee of Franchisor. During the term of this Agreement and any renewal hereof, Franchisee will hold itself out to the public as an independent contractor operating the business pursuant to a franchise from Franchisor. Franchisee will take such affirmative action as may be necessary to do so including, without limitation, exhibiting a notice of that fact in a conspicuous place on the Office and on all forms, stationery or other written materials, the content of which Franchisor reserves the right to specify.~~

~~22.3 — Indemnification. Franchisee will defend, at its own cost, and indemnify and hold harmless Franchisor, its shareholders, directors, officers, employees and agents, from and against any and all losses, costs, claims, expenses (including, without limitation, reasonable accountant, attorney and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses), damages and liabilities, however caused, resulting directly or indirectly, from or pertaining to (i) the use, condition or construction, equipping, decorating, maintenance or operation of the Franchised Business, including the sale of any service or product sold from the Franchised Business, except to the extent caused by Franchisor's gross negligence or willful misconduct with regard to the foregoing, or (ii) any breach of this Agreement by Franchisee. Such losses, claims, costs, expenses, damages and liabilities will include, without limitation, those arising from latent or other defects in the Franchised Business, its services or products, materials or equipment whether or not discoverable by Franchisor, and those arising from the death or injury to any person or arising from damage to the property of Franchisee or Franchisor, their agents or employees or any third person, firm or corporation, whether or not such losses, claims, costs, expenses, damages or liabilities were actually or allegedly caused wholly or in part through the active or passive negligence of Franchisor or any of its agents or employees or resulted from any strict liability imposed on Franchisor or any of its agents or employees. The indemnification and hold harmless will survive termination of this Agreement.~~

23. — APPROVALS

~~23.1 — Approvals by Franchisor. Franchisor will not, by virtue of any approvals, advice or services provided to Franchisee or the Operating Principal, assume responsibility or liability to Franchisee, the Operating Principal or any third parties to which Franchisor would otherwise be subject.~~

~~23.2 — Time for Approvals. Whenever this Agreement requires the prior approval or consent of Franchisor, Operating Principal will make a timely written request to Franchisor therefor, and, except as otherwise provided herein, any approval or consent granted must be in writing to be binding upon Franchisor.~~

~~23.31.1 Consequences of Approvals. Franchisor makes no warranties or guarantees upon which Franchisee or the Operating Principal may rely and assumes no liability or obligation to Franchisee, the Operating Principal or any third party to which it would not otherwise be subject, by providing any waiver, approval, advice, consent or services to Franchisee or the Operating Principal in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.~~

24.—NON-WAIVER

~~No failure of Franchisor to exercise any power reserved to it in this Agreement, or failure to insist upon strict compliance by Franchisee and the Operating Principal with any obligation or condition in this Agreement, and no custom or practice of the parties that varies from the terms in this Agreement, will constitute a waiver of Franchisor's right to demand exact compliance with the terms hereof. Waiver by Franchisor of any particular breach or default by Franchisee or the Operating Principal will not be binding unless in writing and executed by the Franchisor and will not affect or impair Franchisor's right with respect to any subsequent default of the same or of a different nature; nor will any delay, waiver, forbearance or omission of Franchisor to exercise any power or rights arising out of any breach or default by Franchisee of any of the terms, provisions or covenants hereof, affect or impair Franchisor's rights, nor will such constitute a waiver by Franchisor of any right hereunder or of the right to declare any subsequent breach or default. Subsequent acceptance by Franchisor of any payment(s) due to it hereunder will not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.~~

25.—NOTICES

~~Any and all notices required or permitted under this Agreement will be in writing and will be personally delivered, delivered by messenger or delivery service, delivered by overnight express delivery service, mailed by certified mail return receipt requested, or delivered by facsimile transmission, and will be effective when received by or confirmation of receipt is acknowledged to the respective parties at the addresses set forth in the introductory **Section** of this Agreement unless and until a different address has been designated by written notice to the other party. Any notice by certified mail will be deemed to have been given at the date and time of mailing. Franchisee will promptly notify Franchisor of any change in Franchisee's address.~~

~~26.1.1 Entire Agreement This Agreement, any exhibit attached hereto, and the documents referred to herein, will be construed together and constitute the entire, full and complete agreement between Franchisor and Franchisee concerning the subject matter hereof, and supersede all prior agreements. No other representation has induced Franchisee to execute this Agreement, and there are no representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied in this Agreement, which are of any force or effect with reference to this Agreement or otherwise. No amendment, change or variance from this Agreement (other than amendments to the Manuals or other matters with respect to which Franchisor has reserved the unilateral right to amend) will be binding on either party unless executed in writing by both parties. Nothing in this Agreement or in any related agreement is intended to disclaim the representations made in the Franchisor's Franchise Disclosure Document that Franchisor has furnished to Franchisee.~~

27. SEVERABILITY AND CONSTRUCTION

~~27.1—Severability. Each paragraph, part, term and/or provision of this Agreement will be considered severable, and if, for any reason, any paragraph, part, term and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation, such will not impair the operation of or affect the remaining portions, sections, parts, terms and/or provisions of this Agreement, and the latter will continue to be given full force and effect and bind the parties hereto; and said invalid sections, parts, terms and/or provisions will be deemed not part of this Agreement; provided, however, that if Franchisor determines that said finding of illegality adversely affects the basic consideration of this Agreement, Franchisor may, at its option, terminate this Agreement as provided in this Agreement.~~

~~27.21.1No Third Party Rights. Anything to the contrary herein notwithstanding, nothing in this Agreement is intended nor will be deemed to confer upon any person or legal entity other than Franchisor or Franchisee and such of their respective successors and assigns as may be contemplated by this Agreement, any rights or remedies under or by reason of this Agreement.~~

~~27.3—Rights and Duties Imposed by Law. Franchisee will be bound by any promise or covenant imposing the maximum duty permitted by law which is contained within the terms of any provision hereof, as though it were separately stated in and made a part of this Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.~~

~~27.4—Captions. All captions herein are intended solely for the convenience of the parties, and none will be deemed to affect the meaning or construction of any provision hereof. The singular usage includes the plural, and the masculine and neuter usages include the other and the feminine.~~

~~27.51.1Recitals. The recitals set forth in this Agreement are specifically incorporated into the terms of this Agreement and hereby constitute a part thereof.~~

28. APPLICABLE LAW AND CHOICE OF FORUM

~~28.1—Governing Law. This Agreement will be governed by and construed according to the laws of the State of Nebraska, excluding any conflict of laws or provisions which would result in the application of the laws of another jurisdiction, EXCEPT TO THE EXTENT GOVERNED BY FEDERAL LAW INCLUDING, WITHOUT LIMITATION, THE UNITED STATES TRADEMARK ACT OF 1946, AS AMENDED (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.). Franchisor and Franchisee irrevocably agree that the United States District Court of the District of Nebraska and the Courts of Nebraska sitting in Douglas County, Nebraska will have exclusive jurisdiction to hear and determine any action on a controversy on or under this Agreement, including any action for injunctive relief and for specific performance and other equitable relief, irrevocably submit to the jurisdiction of such Courts and irrevocably waive any objection which either of them might have to such Courts being nominated as the forum to hear and determine any such action on a controversy relating to this Agreement and agree not to claim that any such Court is not a convenient or appropriate forum. Not only must any such action be brought in such Courts, but any such action must also be continually maintained in such Courts. The parties agree that such Courts have power under the law of Nebraska to~~

~~entertain any such action, that Nebraska is a reasonably convenient place for the trial of any such action, and that this agreement, applicable law, and choice of forum were not obtained by misrepresentation, duress, the abuse of economic power or other unconscionable means.~~

~~28.21.1 Place of Execution. FRANCHISEE ACKNOWLEDGES THAT THIS AGREEMENT IS ENTERED INTO IN DOUGLAS COUNTY, NEBRASKA.~~

~~28.3 — Rights and Remedies.~~

18.4.1 Remedies. If Franchisor has given Franchisee notice of a Default, Franchisor has the right, without prejudice to any other rights or remedies it may have, to (a) suspend performance of certain or all of its services to Franchisee during the time period prior to Franchisee curing the Default (if such Default is curable per this **Section 18**); (b) suspend Franchisee's, the Operating Principal's and/or the Executive Management Personnel's right to use the System; (c) suspend Franchisee's, the Operating Principal's and/or the Executive Management Personnel's right to operate the Franchised Business; (d) change the size of the Designated Area; (e) establish other Franchised Businesses within the Designated Area; (f) permit other franchisees to provide Core Services and Ancillary Services to clients located within the Designated Area; (g) terminate this Agreement and all rights granted to Franchisee hereunder (subject to the provisions of this **Section 18**, and applicable law governing franchise termination and renewal); and, (h) suspend the Franchisee's use of any Website and social media bearing the Marks.

18.4.2 Non-Exclusive. The remedies described in this Agreement and in particular this **Section 18** are not exclusive and are in addition to any other remedies Franchisor has in this Agreement or as provided by law. In addition to the remedy of termination, Franchisor has the right, without prejudice to any other right or remedy, to pursue an action at law for damages. Termination is in addition to and not in limitation of any rights or remedies that Franchisor is or may be entitled to at law or in equity. Franchisor's rights under this Agreement are cumulative and no exercise or enforcement by Franchisor or any right or remedy under this Agreement will preclude the exercise or enforcement by it of any other right or remedy under this Agreement or that Franchisor is entitled to enforce by applicable law. NO RIGHT OR REMEDY CONFERRED UPON OR RESERVED TO FRANCHISOR OR FRANCHISEE BY THIS AGREEMENT IS INTENDED TO BE, NOR WILL BE DEEMED, EXCLUSIVE OF ANY OTHER RIGHT OR REMEDY IN THIS AGREEMENT OR BY LAW OR EQUITY PROVIDED OR PERMITTED, BUT EACH WILL BE CUMULATIVE OF EVERY OTHER RIGHT OR REMEDY.

18.5 Application of State Laws. To the extent that the provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation, nonrenewal or the like, other than in accordance with applicable law, such provisions will, to the extent such are not in accordance with applicable law, not be effective, and Franchisor will comply with applicable law in connection with each of these matters.

~~28.4 — Right to Injunctive Relief. NOTHING IN THIS AGREEMENT WILL BAR FRANCHISOR'S RIGHT TO OBTAIN INJUNCTIVE RELIEF AGAINST THREATENED CONDUCT UNDER GENERAL~~

~~PRINCIPLES OF EQUITY, INCLUDING THE APPLICABLE PRINCIPLES FOR OBTAINING RESTRAINING ORDERS, PERMANENT AND PRELIMINARY INJUNCTIONS.~~

29.—DISPUTE RESOLUTION

~~29.1—Disputes. Except as provided in Section 29.3, if any dispute, controversy or claim between Franchisor~~ **RIGHTS AND DUTIES OF PARTIES UPON A TERMINATING EVENT**

Upon a Terminating Event, all rights granted by this Agreement to Franchisee and the Operating Principal will terminate, and any of Franchisor's or Franchisee's affiliates, officers, directors, shareholders, members, guarantors, employees or owners, arising under, out of, in connection with or in relation to this Agreement, any loan or other finance arrangement between Franchisee must comply with the requirements of this Section.

19.1 Required Actions.

19.1.1 Assign Trade Names. Upon written notice from Franchisor, Franchisee will cancel, or, if Franchisor so requests, assign to Franchisor or its affiliates designee, any fictitious or assumed name rights or equivalent registration filed with any state, city or county authorities which contain any Mark associated with the System, and Franchisee, the parties' relationship, will furnish Franchisor with evidence satisfactory to Franchisor that it complied with this obligation within 30 days after receipt of notice. Franchisee acknowledges that all goodwill associated with the Marks and System belongs to Franchisor.

19.1.2 Assign Lease. Upon written notice from Franchisor, Franchisee will assign Franchisee's interest in any lease then in effect for the Office to Franchisor, and Franchisee furnish Franchisor with evidence satisfactory to Franchisor that it complied with this obligation within 15 days after receipt of notice.

19.1.3 Pay Amounts Owed to Franchisor. Within 15 days after the Terminating Event, Franchisee must pay all sums owing to Franchisor. If termination was because of a Default by Franchisee, the amounts owed will include all damages, costs and expenses, including reasonable attorney fees, incurred by Franchisor to enforce this Agreement due to the Default. Franchisee must furnish a complete accounting of all amounts owing to Franchisor contemporaneously with payment.

19.1.4 Return Confidential Information, Proprietary Information and Trade Secrets. Immediately upon the occurrence of a Terminating Event, Franchisee will return the Confidential Information, Proprietary Information and Trade Secrets to Franchisor, all of which Franchisee acknowledges is Franchisor's property.

19.1.5 Transfer Signage. Franchisor has the right, title and interest to any sign or sign faces bearing the Marks. Franchisee acknowledges Franchisor's right to access the Office, upon written notice from Franchisor, if Franchisor elects to take possession of any said sign or sign faces.

19.1.6 Transfer Telephone Numbers, Domain Names, Social Media Accounts, E-Mails, Etc. Franchisee acknowledges that all telephone and facsimile numbers, Internet addresses and electronic mail addresses and domain names used in the operation of the Franchised Business are Franchisor's assets and Franchisee will promptly execute all

documents, including, but not limited to, authorization forms, prescribed by Franchisor to transfer and assign said assets to Franchisor if a Terminating Event occurs. Upon written notice from Franchisor, Franchisee must assign all of Franchisee's right, title and interest in and to Franchisee's telephone and facsimile numbers, Internet addresses and electronic mail addresses and domain names to Franchisor or its designee; and, must notify the telephone company and all listing agencies that Franchisee's right to use any telephone and facsimile numbers, Internet addresses and electronic mail addresses and domain names and any regular, classified or other telephone directory listing has terminated and authorize a transfer of same to or at the direction of Franchisor.

19.1.7 Compliance with Records and Covenants. Franchisee will comply with the requirements and covenants contained in **Section 12** and **Section 14**.

19.1.8 Provide Contact Information. Franchisee will provide Franchisor with its current contact information for a period of one (1) year from the date of the Terminating Event.

19.1.9 Modification to the Office. Franchisee will make such modifications or alterations to the Office (including, without limitation, the changing of the telephone number) immediately upon a Terminating Event, as may be necessary to prevent any association with Franchisor, the Marks or the System and any business operated by Franchisee or others, and will make such specific additional changes as Franchisor may reasonably request for that purpose, including, without limitation, removal of all distinctive physical and structural features identifying the System. If Franchisee fails or refuses to comply with the requirements of this **Section 19.1.9**, Franchisor will have the right to enter upon the Office, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required at the expense of Franchisee, which expense Franchisee will pay upon demand.

19.1.10 Liquidated Damages. Franchisor acknowledges that time schedules, time limits, and requirements specified in this **Section 19.1.4** are of the essence so Franchisor can protect the System and the Confidential Information, Proprietary Information and Trade Secrets. For each full day or part thereof after the date the Required Action set out in **Section 19.1.4** herein are not completed, Franchisee will pay liquidated damages to Franchisor equal to \$250.00. Liquidated damages as provided in this **Section** will not be the exclusive liability of Franchisee for delay but are in addition to all other remedies available to Franchisor. Franchisor and Franchisee agree that the terms, conditions and amounts fixed for liquidated damages are reasonable considering the damages that Franchisor will incur if Franchisee fails to meet the requirements in **Section 19.1.4**; the amount is agreed upon and fixed as liquidated damages because of the difficulty of ascertaining the exact amount of damages that may be sustained by Franchisor; and, liquidated damages will be applicable regardless of the actual amount of damages sustained.

19.2 Prohibited Actions Operate the Franchised Business. Franchisee will immediately cease to operate the Franchised Business and will not thereafter, directly or indirectly, represent to the public or hold itself out as a present franchisee of Franchisor. Furthermore, Franchisee will not utilize any designation of origin, description or representation which falsely suggests or represents an association or connection with Franchisor. Franchisee will terminate

all agreements with Required Suppliers and will cease all advertising, promotion and marketing of the Franchised Business.

19.2.2 Use Confidential Information, Trade Secrets or Proprietary Information. Franchisee will immediately and permanently cease to use, by advertising or in any manner whatsoever, any Confidential Information, Trade Secrets or Proprietary Information, including all signs, vehicle wraps, advertising materials, websites, stationary, forms and any other articles which display the Marks.

19.2.3 Use Entity. Franchisee will immediately and permanently cease using any entity used to operate the Franchised Business.

19.2.4 Use Marks. Franchisee will not use any reproduction, counterfeit, copy or colorable imitation of the Marks, including in connection with other businesses or the promotion thereof, which is likely to cause confusion, mistake or deception, or which is likely to dilute Franchisor's rights in and to the Marks.

19.3 Franchisor's Option to Purchase Assets.

19.3.1 Purchased Assets. Franchisor has the option and right (but not the duty), to purchase any or all of the following: (1) all fixed assets of the Franchised Business at depreciated value as reflected on Franchisee's most recent financials; (2) the real property consisting of the Office of the Franchised Business, as specified under **Section 10.4**, at fair market value; and, (3) all other assets/property of the Franchised Business at fair market value (the "**Purchased Assets**").

19.3.2 Exercise Notice. To exercise this option, Franchisor will deliver written notice to Franchisee within 30 days after a Terminating Event (other than a Transfer approved by Franchisor) (the "**Exercise Notice**").

19.3.3 Qualified Appraiser. If the parties cannot agree on a fair market value within a reasonable time after Franchisee's receipt of the Exercise Notice, the fair market value will be determined by a Qualified Appraiser selected by both Franchisor and Franchisee; provided that, if Franchisor and Franchisee cannot agree upon a Qualified Appraiser within 30 days after the Exercise Notice is delivered by Franchisor to Franchisee, Franchisor and Franchisee will each have the opportunity to appoint a Qualified Appraiser, within five (5) days following the expiration of such 30 day period. ~~The two (2) Qualified Appraisers will establish the amount of the fair market value in a single written opinion agreed to and signed by both of them. ,or any System Standard; or the scope or validity of the arbitration obligation under this Section (a~~ "If these two (2) Qualified Appraisers cannot agree on the amount of the fair market value within 10 days after the appointment of the latter of them, these two (2) appointed Qualified Appraisers will together appoint a third(3rd) Qualified Appraiser whose sole written opinion will establish the amount of the fair market value. The fees of any Qualified Appraiser or Qualified Appraisers will be equally shared by Franchisor and Franchisee. If either Franchisor or Franchisee entitled to appoint a Qualified Appraiser fails to do so, or if one (1) of the two (2) initial Qualified Appraisers fails after appointment to submit his/her appraisal within the required period, the appraisal submitted by the remaining Qualified Appraiser will be controlling. If Franchisor elects to exercise the option granted

in this **Section**, it will have the right to set off all amounts due from Franchisee against any payment of the purchase price.

19.4 No Waiver. A Termination Event will not affect, modify or discharge any claims, rights, causes of action or remedies which Franchisor may have against the Franchisee, whether such claims or rights arise before or after the Terminating Event.

19.5 Survival. All obligations of Franchisor and Franchisee which expressly or by their nature survive the Termination Event will continue in full force and effect subsequent to and despite its expiration, transfer or termination and until they are satisfied or, by their nature, expire.

20. DISPUTE RESOLUTION; WAIVERS; ETC.

20.1 Dispute~~"); the~~ Resolution. Except as provided in **Section 1.1**, a Dispute will be settled as follows.

~~29.1.1~~20.1.1 Negotiation. The parties will first attempt to resolve the Dispute through good faith negotiation in accordance with ~~Sections 29.1.2 and 29.1.3 below.~~ Failure of a party to adhere to ~~Sections 29.1.2 and 29.1.3~~ **this Section**. Failure of a party to comply with **this Section** will constitute a waiver by such party of any right, remedy or relief claimed by the other party or provided for in this Agreement or by law that otherwise accrues as a result of such Dispute.

~~29.1.2(a)~~ (a) If a party claims that a Dispute exists, such party will ~~notify~~provide to the other party ~~in writing that a~~ written Dispute ~~exists.~~ Notice specifying the nature and extent of the Dispute ~~(the "Dispute Notice").~~ The parties will meet within ~~thirty (30)~~ days after the date of delivery of ~~such~~the Dispute Notice in Omaha, Nebraska, ~~at the Hilton Omaha Hotel downtown at 1001 Cass Street, or at such other~~ a location ~~as directed~~ designated by Franchisor ~~for such attempted resolution.~~

~~29.1.3(b)~~ (b) The persons representing Franchisor and Franchisee ~~who are authorized at the meeting must have authority~~ to settle the Dispute ~~must attend the meeting required by Section 29.1.2.~~ The parties may also be represented by counsel ~~at such meeting.~~ The parties will ~~then~~ make a good faith attempt to resolve the Dispute. If the Dispute is not resolved at such meeting or a party fails to appear at a scheduled meeting, the parties are free to pursue arbitration, ~~as provided in Section 20.1.2.~~ Each party will bear its own costs in connection with such meeting. The meeting and any~~all~~ negotiations and results ~~thereof~~ will be treated as a compromise settlement negotiation and the entire process is confidential.

20.1.2 Arbitration. Except as provided in **Section 29.31.1**, Franchisor and Franchisee agree that any Dispute not resolved pursuant to **Section 29.1**~~20.1.1~~ must be submitted to binding arbitration in accordance with the Federal Arbitration Act in accordance with the following procedures:

~~29.2.1(a)~~ (a) The ~~American Arbitration Association ("AAA")~~ will administer the arbitration pursuant to its then-current Commercial Arbitration Rules by one (1) arbitrator.

29.2.2(b) Franchisor and Franchisee will 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 will be barred.

29.2.3(c) Any arbitration must be on an individual basis ~~and~~. The parties and the arbitrator will have no authority or power to proceed with any claim as a class action or otherwise to join or consolidate any claim with any claim or any other proceeding involving third parties. If a court or arbitrator determines that this limitation on joinder of or class action certification of claims is unenforceable, then the agreement to arbitrate the Dispute will be null and void and the parties must submit all claims to the jurisdiction of the courts, in accordance with **Section ~~29.8~~ 20.3**.

29.2.4(d) The arbitration must take place in the city where Franchisor's headquarters is located at the time of the Dispute.

18.1.2.1(e) The arbitrator must follow the law and not disregard the terms of this Agreement. ~~The arbitrator must have at least 5 years of significant experience in franchise law. The arbitrator may not consider any settlement discussions or offers that might have been made by either Franchisor or Franchisee.~~ The arbitrator will also have the right to ~~make a determination as to decide~~ any procedural matters ~~as would that~~ a court of competent jurisdiction ~~would~~ be permitted to make in the state in which the main office of Franchisor is located. The arbitrator will also decide any factual, procedural, or legal questions relating in any way to the Dispute between the parties, including, but not limited to: any decision as to whether forum and venues provision is applicable and enforceable as against the parties, subject matter, timeliness, scope, remedies, unconscionability, and any alleged fraud in the inducement.

(f) ~~The arbitrator may not consider any settlement discussions or offers that might have been made by either Franchisor or Franchisee.~~

(g) ~~The arbitrator must have at least five (5) years of significant experience in franchise law.~~

18.1.2.2(h) The arbitrator may issue summary orders disposing of all or part of a claim and provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships, and other equitable and/or interim/final relief. Each party consents to the enforcement of such orders, injunctions, etc., by any court having jurisdiction.

29.2.5(i) The arbitrator will have subpoena powers limited only by the laws of the state in which the main office of Franchisor is located.

29.2.6(j) The parties to the Dispute will have the same discovery rights as are available in civil actions under the laws of the state in which the main office of Franchisor is then located. All other procedural matters will be determined by applying the statutory, common laws, and rules of procedure that

control a court of competent jurisdiction in which the main office of Franchisor is then located.

~~29.2.7~~(k) Other than as may be required by law, the entire arbitration proceedings (including, but not limited to, any rulings, decisions or orders of the arbitrator), will remain confidential and will not be disclosed to anyone other than the parties to this Agreement.

~~29.2.8~~(l) The judgment of the arbitrator on any preliminary or final arbitration award will be final and binding and may be entered in any court having jurisdiction.

~~29.2.9~~(m) Franchisor reserves the right, but has no obligation, to advance Franchisee's share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have waived or relinquished Franchisor's right to seek recovery of those costs in accordance with **Section ~~29.4~~–20.7**.

~~18.1.3~~**20.1.3 Binding on Third Parties.** The provisions of this **Section 20** are intended to benefit and bind Franchisee, Operating Principal, its Executive Management Personnel and its Franchisee Affiliates, and Franchisor and Franchisor Affiliates. All applicable statutes of limitation and defenses based on the passage of time are tolled while the Dispute resolution procedures in this **Section** are pending. The parties will take such action, if any, required to effectuate such tolling. Each party must continue to perform its obligations under this Agreement pending final resolution of any Dispute pursuant to this **Section**, unless to do so would be impossible or impracticable under the circumstances.

~~29.2~~—**Claims Not Subject to Arbitration.** Notwithstanding **Sections ~~29.1~~ and ~~29.2~~20.1.1 and 20.1.2**, the parties agree that the following claims will not be subject to arbitration or mediation:

~~29.3.1~~(a) any action for equitable relief, including, without limitation, seeking preliminary or permanent injunctive relief, specific performance, other relief in the nature of equity to enjoin any harm or threat of harm to such party's tangible or intangible property, brought at any time, including without limitation, prior to or during the pendency of any arbitration proceedings initiated hereunder; or

~~29.3.2~~(b) any action in ejectment or for possession of any interest in real or personal property.

~~29.3~~—**Right to Fees.** The prevailing party in any action or proceeding arising under, out of, in connection with, or in relation to this Agreement will be entitled to recover its reasonable costs and expenses (including attorneys' fees, arbitrators' fees and expert witness fees, costs of investigation and proof of facts, court costs, and other arbitration or litigation expenses) incurred in connection with the claims on which it prevailed. **For the purposes of this Agreement in general and this Section specifically, the "Prevailing Party" will be deemed to be that party which has obtained the greatest net judgment in terms of money or money equivalent.** If money or money equivalent has not been awarded, then the Prevailing Party

~~will be that party which has prevailed on a majority of the material issues decided. The "net judgment" is determined by subtracting the smallest award of money or money equivalent from the largest award. If there is a mixed decision involving an award of money or money equivalent and equitable relief, the arbitrator will award the above fees to the party that it deems has prevailed over the other party using reasonable business and arbitrator's judgment.~~

~~29.4 — **Binding on Third Parties.** 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 Agreement. All applicable statutes of limitation and defenses based on the passage of time are tolled while the Dispute resolution procedures in this **Section** are pending. The parties will take such action, if any, required to effectuate such tolling. Each party must continue to perform its obligations under this Agreement pending final resolution of any Dispute pursuant to this **Section**, unless to do so would be impossible or impracticable under the circumstances.~~

~~29.5 — **Franchisee Quarrel.** If the Franchisee is owned by either (i) an entity owned by more than one person, or (ii) more than one person ((i) and (ii), an "**Owner**" or "**Owners**"), then Franchisor has the right to determine that any disagreement ("**Franchisee Quarrel**") among any Owners ("**Quarreling Owners**") in respect to the Franchised Business has resulted in, or may result in, a negative and adverse effect upon Franchisor or its System, Franchisor may, by notice in writing, order Franchisee and its Owners to promptly initiate/submit to (as the case may be) a binding arbitration proceeding with the Quarreling Owners (the "**Notice to Arbitrate**"). The arbitration proceeding will be conducted pursuant to and in accordance with the then-current Commercial Arbitration Rules of the AAA by one arbitrator selected by mutual agreement of the Quarreling Owners within 15 days after the Notice to Arbitrate is given, or, if the single arbitrator is not so mutually agreed upon, then, within 15 days after such failure to agree, in accordance with the rules of the AAA. Each Owner hereby agrees that the determination of the arbitrator as to the Franchisee Quarrel and the allocation of the costs of the proceeding will be final and binding upon such Owners, who will comply in all material respects with such determination. Each Owner further agrees that the prevailing Owner will have the right to bring an action in any court of competent jurisdiction within the State wherein the Franchisee is authorized to do business to enforce the arbitrator's award, and for that purpose each Owner hereby accepts generally and unconditionally the non-exclusive jurisdiction and venue of such courts and waives any defense related thereto including any defense of an inconvenient forum.~~

~~29.71.1 **Application of Federal Arbitration Act.** Notwithstanding any choice of law provision of this Agreement, all issues relating to arbitration or the enforcement of the agreement to arbitrate contained in this Agreement are governed by the U.S. Federal Arbitration Act (9 U.S.C. § 1 et seq.) and the U.S. federal common law of arbitration. This federal act preempts any state rules on arbitration, including those relating to the site of arbitration. Judgment on an arbitration award, or on any award for interim relief, may be entered in any court having jurisdiction, and will be binding.~~

~~29.820.2 **Law Governing Disputes**Law. Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law, this Agreement shall be interpreted under the laws of the State of Nebraska and any Dispute between the parties shall be governed by and determined in accordance with the substantive laws of the State of Nebraska, which laws shall prevail in the event of any conflict of law. Franchisee and Franchisor have negotiated regarding a forum in~~

which to resolve any Disputes that may arise between them and have agreed to select a forum in order to promote stability in their relationship. ~~Therefore,~~

20.3 Choice of Forum. If a claim is asserted in any legal proceeding involving Franchisee, ~~its officers, directors, managers, partners or Guarantors (collectively, "Franchisee Affiliates")~~, and Franchisor, ~~its parent, subsidiaries or affiliates and their respective officers, directors and sales employees (collectively, "Franchisor Affiliates")~~, the parties agree that the exclusive venue for Disputes between them ~~shall~~will be in the ~~state and federal courts~~United States District Court of the District of Nebraska and the Courts of Nebraska sitting in Douglas County, Nebraska or the Omaha office of the AAA and each party waives any objection it may have to the personal jurisdiction of or venue in the ~~state and federal courts~~United States District Court of the District of Nebraska and the Courts of Nebraska sitting in Douglas County, Nebraska or the Omaha, Nebraska office of the AAA. ~~Franchisor, Franchisor Affiliates, Franchisee and Franchisee Affiliates each waive their rights to a trial by jury.~~

20.4 Waiver of Jury Trial. Franchisee, the Operating Principal, Executive Management Personnel have by entering into this Agreement, irrevocably waived trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by either Franchisor or Franchisee, the Operating Principal or the Executive Management Personnel.

20.5 Application of Federal Arbitration Act. Notwithstanding any choice of law provision of this Agreement, all issues relating to arbitration or the enforcement of the agreement to arbitrate contained in this Agreement are governed by the U.S. Federal Arbitration Act (9 U.S.C. § 1 et seq.) and the U.S. federal common law of arbitration. This federal act preempts any state rules on arbitration, including those relating to the site of arbitration. Judgment on an arbitration award, or on any award for interim relief, may be entered in any court having jurisdiction, and will be binding.

~~29.9~~20.6 Limitation of Actions. Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or arbitration proceeding brought or instituted with respect to any Dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of two (2) years from the date of discovery of the conduct or event that forms the basis of the legal action or proceeding.

20.7 Costs and Attorney's Fees. The prevailing party in any action or proceeding arising under, out of, in connection with, or in relation to this Agreement will be entitled to recover its reasonable costs and expenses (including attorneys' fees, arbitrators' fees and expert witness fees, costs of investigation and proof of facts, court costs, and other arbitration or litigation expenses) incurred in connection with the claims on which it prevailed. If there is a mixed decision involving an award of money or money equivalent and equitable relief, the arbitrator will award the above fees to the party that it deems has prevailed over the other party using reasonable business and arbitrator's judgment. If money or money equivalent has not been awarded, then the Prevailing Party will be that party which has prevailed on a majority of the material issues decided.

20.8 Business Judgement. The parties recognize, and any arbitrator and judge are affirmatively advised, that certain provisions of this Agreement reflect rights of Franchisor to take (or refrain from taking) certain actions in exercise of its business judgment based on its assessment of the long-term interests of the System as a whole. Where such discretion has been exercised

and is supported by Franchisor's business judgment, an arbitrator or judge will not substitute his or her judgment for Franchisor's judgment.

20.9 Injunctive Relief.

20.9.1 Right to Injunctive Relief. Notwithstanding anything contained in **Section 20.1** to the contrary, Franchisee and Franchisor will be entitled to the entry of a temporary, preliminary, interim, interlocutory and permanent injunctive relief and orders of specific performance from a court of competent jurisdiction, without posting bond, enforcing the provisions of this Agreement or any other related agreement pertaining to use of the System, Confidential Information, Trade Secrets, Proprietary Information, Website, Marks, post termination obligations set out in this Agreement, and any Transfers by Franchisee. If either party secures any such injunction or order of specific performance, the non-securing party agrees to pay to the securing party its costs and attorneys' fees described in **Section 20.7** and damages that may be permitted under this Agreement. The non-securing party's sole remedy upon the entry of such injunctive relief will be the dissolution of such injunctive relief, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of such injunction being expressly waived).

20.9.2 Forum. Franchisor and Franchisee irrevocably agree that the United States District Court of the District of Nebraska, and the Courts of Nebraska sitting in Douglas County, Nebraska will have exclusive jurisdiction to hear and determine any action for injunctive relief and for specific performance and other equitable relief, irrevocably submit to the jurisdiction of such Courts and irrevocably waive any objection which either of them might have to such Courts being nominated as the forum to hear and determine any such action on a controversy relating to this Agreement and agree not to claim that any such Court is not a convenient or appropriate forum. Not only must any such action be brought in such Courts, but any such action must also be continually maintained in such Courts. The parties agree that such Courts have power under the law of Nebraska to entertain any such action, that Nebraska is a reasonably convenient place for the trial of any such action, and that this agreement, applicable law, and choice of forum were not obtained by misrepresentation, duress, the abuse of economic power or other unconscionable means.

20.10 Survival. The provisions of this **Section 20** are intended to benefit and bind certain third-party non-signatories. The provisions of this **Section 20** will continue in full force and effect subsequent to and notwithstanding a Terminating Event.

20.11 Severability. If a court of competent jurisdiction decides the requirement to arbitrate a Dispute is unenforceable because applicable law does not permit the type of claim involved to be resolved by arbitration, or because this Agreement limits a party's rights or remedies in a manner applicable law does not permit, or for any other reasons, then the arbitration clause will not be void. Only those portions of the arbitration clause with respect to such claim or claims as are necessary to comply with applicable law will be invalid and considered severable, but the remainder will be enforced.

~~29.10~~20.12 Effect on Right to Terminate. The provisions of this **Section 2920** will not bar, override, delay or in any way restrict the right of Franchisor to terminate this Agreement pursuant

to ~~Sections~~[Section 14.2](#)~~18.2~~ or [Section 18.3](#), or to obtain any legal relief for a breach of this Agreement by Franchisee including by way of temporary or permanent injunction.

30. ~~“FRANCHISEE” DEFINED AND GUARANTY~~

~~30.1 “Franchisee” Defined. As used in this Agreement, the term “Franchisee” will include all persons who succeed to the interest of the original Franchisee by transfer or operation of law and will be deemed to include not only the individual or entity defined as “Franchisee” in the introductory paragraph of this Agreement, but will also include all owners of a legal or beneficial interest in the Franchised Business and/or Franchisee entity. Franchisee, if more than one individual, agrees that all liability pursuant to this Agreement will be joint and several. Franchisee, if it is an entity, represents and warrants to Franchisor that the persons executing the Guaranty and Assumption of Obligations, and the persons executing the Confidentiality and Non-Compete Agreement, constitute all owners of any legal or beneficial interest in Franchisee. By their signatures placed on this Agreement, each individual signatory acknowledges and accepts the duties and obligations imposed upon the Franchisee and each of the signatories by the terms of this Agreement. The singular usage includes the plural, and the masculine and neuter usages include the other and the feminine.~~

~~30.2 Guaranty. Franchisee, if an individual, agrees that his/her spouse, as now or hereafter may exist, will benefit from and be exposed to valuable knowledge and information regarding the Franchised Business and thus his/her spouse will execute both a Guaranty and Assumption of Obligations and a Confidentiality and Non-Compete Agreement in the form respectively of **Exhibits B** and **C** to this Agreement. Franchisee, if an entity, agrees that the owners thereof and the spouse of each owner, as now or hereafter may exist, will benefit from and be exposed to valuable knowledge and information regarding the Franchised Business and thus such spouse(s) will execute both a Guaranty And Assumption of Obligations and a Confidentiality and Non-Compete Agreement in the form respectively of **Exhibits B** and **C** to this Agreement.~~

31. ~~FORCE MAJEURE~~

~~Whenever a period of time is provided in this Agreement for either party to do or perform any act or thing, except the payment of monies, neither party will be liable nor responsible for any delays in performance due to strikes, lockouts, casualties, acts of God, war, governmental regulation or control or other interference through legal proceedings, all beyond the reasonable control of the parties and, in any event, said time period for the performance of an obligation hereunder will be extended for the amount of time of the delay; provided, the party delayed will give the other party written notice and full particulars of the force majeure promptly after the event occurs. This clause will not, however, result in an extension of the term of this Agreement.~~

32. ~~CAVEAT~~

~~The success of the business venture contemplated to be undertaken by Franchisee by virtue of this Agreement is speculative and depends, to a large extent, upon the ability of Franchisee, as an independent businessperson, and its active participation in the daily affairs of the business as well as other factors. Franchisor does not, in this Agreement or otherwise, make any representation or warranty, express or implied, as to the potential success of the business venture.~~

33.—ACKNOWLEDGMENTS

~~33.1—Understand Agreement. Franchisee and the Operating Principal represent and acknowledge that they have received, read and understood this Agreement and Franchisor's Franchise Disclosure Document and that Franchisor has accorded Franchisee and the Operating Principal ample time and opportunity to consult with advisors of their own choosing about the potential benefits and risks of entering into this Agreement. Even though this Agreement has been prepared by one of the parties, each of the parties confirms that each of them and their respective counsel have reviewed, negotiated and adopted this Agreement as the joint agreement and understanding of the parties. Thus, this Agreement is to be construed as a whole and any presumption that ambiguities are to be resolved against the primary drafting party will not apply. References to any document or other instruments include all amendments and replacements to such amendments and supplements to such amendments.~~

~~33.2—Franchise Disclosure Document. Franchisee and the Operating Principal acknowledge that Franchisee and the Operating Principal received the Franchise Disclosure Document, as required by the Federal Trade Commission Franchise Rule, at least fourteen (14) calendar days before the date on which this Agreement and the attachments to this Agreement were signed or consideration (anything of value) was paid. Franchisee and the Operating Principal acknowledge that, as a prospective franchisee, it had at least a full fourteen (14) days in which to review the disclosures. Franchisee and the Operating Principal further acknowledge that they received an additional copy of this completed Agreement and the attachments to this Agreement for signature, at least seven (7) calendar days before the date on which this Agreement and the attachments to this Agreement were signed and the Franchise Fee paid.~~

~~33.3—Consult with Attorney or Advisor. Franchisee and the Operating Principal have been advised to consult with an attorney, accountant, and other own advisors with respect to the legal, financial and other aspects of this Agreement, the business franchised hereby, and the prospects for that business. Franchisee and the Operating Principal have either consulted with such advisors or have deliberately declined to do so. Despite the fact that this Agreement has been prepared by the Franchisor, Franchisee and the Operating Principal confirm that they and their respective counsel have reviewed, negotiated and adopted this Agreement, in its entirety, as the joint agreement and understanding of the parties.~~

~~33.4—Effect of Covenant Not to Compete. Franchisee and the Operating Principal acknowledge that the covenants not to compete set forth in this Agreement are fair, reasonable and will not impose any undue hardship on Franchisee or the Operating Principal, since Franchisee and the Operating Principal have other considerable skills, experience and education which afford Franchisee and the Operating Principal the opportunity to derive income from other endeavors.~~

~~33.5—True and Complete Information. Franchisee and the Operating Principal declare under penalty of perjury, according to the laws of the State of Nebraska that all information set forth in any and all applications, financial statements and submissions to Franchisor are true, complete and accurate in all respects, with Franchisee and the Operating Principal expressly acknowledging that Franchisor is relying upon the truthfulness, completeness and accuracy of such information.~~

~~33.6 Independent Investigation. By executing this Agreement, Franchisee and Operating Principal acknowledge entering into this Agreement as a result of Franchisee's and Operating Principal's own independent investigation of Franchisor's franchised business and not as a result of any representations about Franchisor made by any of its shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in the Franchisor's Franchise Disclosure Document given to Franchisee pursuant to applicable law.~~

~~33.7 Waiver of Trial by Jury. Franchisee and the Operating Principal have by entering into this Agreement, irrevocably waived trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by either Franchisor or Franchisee~~

~~33.8 Franchisor's Financial Statements. Franchisee understands that the audited financial statements ("Financial Statements") of Franchisor attached to the Franchise Disclosure Document as **Exhibit D** have been prepared by a licensed certified public accountant in accordance with Generally Accepted Accounting Principles ("GAAP") in the United States governing the preparation of Financial Statements as of the effective date of the Franchise Disclosure Document. Franchisee further acknowledges that GAAP accounting rules and standards may change over time, and that Financial Statements prepared under different new GAAP accounting rules or standards could result in Financial Statements that report results that appear different in the future or change the Financial Statements previously used in a Franchise Disclosure Document. Franchisee represents and warrants to Franchisor that Franchisee reviewed the Financial Statements of Franchisor attached the Franchise Disclosure Document and that to the extent that Franchisee is relying on the Financial Statements as they are currently prepared as the basis for making Franchisee's decision to purchase the Franchised Business, future changes in those Financial Statements due to changes in GAAP will not affect the Franchisee's decision.~~

34.20.13 Limitation on Damages

20.13.1 No Special Damages. IN NO EVENT, WHETHER AS A RESULT OF BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, INDEMNITY, OR OTHERWISE, WILL FRANCHISOR BE LIABLE TO FRANCHISEE FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE OR EXEMPLARY DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF REVENUE OR LOSS OF PROFIT.

20.13.2 Limitation of Liability. The total liability of Franchisor to Franchisee arising out of or in connection with this Agreement, from any and all causes, will not exceed ~~one hundred percent (100%)~~ 100% of the compensation actually received by Franchisor from Franchisee during the most recent 12 months preceding the claim.

21. REPRESENTATIONS; WARRANTIES AND ACKNOWLEDGEMENTS

Franchisee represents, warrants and acknowledges as follows:

21.1 No Violation of any Other Agreement or Commitment. The execution and performance of this Agreement by Franchisee does not violate or constitute a breach of the terms of any other agreement or commitment to which Franchisee is a party.

21.2 Legal, Valid and Binding Validation. The individuals executing this Agreement on Franchisee behalf are duly authorized to do so, and, upon its execution, this Agreement will constitute Franchisee legal, valid and binding obligation.

21.3 Compliance. Franchisee, the Operating Principal, and, if Franchisee is a partnership, limited liability company, corporation or other entity, each of Franchisee's partners, members, managers, shareholders, and owners, as the case may be, have read this Agreement and all related agreements, understand the terms and the import of the same, and represent that Franchisee and each of them is capable of complying and will comply with this Agreement.

21.4 Different Form of Agreements. Franchisee acknowledges that other franchisees may operate under different forms of agreements and, consequently, that Franchisor's obligations and rights with respect to its various franchisees may differ materially in certain circumstances.

21.5 Franchisor May Refuse to Grant Franchisee a Franchise. FRANCHISEE UNDERSTANDS AND AGREES THAT FRANCHISOR HAS NO OBLIGATION TO ACCEPT FRANCHISEE'S APPLICATION AND MAY REFUSE TO GRANT A FRANCHISE FOR ANY REASON, OR FOR NO REASON, WITHOUT DISCLOSING THE BASIS FOR ITS DECISION. FRANCHISEE ACKNOWLEDGES THAT, UNLESS AND UNTIL FRANCHISOR NOTIFIES FRANCHISEE IN WRITING WITH AN EXECUTED FRANCHISE AGREEMENT THAT THE FRANCHISE HAS BEEN GRANTED, FRANCHISEE IS NOT A FRANCHISEE AND MAY NOT RELY UPON BECOMING A FRANCHISEE OF FRANCHISOR.

21.6 No Right to Sub-Franchise. Franchisor expressly forbids subfranchising of any kind. Franchisee agrees that Franchisee has no right to sell or negotiate the sale of franchises in the name of or on behalf of Franchisor. Franchisor also prohibits Franchisee from establishing any contractual relationship with any other party which could be deemed or interpreted to have established a subfranchise relationship. Franchisee agrees that, to the full extent permitted by applicable law, subfranchising of any kind on Franchisee's part or behalf will be Non-Curable Default and grounds for immediate termination of this Agreement, as set out in **Section 18.2**.

21.7 Credit Checks and Background Checks. Franchisee authorizes Franchisor to obtain credit checks and background checks on Franchisee, the Operating Principal, Franchisee's owners and Guarantors, at any time throughout the Term and any Interim Period.

21.8 Application for Franchise. Franchisee and the Operating Principal declare under penalty of perjury, according to the laws of the State of Nebraska that all information set forth in any and all applications, financial statements and submissions to Franchisor are true, complete and accurate in all respects.

21.9 Anti-Terrorism. Franchisee, the Operating Principal, Guarantors and owners agree to comply with and/or to assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with Anti- Terrorism Laws. In connection with such compliance, Franchisee, the Operating Principal, Guarantors and owners certify, represent, and warrant that none of them, their property or interests is subject to being "blocked" under any of the Anti-Terrorism Laws and that Franchisee, the Operating Principal, Guarantors and owners are not otherwise in violation of any of the Anti-Terrorism Laws.

(a) Franchisee, the Operating Principal, Guarantors and owners certify that none of them, their respective employees, or anyone associated with Franchisee, the Operating Principal, Guarantors and owners is listed in the Annex

to Executive Order 13224 (which can be accessed at <http://www.treasury.gov/offices/enforcement/ofac/sanctions/terrorism.html>). Franchisee agrees not to hire (or, if already employed, retain the employment of) any individual who is listed in the Annex.

(b) Franchisee certifies that Franchisee has no knowledge or information that, if generally known, would result in Franchisee, the Operating Principal, Guarantors, owners, their employees, or anyone associated with Franchisee, Franchisee, the Operating Principal, Guarantors and owners to be listed in the Annex to Executive Order 13224.

(c) Franchisee is solely responsible for ascertaining what actions it must take to comply with the Anti-Terrorism Laws, and Franchisee specifically acknowledge and agree that Franchisee indemnification responsibilities set forth in this Agreement pertain to its obligations under this **Section 21.9**.

21.10 Statement of Ownership. Franchisee represents that the Statement of Ownership in the Basic Terms is true, complete, accurate and not misleading at all times during the Initial Term and any Interim Period. Franchisee will notify Franchisor of any changes to the Statement of Ownership no later than five (5) business days.

22. MISCELLANEOUS PROVISIONS.

22.1 Relationship of the Parties

22.1.1 No Fiduciary Relationship. This Agreement does not create a fiduciary relationship between Franchisor, Franchisee and Franchisee's owners, nor does it constitute Franchisee, Franchisee's owners or the Operating Principal as an agent, legal representative, joint venturer, joint employer, partner, employee or servant of Franchisor for any purpose whatsoever. It is understood between the parties that Franchisee, Franchisee's owners and the Operating Principal will be independent contractors and are in no way authorized to make any contract, agreement, warranty or representation on behalf of Franchisor to incur any debt, or to create any obligation, express or implied, on behalf of Franchisor. The occasional or sporadic act of control by Franchisor directing the detail of any work is not sufficient to destroy the agreement forming the basis of the parties' independent contractor relationship.

22.1.2 Independent Contractor. It is acknowledged that Franchisee is the sole and independent owner of the Franchised Business, will be in full control thereof; and will conduct such Franchised Business in accordance with its own judgment, subject only to the provisions of the Agreement. Franchisee will conspicuously identify itself as the independent owner and operator of the Franchised Business and as a Franchisee of Franchisor. During the Initial Term and any Interim Period Franchisee will hold itself out to the public as an independent contractor operating the business pursuant to a franchise from Franchisor. Franchisee will take such affirmative action as may be necessary to do so including, without limitation, exhibiting a notice of that fact in a conspicuous place on the Office and on all forms, stationery or other written materials, the content of which Franchisor reserves the right to specify.

22.2 Timing of Approvals by Franchisor. Whenever this Agreement requires the prior approval or consent of Franchisor, Operating Principal will make a timely written request to Franchisor therefor, and, except as otherwise provided herein, any approval or consent granted must be in writing to be binding upon Franchisor.

22.3 Non-Waiver. No failure of Franchisor to exercise any power reserved to it in this Agreement, or failure to insist upon strict compliance by Franchisee and the Operating Principal with any obligation or condition in this Agreement, and no custom or practice of the parties that varies from the terms in this Agreement, will constitute a waiver of Franchisor's right to demand exact compliance with the terms hereof. Waiver by Franchisor of any particular breach or default by Franchisee or the Operating Principal will not be binding unless in writing and executed by Franchisor and will not affect or impair Franchisor's right with respect to any subsequent default of the same or of a different nature; nor will any delay, waiver, forbearance or omission of Franchisor to exercise any power or rights arising out of any breach or default by Franchisee of any of the terms, provisions or covenants hereof, affect or impair Franchisor's rights, nor will such constitute a waiver by Franchisor of any right hereunder or of the right to declare any subsequent breach or default. Subsequent acceptance by Franchisor of any payment(s) due to it hereunder will not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

22.4 No Warranties. ALTHOUGH PRODUCTS, SERVICES OR SUPPLIERS MAY BE APPROVED BY FRANCHISOR, FRANCHISOR AND ITS AFFILIATES EXPRESSLY DISCLAIM ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, WITH RESPECT TO PRODUCTS, SERVICES, FIXTURES, FURNITURE (INCLUDING WITHOUT LIMITATION ANY REQUIRED COMPUTER SYSTEMS), SIGNS, STATIONERY, SUPPLIES OR OTHER APPROVED ITEMS SOLD TO PROVIDED TO FRANCHISEE BY FRANCHISOR OR ANY THIRD-PARTY, INCLUDING ANY APPROVED SUPPLIER.

22.5 Consequences of Approvals. Franchisor will not, by virtue of any approvals, advice or services provided to Franchisee or the Operating Principal, assume responsibility or liability to Franchisee, the Operating Principal or any third parties to which Franchisor would otherwise be subject Franchisor makes no warranties or guarantees upon which Franchisee or the Operating Principal may rely and assumes no liability or obligation to Franchisee, the Operating Principal or any third party to which it would not otherwise be subject, by providing any waiver, approval, advice, consent or services to Franchisee or the Operating Principal in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.

22.6 Force Majeure. Whenever a period of time is provided in this Agreement for either party to do or perform any act or thing, except the payment of monies, neither party will be liable nor responsible for any delays in performance due to strikes, lockouts, casualties, acts of God, war, global pandemics, endemics, governmental regulation or control or other interference through legal proceedings, all beyond the reasonable control of the parties and, in any event, said time period for the performance of an obligation hereunder will be extended for the amount of time of the delay; provided, the party delayed will give the other party written notice and full particulars of the force majeure promptly after the event occurs. This clause will not, however, result in an extension of the Term.

22.7 Rider. If a state regulator requires an amendment to this agreement, the amendment is attached to this Agreement in a state law rider as **Exhibit H**. Franchisor will not,

however, be precluded from contesting the validity, enforceability, or applicability of such laws or regulations in any action relating to this agreement or to its rescission or termination.

22.8 Survival. All of Franchisee's obligations which expressly or by their nature survive a Terminating Event will continue in full force and effect subsequent to and notwithstanding the Terminating Event and until they are satisfied in full or by their nature or express terms expire.

22.9 Place of Execution. FRANCHISEE ACKNOWLEDGES THAT THIS AGREEMENT IS ENTERED INTO IN DOUGLAS COUNTY, NEBRASKA.

22.10 Binding Effect. This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, successors, and permitted assigns.

22.11 Time is of the Essence. Time is of the essence of this Agreement and in the performance of each and every term and provision of this Agreement.

22.12 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and constitute one and the same instrument and may be executed electronically. This Agreement will become binding when signed by Franchisor.

22.13 Notices. Any and all notices required or permitted under this Agreement will be in writing and will be personally delivered, delivered by messenger or delivery service, delivered by overnight express delivery service, mailed by certified mail return receipt requested, or delivered by facsimile transmission, and will be effective when received by or confirmation of receipt is acknowledged to the respective parties at the addresses set forth in the Basic Terms of this Agreement unless and until a different address has been designated by written notice to the other party. Any notice by certified mail will be deemed to have been given at the date and time of mailing. Franchisee will promptly notify Franchisor of any change in Franchisee's address.

22.14 Entire Agreement. This Agreement, any exhibit attached hereto, and the documents referred to herein, will be construed together and constitute the entire, full and complete agreement between Franchisor and Franchisee concerning the subject matter hereof, and supersede all prior agreements. No other representation has induced Franchisee to execute this Agreement, and there are no representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied in this Agreement, which are of any force or effect with reference to this Agreement or otherwise. No amendment, change or variance from this Agreement (other than amendments to the Manuals or other matters with respect to which Franchisor has reserved the unilateral right to amend) will be binding on either party unless executed in writing by both parties. Nothing in this Agreement or in any related agreement is intended to disclaim the representations made in Franchisor's Franchise Disclosure Document that Franchisor has furnished to Franchisee.

22.15 Severability. Each paragraph, part, term and/or provision of this Agreement will be considered severable, and if, for any reason, any paragraph, part, term and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation, such will not impair the operation of or affect the remaining portions, sections, parts, terms and/or provisions of this Agreement, and the latter will continue to be given full force and effect and bind the parties hereto; and said invalid sections, parts, terms and/or provisions will be deemed not part of this Agreement; provided, however, that if Franchisor determines that

said finding of illegality adversely affects the basic consideration of this Agreement, Franchisor may, at its option, terminate this Agreement as provided in this Agreement

22.16 No Third-Party Rights. Anything to the contrary herein notwithstanding, nothing in this Agreement is intended nor will be deemed to confer upon any person or legal entity other than Franchisor or Franchisee and such of their respective successors and assigns as may be contemplated by this Agreement, any rights or remedies under or by reason of this Agreement.

22.17 Headings and References. All captions herein are intended solely for the convenience of the parties, and none will be deemed to affect the meaning or construction of any provision hereof. The singular usage includes the plural, and the masculine and neuter usages include the other and the feminine.

22.18 Recitals. The recitals are specifically incorporated into the terms of this Agreement and constitute a part thereof.

22.19 Drafter. Even though this Agreement has been prepared by one of the parties, each of the parties confirms that the Agreement will be deemed to have been jointly prepared and negotiated. Thus, this Agreement is to be construed as a whole and any presumption that ambiguities are to be resolved against the primary drafting party will not apply. References to any document or other instruments include all amendments and replacements to such amendments and supplements to such amendments.

SIGNATURE PAGE FOLLOWS THIS PAGE

IN WITNESS WHEREOF, AND INTENDING TO BE LEGALLY BOUND ~~HEREBY~~, THE PARTIES HAVE ~~CAUSED EXECUTED~~ THIS AGREEMENT ~~TO BE EXECUTED~~ BY THEIR AUTHORIZED REPRESENTATIVES TO BE EFFECTIVE AS OF THE DATE FRANCHISOR EXECUTES THIS AGREEMENT.

FRANCHISOR:

Right at Home, LLC

By: _____

Margaret Haynes
President and Chief Executive Officer

Effective Date: _____

FRANCHISEE:

By: _____ *

Printed Name: _____

Title if an entity: _____

Date Signed: _____

* The Operating Principal

EXHIBIT A TO THE FRANCHISE AGREEMENT

FRANCHISE FEE, DESIGNATED AREA AND OWNERS

1. ~~The Franchise Fee or Renewal Fee pursuant to Section 1.5 is (check one):~~

- ☐ ~~\$_____ for one Franchised Business~~
- ☐ ~~\$_____ for an additional Franchised Business~~
- ☐ ~~\$_____ for the Renewal Fee~~
- ☐ ~~\$_____ for the Conversion Franchised Business~~

2. ~~The Designated Area pursuant to Section 1.2 includes the following zip codes as of the date set forth below Franchisor's signature:~~

~~[INSERT LIST OF ZIP CODES]~~

3. ~~If Franchisee is an entity, list the full name and mailing address of each person or other entity who is an Owner of Franchisee, and describe the nature of the interests owned.~~

~~[OWNER'S NAME AND ADDRESS]~~	~~Nature of Ownership Interest:~~
	~~Number of Shares or Ownership Units Owned:~~ ~~_____~~
	~~% of Total Shares or Ownership Units Owned: _____%~~
~~[OWNER'S NAME AND ADDRESS]~~	~~Nature of Ownership Interest:~~
	~~Number of Shares or Ownership Units Owned:~~ ~~_____~~
	~~% of Total Shares or Ownership Units Owned: _____%~~

4. ~~The Operating Principal is: _____~~

~~FRANCHISOR:~~

~~Right at Home, LLC~~

~~By: _____~~

~~Margaret Haynes~~

~~President and Chief Executive Officer~~

~~Effective Date: _____~~

~~FRANCHISEE:~~

~~_____~~

~~By: _____*~~

~~Printed Name: _____~~

~~Title if an entity: _____~~

~~Date Signed: _____~~

~~* The Operating Principal~~

~~EXHIBIT B TO THE FRANCHISE AGREEMENT~~

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS ("**Guaranty**") is given on the date last below written next to the signature(s) of the undersigned.

In consideration of, and as an inducement to, the execution of ~~that certain~~ Franchise Agreement ~~made dated~~ _____ (the "**Agreement**") by Right at Home, LLC ("**Franchisor**") and _____ ("**Franchisee**"), each of the undersigned ~~hereby—irrevocably,~~ personally ~~and,~~ unconditionally and joint and severally guarantees to Franchisor, and its successors and assigns, for the term of the Agreement and thereafter, as provided in the Agreement, and until such time as all indebtedness and ~~performances created in connection with obligations of Franchisee in~~ the Agreement are paid and fulfilled, that _____ ("**Franchisee**") and each of the undersigned: (1) will punctually pay, perform and abide by each and every monetary and other obligation, undertaking, agreement and covenant ~~set forth~~ in the Agreement; (2) will take or refrain from taking the specific actions described and referenced in ~~Sections 15.3 and 15.4~~ Section 14 of the Agreement; and, (3) will comply with ~~each provision of the Agreement~~ and be bound ~~thereby~~ in the same manner as ~~the Franchisee is so bound to~~ each provision of the Agreement. Each of the undersigned has ~~fully~~ read the Agreement fully, knows the contents of it, and understands its meaning. Each of the undersigned waives: any and all defenses of Franchisee, including waiver and release; acceptance and notice of acceptance by Franchisor of the foregoing undertakings; notice of demand for payment of any indebtedness or non-performance of any obligations ~~hereby—~~guaranteed; protest and notice of default with respect to the indebtedness or non-performance of any obligations ~~hereby—~~guaranteed; any right the undersigned may have to require that an action be brought against Franchisee or any other person as a condition of liability; and any and all other notices and legal or equitable defenses to which the undersigned may be entitled. This Guaranty is continuing, absolute, unconditional, and irrevocable.

Each of the undersigned also consents and agrees that: (1) their ~~direct and immediate~~ liability under this Guaranty will be joint and several; (2) they will render any payment or performance required under the Agreement upon demand by Franchisor if Franchisee fails or refuses ~~punctually~~ to do so; (3) their liability will not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; (4) their liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Franchisee or to any other person, including, without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which will in any way modify or amend this Guaranty; (5) this Guaranty will continue unchanged by the occurrence of any bankruptcy with respect to Franchisee or any assignee, transferee, or successor franchisee and by any abandonment of the Franchise Agreement by a Trustee of Franchisee; (6) Franchisor may amend, extend or terminate the Agreement or release Franchisee or any other person from its obligations under the Agreement, without notice to any or all of the undersigned, and such act or

actions will not affect the liability of the undersigned; and, (7) the ~~percentage of~~ ownership interest in ~~the~~ Franchisee indicated under their respective signature is for informational purposes only and does not in any way limit the obligations of the undersigned.

If Franchisor presently holds one or more guaranties from any one or more of the undersigned as a guarantor, or hereafter receives one or more additional guaranties from any one or more of the undersigned as a guarantor, Franchisor's rights under all such guaranties will be cumulative and in the aggregate under the terms of this Guaranty and any such other guaranties. This Guaranty will not (unless specifically provided below to the contrary) affect, lessen the obligation in, narrow the scope of or invalidate any such other guaranties. To the extent of any conflict between this Guaranty and any prior guaranties concerning the subject matter of this Guaranty, the terms of this Guaranty will prevail.

Each of the undersigned irrevocably waives trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by either ~~the~~ Franchisor or any one or more of the undersigned.

This Guaranty will be governed by and construed according to the laws of the State of Nebraska, excluding any conflict of laws or provisions that would result in the application of the laws of another jurisdiction, except to the extent governed by federal law. Each of the undersigned irrevocably agrees that the United States District Court of the District of Nebraska and the Courts of Nebraska sitting in Douglas County, Nebraska will have exclusive jurisdiction to hear and determine any action on a controversy on or under this Guaranty, including any action for injunctive relief and for specific performance and other equitable relief, irrevocably submits to the jurisdiction of such Courts and irrevocably waives any objection which any of them might have to such Courts being nominated as the forum to hear and determine any such action on a controversy relating to this Guaranty and agree not to claim that any such Court is not a convenient or appropriate forum. Not only must any such action be brought in such Courts, but any such action must also be continually maintained in such Courts. Each of the undersigned agrees that such Courts have power under the law of Nebraska to entertain any such action, that Nebraska is a reasonably convenient place for the trial of any such action, and that this choice of forum agreement was not obtained by misrepresentation, duress, the abuse of economic power, or other unconscionable means.

Except as provided in **Section 29.31.1** of the Franchise Agreement, any Dispute (as defined in the Franchise Agreement) not resolved pursuant to **Section 29.120.1.1** of the Franchise Agreement must be submitted to binding arbitration in accordance with **Section 29.220.1.2** of the Franchise Agreement:

The prevailing party in any action or proceeding arising under, out of, in connection with, or in relation to this Guaranty will be entitled to recover its reasonable costs and expenses (including attorneys' fees, arbitrators' fees and expert witness fees, costs of investigation and proof of facts, court costs, and other arbitration or litigation expenses) incurred in connection with the claims on which it prevailed. For the purposes of this Agreement in general and this **Section** specifically, the "Prevailing Party" will be

deemed to be that party which has obtained the greatest net judgment in terms of money or money equivalent. If money or money equivalent has not been awarded, then the Prevailing Party will be that party which has prevailed on a majority of the material issues decided. The "net judgment" is determined by subtracting the smallest award of money or money equivalent from the largest award. If there is a mixed decision involving an award of money or money equivalent and equitable relief, the arbitrator will award the above fees to the party that it deems has prevailed over the other party using reasonable business and arbitrator's judgment.

IN WITNESS WHEREOF, each of the undersigned has ~~hereunto affixed his/her signature~~signed this Guaranty on _____.

GUARANTOR(S)

Signature:_____

Signature:_____

Printed Name:_____

Printed Name:_____

Signature:_____

Signature:_____

Printed Name:_____

Printed Name:_____

EXHIBIT B TO THE FRANCHISE AGREEMENT

EXHIBIT C TO THE FRANCHISE AGREEMENT **CONFIDENTIALITY AND NON-COMPETE AGREEMENT**

THIS AGREEMENT ("**Agreement**"), made and entered into as of _____, by and between Right at Home, LLC, a Delaware limited liability company ("**Franchisor**"), and [Insert Name of Franchisee and Owner(s), as applicable] Restricted Party (see definition in Section 14.3)] (collectively the "**Restricted Party**"), or "Restricted Parties". Except as specifically defined in this Agreement, all capitalized words ~~beginning with a capital letter~~ will have the ~~meaning~~ meanings ascribed to them in the Franchise Agreement.

RECITALS

WITNESSETH:

~~WHEREAS,~~ _____ Franchisor and _____, a _____ ("**Franchisee**"), entered into a Franchise Agreement ~~dated on~~ _____ (the "**Franchise Agreement**") ~~for~~), which granted Franchisee the right to conduct a Franchised Business in accordance with Franchisor's System (the "**Franchised Business**"); and

~~WHEREAS, throughout the term of the Franchise Agreement~~ Restricted Party will be exposed and have access to valuable knowledge and information at the highest level regarding the Franchised Business, the System, and Confidential Information and Trade Secrets of Franchisor and Franchisee throughout the Term of the Franchise Agreement and any Interim Period; and

~~WHEREAS,~~ Restricted Party, ~~as an owner of Franchisee,~~ will benefit from the operation of the Franchised Business; and

~~WHEREAS,~~ Franchisor would not enter into the Franchise Agreement with Franchisee unless Franchisor's ~~goodwill and~~ Confidential Information ~~were~~ and Trade Secrets are protected against wrongful disclosure and unfair competition.

Capitalized terms not defined in this Agreement have the meaning set out in the Franchise Agreement.

NOW THEREFORE, in consideration of the recitals, ~~and of the mutual covenants hereafter set forth~~ the terms of this Agreement, and of other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, it is agreed between Franchisor and each Restricted Party, as follows:

1. Confidentiality. Obligations. The Restricted Party acknowledges and agrees that:

(a) _____ Franchisor's Disclosure of Confidential Information and Trade Secrets. Franchisor or Franchisee will disclose Confidential Information and Trade Secrets to Restricted Party during the Initial Term and any Interim Period of the Franchise Agreement. The Restricted Party acknowledges that Confidential Information and Trade Secrets are

proprietary to Franchisor and that Restricted Party has no claim to or rights in any Confidential Information or Trade Secrets.

(b) Ownership. Franchisor owns and possesses (and may continue to develop and acquire) ~~certain~~ Confidential Information and Trade Secrets. Restricted Party acknowledges that all Confidential Information and Trade Secrets are owned by Franchisor alone and they have no claim to or right in any Confidential Information or Trade Secrets.

(c) Restricted Party's Obligations. The Restricted Party agrees to comply with all the following conditions and acknowledges that the Confidential Information and Trade Secrets is being disclosed only upon Restricted Party agrees to:

1) keep Confidential Information and Trade Secrets confidential during the Initial Term, the Interim Period (if any), after a Terminating Event and after the termination of Restricted Party's relationship with Franchisee;

2) use the Confidential Information and Trade Secrets only in operating the Franchised Business in compliance with the Franchise Agreement during the Initial Term and any Interim Period and not in any other business or capacity;

3) not make any unauthorized copies of any Confidential Information or Trade Secrets; and

4) adopt and implement all reasonable procedures periodically prescribed by Franchisor to prevent unauthorized use or disclosure of Confidential Information and Trade Secrets including restrictions on disclosures only to Franchisee's Operating Principal, Executive Management Personnel and employees who must have access to it to perform their responsibilities to operate the Franchised Business.

(d) Return of Confidential Information and Trade Secrets. Upon a Terminating Event or the termination of Restricted Party's relationship with Franchisee, the Restricted Party will immediately return all Confidential Information and Trade Secrets and all copies thereof in Restricted Party's possession or control to Franchisor.

(e) Passwords. Restricted Party will protect the confidentiality of all passwords, access codes and users' names used to access the Manuals and will not make any disclosure, duplication or other unauthorized use of such passwords, access codes and users' names or any portion of the Manuals.

(f) Wrongful Use of Confidential Information and Trade Secrets. Restricted Party acknowledges that any unauthorized disclosure or use of the Confidential Information and Trade Secrets would be wrongful and would cause irreparable injury and harm to Franchisor and Franchisor's Affiliates. Therefore, the Restricted Party will not at any time, directly or indirectly, communicate, publish, disclose, divulge, copy, imitate or cause or permit any other party to communicate, publish, disclose, divulge, copy or imitate in any manner the Confidential Information or Trade Secrets to any person, firm,

corporation, association, partnership or any other entity whatsoever or use, directly or indirectly, for its own benefit or for the benefit of any person, firm, corporation, association, partnership or other entity other than Franchisor or its Affiliates or in the operation of the Franchised Business as permitted by this Agreement or the Manuals.

(g) Definitions.

~~(a)1)~~ Confidential Information. Means information ~~consisting of and relating to the~~ that consists of, but is not limited to, all information to the System, System Standards, methods, techniques, formats, specifications, forecasts, procedures, equipment, information, software, systems, sales and marketing techniques and programs, strategies, and knowledge of and experience in the development, operation and franchising of ~~Franchises; Franchised Businesses and the System; know-how;~~ advertising, marketing and promotional programs for Franchises; training, including the RightStart Training Program; knowledge of, specifications for and suppliers of certain products, materials, equipment and supplies used to operate a ~~Franchise~~Franchised Business; knowledge of the operating results and financial performance of ~~Franchises~~franchised businesses other than the Franchised Business; the Manuals; passwords, codes and user names to access the Manuals in electronic format; and, contracts for clients served by Franchisee, the client lists and details of service ~~(collectively, the "Confidential Information").~~ The term "Confidential Information" also includes, all written or electronic information and materials, computer files, documents, records and data that ~~the~~ Franchisor or ~~any~~anyone on behalf of its representatives~~Franchisor~~ furnishes or otherwise discloses to ~~Franchisee or any of its representatives~~Restricted Party, together with all directives, analyses, compilations, studies, memoranda, bulletins, roll out guides, recordings, training materials, publications, translations, notes or other documents, records or data (in whatever form maintained, whether documentary, computer or other electronic storage or otherwise~~}),~~ Proprietary Information, Trade Secrets and intellectual property, including any of the foregoing prepared by ~~Franchisee,~~ Restricted Party or any of ~~Franchisee's~~Restricted Party's representatives which contain or otherwise reflect or are generated from such ~~information and documents.~~ ~~Franchisor will retain all ownership of, property in, and title to its Confidential Information; and Franchisee and Restricted Party will have no claim to it or right in it except as expressly authorized under the provisions of the Franchise Agreement. Franchisor will disclose certain Confidential Information to Franchisee and Restricted Party in the RightStart Training Program, the Manuals, and in guidance furnished to Franchisee and Restricted Party during the term of the Franchise Agreement. Restricted Party acknowledges that the Confidential Information is proprietary and involves trade secrets of Franchisor, and that Restricted Party will not acquire any interest in the Confidential Information, other than the right to utilize the Confidential Information in the operation of the Franchised Business in compliance with the Franchise Agreement during the term of~~

~~the Franchise Agreement. Restricted Party further acknowledges and agrees that the Confidential Information is disclosed to Franchisee and Restricted Party only on the condition precedent that Franchisee and Restricted Party agree and Restricted Party hereby does agree to: (1) use the Confidential Information only in operating the Franchised Business and not in any other business or capacity; (2) keep all Confidential Information absolutely confidential during and after the term of this Agreement; (3) make no unauthorized copies of any Confidential Information disclosed via electronic medium, in writing or other tangible form; and (4) adopt and implement all reasonable procedures periodically prescribed by Franchisor to prevent unauthorized use or disclosure of Confidential Information including restrictions on disclosures to Franchisee's principals and employees. Restricted Party will divulge Confidential Information only to Franchisee's employees who must have access to it in order to operate the Franchised Business. Restricted Party does, by entering into this Agreement, acknowledge that all Confidential Information is owned by Franchisor alone and during the term of this Agreement and at the end of the Franchise Agreement all Confidential Information will be returned to Franchisor.~~
Confidential Information. Confidential Information may be oral, written, recorded, visual or otherwise.

~~(b) Restricted Party acknowledges and agrees that the Franchised Business' clients, client lists, details of service, and contracts are also trade secrets and are derived and result from the operation of the Franchised Business in accordance with the Franchise Agreement and Franchisor's System standards, specifications and operating procedures. Restricted Party acknowledges and agrees that such clients, client lists, details of service to clients, and contracts are deemed Confidential Information (as defined above) owned by Franchisor and are subject to the restrictions set forth above, including, without limitation, restrictions on the use sale or transfer of such client lists and contracts to a third party.~~

2) All ideas, concepts, techniques Improvements. Means all ideas, concepts, techniques, changes, improvements, enhancements, advertising, promotional materials, methods, materials, copyrights, confidential information relating to the Franchised Business or other materials relating to the Franchised Business, whether or not protectable intellectual property~~and whether~~, created by or for Franchisee, the Restricted Party and/or its Franchisee's other employees, must be promptly disclosedagents, Affiliates or independent contractors.

3) Proprietary Information. Means all Confidential Information; Trade Secrets, intellectual property, and Manuals; the passwords, access codes and users names to access the Manuals in electronic format; all other manuals; client information and client lists (subject to any applicable state or federal laws, including but not limited to privacy laws), details of service to clients (subject to

any applicable state or federal laws, including but not limited to privacy laws), supplier lists, records, files, electronic files, instructions, brochures, agreements, disclosure statements, relevant data bases and any materials provided by Franchisor ~~and will be deemed to be Franchisor's sole and exclusive property, part of~~ to Franchisee or provided to Restricted Party relating to the operation of the Franchised Business.

4) Trade Secrets. Means information, including systems, patterns, compilations, programs, methods techniques or processes that both derive independent economic value, actual or potential from not being generally known to, and not being readily ascertainable by proper means by other person who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its ~~franchise System and~~ secrecy, including the Franchised Business' clients, client lists, details of service, and contracts.

2. Improvements. The Restricted Party acknowledges and agrees that:

(a) Work Made For Hire. All copyrighted materials and Improvements created by Restricted Party and any other person or entity retained or employed by Restricted Party are "works made -for -hire-" within the meaning of the United States Copyright Act and are the property of Franchisor. To the extent ~~that any item~~ the copyrighted materials are not "works made for hire" or rights in the copyrighted materials do not automatically accrue to Franchisor, the Restricted Party and the author of such copyrighted materials irrevocably assign to Franchisor, its successors and assigns, the entire right, title and interest in perpetuity throughout the world in and to any and all rights, including all copyrights, in such copyrighted material. Franchisor is entitled to use and license others to use such copyrighted materials and Improvements unencumbered by moral rights. The Restricted Party and the author of such copyrighted materials and Improvements warrant and represent that such copyrighted materials and Improvements are created by and wholly original with the author. Where applicable, the Restricted Party agrees to obtain any other assignments of rights in the copyrighted materials and Improvements from another person or entity necessary to ensure Franchisor's rights therein

~~(e)~~(b) Improvements. Restricted Party will create a record of and disclose to Franchisor all Improvements promptly upon creating any Improvements. All Improvements will be solely owned by Franchisor, with no rights of ownership to Restricted Party. If any Improvement does not qualify as a "work made-for-hire, ~~Restricted Party~~", as set out in **Section 2(a)**, or rights in the Improvements do not automatically accrue to Franchisor, Restricted Party must assign, and does hereby ~~assigns ownership of that item, and all related rights to that item, to Franchisor and~~ assign, all right, title and interest in perpetuity throughout the world in and to any Improvements to Franchisor, its successors and assigns. Restricted Party agrees to sign any assignments or other documents as Franchisor reasonably requests to evidence its ownership of or to otherwise assist Franchisor in obtaining intellectual property rights in the ~~item~~ Improvements. Franchisor will have the right to offer such Improvements to other franchisees. Restricted

Party appoints Franchisor as its attorney-in-fact to make any filings required by law to affect the rights herein, which power of attorney will be irrevocable and coupled with an interest.

3. Non-Competition. ~~Confidential Information does not include any information, knowledge or know-how which Franchisee or~~ The Restricted Party ~~obtained prior to its being provided to Franchisee or~~ acknowledges and agrees that:

(a) Prohibited Actions During the Term and any Interim Period of the Franchise Agreement. So long as Restricted Party remains a Restricted Party, During the Term and any Interim Period of the Franchise Agreement, except as otherwise approved in writing by Franchisor, the Restricted Party will not either directly or indirectly ~~by Franchisor,~~ for themselves or through, on behalf of or in conjunction with any person persons or entities:

1) Divert or attempt to divert any ~~of its current, former~~ business or ~~future affiliates~~ client of the Franchised Business or any other franchisee's franchised business to any competitor by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks or the System; or

~~(d)2)~~ Own, maintain, engage in or have any interest in any business (including, without limitation, pursuant to any license agreement any business operated by Franchisee prior to entry into this Agreement) specializing, in whole or in part, in offering or providing non-medical in-home assistance, companionship, medical staffing services or other services or products, materials or equipment that are the same as, or similar ~~agreement between Franchisee and any such~~ to, those Core Services, Ancillary Services or other services offered and/or sold in the System or the Franchised Business or offering or providing any services or products, materials or equipment that are the same as, or similar to, a component of the operation or Core Services, Ancillary Services or other services of the Franchised Business or System to any party). ~~Franchisee and Restricted Party have the burden of proving that the elements of this Section apply to any information, knowledge or know-how., including other franchisees and competitors. Notwithstanding the foregoing, nothing herein is intended to prevent Restricted Party from accepting referrals to provide the Core Services, Ancillary Services or other services of the Franchised Business or System for the benefit of the Franchised Business.~~

(b) **Non-Competition.** Prohibited Actions After a Terminating Event. For a period of one and one-half (1½) years after the earlier of (i) a Terminating Event; or (ii) the Restricted Party is no longer a Restricted Party under the Franchise Agreement, regardless of the cause, the Restricted Party, including successors and assigns of ~~Franchisee the Restricted Party,~~ will not, ~~for a period of one and one-half (1½) years after the first to occur of the termination or expiration or transfer of the Franchise Agreement, regardless of the cause of termination~~ directly or indirectly, whether as an agent, consultant, independent contractor, owner, stockholder, partner, director, officer, manager or otherwise;

~~a.1)~~ 1) engage or become interested in, own, organize, finance, lease, operate, or invest in any business which engages in the services and business of the FranchiseSystem or the Franchised Business or services and businesses that are substantially similar to the FranchiseSystem or Franchised Business anywhere within a radius of ~~ten (10)~~ miles from the outer boundaries of Franchisee's Designated Area.

~~b.2)~~ 2) ~~Restricted Party will not, for a period of one and one half (1½) years after the first to occur of the termination or expiration or transfer of the Franchise Agreement, regardless of the cause of termination,~~ become an employee of any business which engages in the services and business of the FranchiseSystem or the Franchised Business anywhere within a radius of ten ~~(10)~~ miles from the outer boundaries of Franchisee's Designated Area.

~~c.3)~~ 3) ~~For a period of one and one half (1½) years after the first to occur of the termination or expiration of the Franchise Agreement, Restricted Party will not,~~ directly, or indirectly, solicit, call on or attempt to solicit or call on any of the then current or past customers, accounts or clients served by the Franchised Business, or other franchisee's franchised business, for the purpose of inducing such customers, accounts or clients to become a customer, client or account of any party in competition with the business of ~~the~~ Franchisor, FranchiseSystem or the Franchised Business.

~~d.4)~~ 4) ~~For a period of one and one half (1½) years after the first to occur of the termination or expiration of the Franchise Agreement, Restricted Party will not,~~ directly or indirectly, solicit, call on or attempt to solicit or call on any of the then current or past referral sources and contacts utilized by the Franchised Business during the Restricted Party's affiliation with the Franchised Business, for the purpose of obtaining referral of customers or business from such referral sources and contacts in competition with the business of ~~the~~ Franchisor, FranchiseSystem or the Franchised Business.

~~5) (e) — For a period of one and one half (1½) years after the first to occur of the termination or expiration of the Franchise Agreement, Restricted Party will not,~~ directly or indirectly provide services or products, materials or equipment that are the same as, or similar to the FranchiseSystem, the Franchised Business or a component to the operation of the Franchised Business, Core Services, Ancillary Services or other services offered or sold in the Franchised Business or the System to any party, including but not limited to other franchisees and competitors.

~~2. — Enforcement of Franchisee and Restrictions.~~

4. Acknowledgements. The Restricted Party acknowledges and agrees that:

1) The Restricted Party has, ~~with the assistance of legal counsel,~~ carefully read and considered the provisions of this Agreement ~~and, having~~

~~done so, agrees that the applicable~~ carefully. The Restricted Party further acknowledges that they have had an opportunity to review this Agreement with legal counsel.

2) The covenants not to compete in this Agreement are fair and reasonable (including the period restrictions ~~set forth in this Agreement in Section 1 (including, but not limited to, the period of restriction and~~ and the geographic area ~~of the restriction set forth) are fair and reasonable and~~), are ~~necessarily required for the protection of the~~ necessary to protect the interests of the Franchisor, and will not impose any undue hardship on the Restricted Party ~~further acknowledges that~~;

3) Due to the nature of the Franchised Business, a more limited geographical restriction would not be reasonable or appropriate.

4) The Restricted Party ~~covenants~~ has other considerable skills, experience and ~~agrees with~~ education which afford the Franchisor that if Restricted Party the opportunity to derive income from other endeavors;

5) The Restricted Party's entire knowledge of the operation of the Franchised Business, System, System Standards, and Promulgated Rules that Franchisee now or will ~~violate any~~ be granted access to is derived from Franchisor's and/or its Affiliates' Confidential Information and Trade Secrets; and

6) Communication among Franchisee, the Restricted Party, Franchisor's other franchisees and licensees will be chilled if it is perceived that the Restricted Party is violating this Agreement.

5. Injunctive Relief. Franchisor and its Affiliates must be protected against the potential for unfair competition by the Restricted Party's use of Franchisor's and/or its Affiliates training, assistance, Confidential Information and Trade Secrets in direct competition with Franchisor and/or its Affiliates. Restricted Party further acknowledges that Franchisor would not have entered into the Franchise Agreement or shared the Confidential Information, Trade Secrets and other proprietary information with the Restricted Party absent the Restricted Party's agreement to comply strictly with the provisions of this Agreement. The Restricted Party acknowledges that the Restricted Party will have access to Franchisor's and/or its Affiliates' Confidential Information and Trade Secrets and therefore will be in a unique position to use the special knowledge gained. Restricted Party acknowledges that a breach of the covenants ~~or agreements~~ contained in this Agreement, ~~then Franchisor will be entitled to~~ will be deemed to threaten immediate and substantial irreparable injury to Franchisor and its Affiliates, which cannot be compensated for in monetary damages. Accordingly, Restricted Party agrees that Franchisor and its Affiliates will have the right, without prior notice to Restricted Party to obtain immediate injunctive relief; ~~such remedy to be in addition to and not in limitation of~~

without limiting any other rights or remedies to which Franchisor is or may be entitled to at it may have and without posting a bond

6. Severability. If all or any portion of any covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction, Restricted Party covenants that the Restricted Party will be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law-or in equity. In the event that despite the foregoing, any, as if the resulting covenant were separately stated in and made a part of the covenants set forth this Agreement. The invalidity of any covenant contained in this Agreement will be held to be invalid or unenforceable, the does not affect the validity of remaining parts thereof will nevertheless continue to be valid and enforceable as though the invalid and unenforceable part had not been included herein. In the event that any provisions of this Agreement relating to the time period and/or area of restriction will be declared by a court of competent jurisdiction to exceed the maximum time periods or areas which such court deems reasonable and enforceable, such time period and/or area of restriction will be deemed to become and thereafter be the maximum time period and/or area which such court deems reasonable and enforceable covenants contained in this Agreement.

7. Notices. All notices required ~~or permitted hereunder will~~ under this Agreement must be in writing and ~~will be~~ delivered personally or sent by United States registered or certified mail, postage prepaid, ~~or sent~~ by priority overnight mail, addressed to the Restricted Party at:

Attention: _____

or addressed to Franchisor at:

Right at Home, LLC
6700 Mercy Road, Suite 400
Omaha, Nebraska 68106
Attention: COO

or at such changed addresses as the parties may designate in writing. Franchisee must notify Franchisor of address change. Any such notice will be deemed given and effective when mailed.

8. Independent Obligations. Each of the foregoing agreements, acknowledgements and covenants will be construed as independent of any other provision of this Agreement.

9. Right to Reduce Scope of Covenant Requirements. The Restricted Party understands and acknowledges that Franchisor has the right to reduce the scope of any covenant in this Agreement or any portion thereof without the Restricted Party's consent,

effective immediately upon receipt by Franchisee of written notice. Franchisee will comply with any covenant as so modified.

3. 10. Miscellaneous.

~~a.~~(a) Headings. Headings, titles and captions contained in this Agreement are inserted only as a matter of convenience and reference and in no way define, limit, extend, or describe the scope of this Agreement or the intent of any provision hereof.

~~b.~~(b) Entire Agreement. This writing, together with the Franchise Agreement, constitutes the entire agreement between the parties hereto and supersedes any prior understanding or agreements among them respecting the subject matter. There are no extraneous representations, arrangements, understandings, or agreements, oral or written, among the parties hereto, except those fully expressed herein.

~~c.~~(c) Amendments. No amendments, changes, alterations, modifications, additions or qualifications to the terms of this Agreement will be made or binding unless made in writing and signed by all the parties hereto.

~~d.~~(d) Waiver. The failure of either party to enforce at any time any of the provisions of this Agreement will not be construed as a waiver of such provisions or of the right of such party thereafter to enforce any such provisions.

~~e.~~(e) Invalidity. The invalidity or unenforceability of any particular provision of this Agreement will not affect the other provisions hereof, and this Agreement will be construed in all respects as if such invalid or unenforceable provisions were omitted.

~~f.~~(f) Governing Law. This Agreement will be construed and governed in accordance with the laws of the State of **[Insert State of Franchise]**.

~~(f)~~1) EXCEPT TO THE EXTENT GOVERNED BY FEDERAL LAW INCLUDING, WITHOUT LIMITATION, THE UNITED STATES TRADEMARK ACT OF 1946, AS AMENDED (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.). Franchisor and Restricted Party irrevocably agree that the United States District Court of the District of Nebraska and the Courts of Nebraska sitting in Douglas County, Nebraska will have exclusive jurisdiction to hear and determine any action on a controversy on or under this Agreement, including any action for injunctive relief and for specific performance and other equitable relief, irrevocably submit to the jurisdiction of such Courts and irrevocably waive any objection which either of them might have to such Courts being nominated as the forum to hear and determine any such action on a controversy relating to this Agreement and agree not to claim that any such Court is not a convenient or appropriate forum. Not only must any such action be brought in such Courts, but any such action must also be continually maintained in such Courts. The parties agree that such Courts have power under the law of Nebraska to entertain any such action, that Nebraska is a reasonably convenient place for the trial of any such action, and that this choice of forum agreement was not obtained by misrepresentation, duress, the abuse of economic power or other unconscionable means.

~~(ii)~~2) RESTRICTED PARTY ACKNOWLEDGES THAT THIS AGREEMENT IS ENTERED INTO IN DOUGLAS COUNTY, NEBRASKA.

~~(iii)~~3) NO RIGHT OR REMEDY CONFERRED UPON OR RESERVED TO FRANCHISOR OR RESTRICTED PARTY BY THIS AGREEMENT IS INTENDED TO BE, NOR WILL BE DEEMED, EXCLUSIVE OF ANY OTHER RIGHT OR REMEDY HEREIN OR BY LAW OR EQUITY PROVIDED OR PERMITTED, BUT EACH WILL BE CUMULATIVE OF EVERY OTHER RIGHT OR REMEDY.

~~(iv)~~4) ~~NOTHING HEREIN CONTAINED WILL BAR FRANCHISOR'S RIGHT TO OBTAIN INJUNCTIVE RELIEF AGAINST THREATENED CONDUCT UNDER GENERAL PRINCIPLES OF EQUITY, INCLUDING THE APPLICABLE PRINCIPLES FOR OBTAINING RESTRAINING ORDERS, PERMANENT AND PRELIMINARY INJUNCTIONS.~~ NOTHING IN THIS AGREEMENT WILL BAR FRANCHISOR'S RIGHT TO OBTAIN INJUNCTIVE RELIEF AGAINST THREATENED CONDUCT UNDER GENERAL PRINCIPLES OF EQUITY, INCLUDING THE APPLICABLE PRINCIPLES FOR OBTAINING RESTRAINING ORDERS, PERMANENT AND PRELIMINARY INJUNCTIONS.

~~a.~~(g) Binding Agreement. This Agreement will be binding upon and inure to the benefit of the parties, their heirs, successors and assigns.

~~b.~~(h) Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument.

~~c.~~(i) Miscellaneous. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing, and is signed by ~~Franchisee and Related Persons and by an executive officer of the~~ Franchisor and Restricted Party. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by any party that is not set forth expressly in this Agreement.

IN WITNESS WHEREOF, the ~~parties hereto have~~ Franchisor and each Restricted Party has executed this Agreement as of the date and year first above written.

FRANCHISOR:

Right at Home, LLC

RESTRICTED PARTY:

By: _____

Margaret Haynes, President and
Chief Executive Officer

By: _____ *

~~Printed~~ Name: _____

~~Title if an entity:~~ _____

Effective Date: _____

Date Signed: _____

* The Operating Principal

EXHIBIT C TO THE FRANCHISE AGREEMENT
~~EXHIBIT D TO THE FRANCHISE AGREEMENT~~

RENEWAL ADDENDUM

This Addendum, to the Franchise Agreement, is made by and between Right at Home, LLC, a limited liability company formed under the laws of the State of Delaware and having its principal place of business at 6700 Mercey Road, Suite 400, Omaha, Nebraska 68106 (“**Franchisor**”), and _____, whose principal address is _____, an individual/partnership/corporation/limited liability company resident/established in the State of _____ (“**Franchisee**”).

RECITALS

A. On or about _____, Franchisee entered into a Franchise Agreement (the “**Original Franchise Agreement**”) with Franchisor pursuant to which Franchisee has operated a Right at Home[®] Business in the Designated Area described in the Original Franchise Agreement.

B. Franchisee has notified Franchisor of its desire to obtain an additional term granted pursuant to the Original Franchise Agreement to continue to use the System and Marks in the operation of a Franchised Business.

C. Pursuant to the rights granted in the Original Franchise Agreement, Franchisee is willing to enter into a new franchise agreement with Franchisor on the terms and conditions of Franchisor’s current form of franchise agreement, as modified by this Addendum (the “**Renewal Franchise Agreement**”).

D. Franchisee has had a full and adequate opportunity to be advised thoroughly of the terms and conditions of the Renewal Franchise Agreement, including this Addendum, by legal counsel or other advisors, and has had sufficient opportunity to evaluate and investigate the System, the financial investment requirements and the business risks associated with owning and operating a Right at Home Business.

In consideration of the foregoing and the covenants and consideration below, Franchisee and Franchisor agree to amend the Renewal Franchise Agreement as follows:

1. **Renewal Fee.** Section of the Renewal Franchise Agreement is deleted and replaced with the following:

1.5 In consideration of the Franchise granted in this Agreement, Franchisee will pay to Franchisor, upon execution of this Agreement, a renewal fee (“**Renewal Fee**”) in the amount set forth on Exhibit A. When paid, the Renewal Fee is fully earned and non-refundable as consideration for expenses incurred by Franchisor, including marketing, researching, awarding, furnishing assistance and services to Franchisee and for Franchisor’s lost or deferred opportunity to franchise

~~others. Whenever the term “Franchise Fee” is used in the Renewal Franchise Agreement, it will be “Renewal Fee”.~~

~~2. **Term.** Section 2.1 of the Renewal Franchise Agreement is deleted and replaced with the following:~~

~~2.1 This Agreement will be effective and binding from the date of its acceptance by Franchisor (as indicated on the signature page) and expires on the fifth (5th) anniversary of the date of acceptance by Franchisor (unless sooner terminated in accordance with the terms of this Agreement), with three (3) separate options intended to renew the right to operate the Franchised Business for the period of five (5) years each, as provided in Section 2.2 (each referred to as a “Renewal Term”).~~

~~3. **Renewal Terms.** The first sentence of Section 2.2 of the Renewal Franchise Agreement is deleted and replaced with the following:~~

~~Subject to the notice provisions in Section 2.3, at the expiration of the Renewal Term set forth in Section 2.1, if this Agreement will then be in full force and effect, and the Franchisee will have duly performed all of its terms and conditions, Franchisee will have three (3) separate options to renew the right to operate the Franchised Business, subject to the terms and conditions of the then current form of Franchise Agreement, for the period of five (5) years each.~~

~~4. **Renewal Terms.** Section 2.2.2 of the Renewal Franchise Agreement is deleted and replaced with the following: [DELETE IF NOT MULTI-UNIT OPERATOR]~~

~~Franchisee maintains legal and physical possession of the Office (as defined in Section 3.1 below) and the Franchised Business is in full compliance with the specifications and standards then applicable for a new or renewing Franchise. Franchisee will also present evidence reasonably satisfactory to Franchisor that Franchisee has the right to remain in possession of the Office for the duration of any Renewal Term; or, in the event Franchisee is unable to legally retain possession of the Office, or, in the judgment of Franchisor, the Franchised Business should be relocated, Franchisee secures a substitute Office approved by Franchisor.~~

~~5. **Business Location.** Section 3.1 of the Renewal Franchise Agreement is deleted and replaced with the following: [DELETE IF NOT MULTI-UNIT OPERATOR]~~

~~Franchisee must operate the Franchised Business only from Office within the Designated Area of the Agreement or an Additional Franchise Agreement. Franchisee’s Open Office location for the Franchised Business will be at an Open Office location separate from any personal residence, nursing facility, assisted living facility (or similar facility) or executive suites and the Open Office will exist and be used solely and exclusively for the operation of the Franchised Business under this Agreement and the Additional Franchise Agreements (“Office”).~~

~~6. — **Business Location.** Section 3.2 of the Renewal Franchise Agreement is deleted and replaced with the following:~~

~~3.2. — Franchisee will be solely responsible for purchasing or leasing a suitable site and office for any replacement Office and for maintaining in the condition and appearance of the Office consistent with Franchisor's standards. While Franchisor utilized its general experience in providing guidelines and criteria for selection of an Office location, nothing contained herein will be interpreted as a guarantee of success for said location. Any replacement for the Office is subject to Franchisor's approval, which Franchisor has the right to grant or deny. Franchisee acknowledges that Franchisor's approval of the Office or any replacement Office indicates only that Franchisor believes that the Office falls within the acceptable criteria established by Franchisor as of the approval date.~~

~~7. — **Training.** Sections 4.1 and 4.4 of the Renewal Franchise Agreement are deleted and replaced with the following:~~

~~4.1 — If Franchisor determines it is necessary, Franchisee's Operating Principal and Franchisee's office manager, may be required to successfully re-complete the RightStart Training Program. The RightStart Training Program begins on the date designated by Franchisor. The RightStart Training includes virtual instructor led training, individual self paced online instruction and, as feasible, instructor-led classroom training at Franchisor's headquarters and/or another location designated by Franchisor. The RightStart Training Program consists of onboarding ("**Onboarding Training**"), residence week training ("**Residence Week Training**") and office open training ("**Office Open Training**") and may cover administrative, operational, sales and marketing matters based on various milestones that may include subject matter expert ("**SME**") calls. Franchisor reserves the right to change the topics covered by the RightStart Training Program and the SME calls. All expenses incurred by Franchisee and its Operating Principal, office manager and other representatives in attending such training, including, without limitation, travel costs, room and board expenses for Residence Week Training, and employees' salaries, will be the sole responsibility of Franchisee.~~

~~4.4 — If Franchisor determines it is necessary, Franchisor will furnish to Franchisee, at the Office, one (1) of Franchisor's representatives for approximately two (2) days for the purpose of facilitating the Franchised Business. During this period, such representative will assist Franchisee and Operating Principal in establishing and standardizing current procedures and techniques essential to the operation of the Franchised Business. The first two (2) days of this support will be at Franchisor's expense. Should Franchisee request additional assistance from Franchisor to facilitate the Franchised Business, or should Franchisor determine that Franchisee or the Operating Principal needs additional training, Franchisee will reimburse Franchisor for the expense Franchisor incurs in providing such additional assistance at its then current rate as published in the Manuals (defined in Section 6), plus expenses.~~

~~8. — Advertising and Promotion. Section 9.6.1, of the Renewal Franchise Agreement third sentence is deleted in its entirety and replaced as follows:~~

~~Franchisee is required to pay to Franchisor the greater of (a) the Brand Marketing and Promotion Fee; or (b) the Minimum Brand Marketing and Promotion Fee set out in Section 12.14.2.~~

~~9. — Continuing Services and Royalty Fee. Section 10.1 of the Renewal Franchise Agreement is deleted and replaced as follows:~~

~~10.1 — Beginning the first week of the Renewal Term, Franchisee will pay, without offset, credit or deduction of any nature, to Franchisor the greater of (a) a royalty fee equal to five percent (5%) of the Net Billings derived from the Franchised Business (“**Royalty Fee**”); or (b) the Minimum Royalty set out in Section 12.14.1. The Royalty Fee will be paid weekly in the manner specified below or as otherwise prescribed in the Manuals. For each consecutive Quarter (defined in Section 12.14.1), if the Royalty Fee paid by the end of any Quarter does not meet or exceed the Minimum Royalty, Franchisee will pay Franchisor the difference as set out in Section 12.14.3.~~

~~10. — Minimums. Section 12.14 of the Renewal Franchise Agreement is deleted and replaced with the following:~~

~~12.14 — Minimum Quarterly Net Billings. To maintain the exclusivity of Franchisee’s Designated Area, throughout the Renewal Term, Franchisee must meet the following Minimum Quarterly Net Billings through the Renewal Term:~~

~~12.14.1 — For each consecutive Quarter, Franchisee is required to have minimum Net Billings in the amount of \$211,250 (the “**Minimum Quarterly Net Billings**”) and a Minimum Royalty per Quarter of \$10,563.~~

~~12.14.2 — For each consecutive Quarter, Franchisee is required to contribute to Franchisor the greater of (a) the Brand Marketing and Promotion Fee; or (b) a minimum brand marketing and promotion fee in the amount of \$4,225* (“**Minimum Brand Marketing and Promotion Fee**”).~~

~~(a) 12.14.3 — If at the end of each Quarter, the Royalty Fee and/or the Brand Marketing and Promotion Fee Franchisee paid during the Quarter does not meet or exceed the Minimum Royalty and/or Minimum Brand Marketing and Promotion Fee (as the case may be), Franchisee will pay Franchisor, or contribute to the Brand Marketing and Promotion Fund (as the case may be), the difference. The difference will be included with the last weekly invoice for such Quarter.~~

~~12.14.4 — If Franchisee owns Additional Franchised Businesses and an MSA Cap applies to such Additional Franchised Businesses, Franchisee’s Minimum Brand Marketing and Promotion Fee will be calculated based on the Minimum Quarterly Net Billings for all the Franchised Businesses owned and operated by Franchisee in the designated~~

~~specified area so as not to exceed the MSA Cap. All other minimum requirements (including Minimum Royalty and Minimum Quarterly Net Billings) will not change and will be applicable to each individual Franchised Business.~~

~~12.14.5 Franchisee will be required to generate the Minimum Quarterly Net Billings throughout the Renewal Term. The Minimum Brand Marketing and Promotion Fee is based on each Minimum Quarterly Net Billings. Any Brand Marketing and Promotion Fees and any Royalty Fee paid in any Quarter in excess of the Minimum Brand Marketing and Promotion Fee or Minimum Royalty, as applicable, will not apply toward any such minimums for any future Quarter.~~

~~12.14.6 Franchisor can increase the above stated Minimum Quarterly Net Billings requirements by up to 5% per year upon notice to Franchisee.~~

~~12.14.7 If Franchisee's Minimum Quarterly Net Billings and/or Brand Marketing and Promotion Fee payments do not meet or exceed the Minimum Quarterly Net Billings and Minimum Brand Marketing and Promotion Fee (even if Franchisee pays the difference) (a) for four consecutive Quarters; or, (b) for more than four Quarters in any consecutive 24 month period; Franchisor has the right, in addition to other remedies in the Franchise Agreement and by law to: (i) decrease/reduce or otherwise change the size of the Designated Area; (ii) establish other franchises within the Designated Area; (iii) permit other franchisees to provide services to clients located within the Designated Area; and/or, (iv) terminate the Franchise Agreement as provided in the Franchise Agreement.~~

~~12.14.8 If Franchisee fails to meet the Minimum Quarterly Net Billings in any Quarter, Franchisor has the right, in addition to other remedies in the Franchise Agreement and by law to require Franchisee to participate in a Performance Improvement Plan, which will include attending the HIAC. A performance improvement plan will include Franchisee's submission of a detailed business plan that describes how Franchisee will meet the Minimum Quarterly Net Billings within a reasonable time frame, not to exceed 6 months ("**Performance Improvement Plan**"). Franchisee will submit the Performance Improvement Plan in the form and substance acceptable to Franchisor within 30 calendar days of Franchisor's request. Franchisor will approve or disapprove Franchisee's Performance Improvement Plan within 14 calendar days of Franchisor's receipt. If Franchisor, in its sole judgment, believes that the Performance Improvement Plan is reasonably achievable within the time period set out in the Performance Improvement Plan (but in no event longer than 6 months), Franchisor will grant Franchisee additional time to meet the Minimum Quarterly Net Billing requirements, as applicable, in accordance with the Performance Improvement Plan. If Franchisee fails or refuses to provide the Performance Improvement Plan within the time prescribed, Franchisor does not approve the Performance Improvement~~

~~Plan, Franchisee fails to execute the Performance Improvement Plan, or Franchisee fails to meet the Minimum Quarterly Net Billings requirements as applicable within the time period set out in the Performance Improvement Plan, Franchisor may exercise the remedies described in Section 12.14.7 above. Details as to the form and content required for the Performance Improvement Plan and the process described above may be more specifically explained and modified in the Manuals.~~

~~1. * NOTE: If Franchisor has increased the Minimum Quarterly Net Billings, then the minimum requirements described in this Section 12.14 will be adjusted to reflect such increase.~~

~~11.1. **Release of Claims.** Franchisee, its heirs, successors and assigns, affiliates, directors, officers and shareholders, and any other party claiming an interest through them (collectively and individually referred to as the "**Franchisee Parties**"), hereby releases and forever discharges Franchisor, for itself, its predecessors, successors, assigns, affiliates, directors, officers, shareholders, and employees (collectively and individually referred to as the "**Franchisor Parties**") from any and all claims, debts, liabilities, demands, obligations, costs, expenses, actions and causes of action, whether known or unknown, vested or contingent, which Franchisee may now or in the future own or hold, that in any way relate to the Original Franchise Agreement (collectively, "**Claims**"), including but not limited to, any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of the Original Franchise Agreement or any other related agreement between Franchisee Parties and Franchisor Parties.~~

~~12.1. **Warranties and Representations of Franchisee.** Franchisee warrants and represents as follows:~~

~~(a) Franchisee has, during the entire Initial Term of the Original Franchise Agreement, duly performed all provisions of the Original Franchise Agreement;~~

~~(b) Franchisee maintains legal and physical possession of the Office and has presented evidence reasonably satisfactory to Franchisor that Franchisee has the right to remain in possession of the Office for the duration of the Renewal Term; or, in the event Franchisee is unable to legally retain possession of the Office, or, in the judgment of Franchisor, the Franchised Business should be relocated, Franchisee has secured substitute premises approved by Franchisor;~~

~~(c)(a) The Franchised Business is in full compliance with the specifications and standards then applicable for a new or renewing Franchise;~~

~~(d)(a) Franchisee has given notice of renewal to Franchisor least eight (8) months, but not more than twelve (12) months, prior to the expiration of the term of the Original Franchise Agreement;~~

~~(e) Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor and its Related Entities, including the renewal fee, and has timely met these obligations throughout the term of this Agreement;~~

~~(f) Franchisee has paid to Franchisor the renewal fee in the amount of \$_____;~~

~~(g) Franchisee has executed the Renewal Franchise Agreement, with this Addendum attached and incorporated therein by this reference;~~

~~(h) Franchisee has complied with Franchisor's then current qualifications and training requirements; and~~

~~(i) Franchisee and its owners have executed a general release, in a form attached to this Addendum as Attachment A, of any and all existing claims against Franchisor and its respective officers, directors, agents and employees, except such claims as are not permitted to be waived under applicable law.~~

~~**13. Capitalized Terms.** Capitalized terms not otherwise defined in this Renewal Addendum shall have the same meaning as in the Renewal Franchise Agreement.~~

~~**14.1. Addendum Binding.** This Renewal Addendum will be binding upon and inure to the benefit of each party and to each party's respective successors and assigns.~~

~~**15. No Further Changes.** Except as specifically provided in this Addendum, all of the terms, conditions and provisions of the **Renewal Franchise Agreement** will remain in full force and effect as originally written and signed.~~

~~IN WITNESS WHEREOF, the parties have executed this Renewal Franchise Agreement as of the Effective Date.~~

FRANCHISOR:

Right at Home, LLC

By: _____

Margaret Haynes

President and Chief Executive Officer

Effective Date: _____

FRANCHISEE:

By: _____*

Printed Name: _____

Title if an entity: _____

Date Signed: _____

* The Operating Principal

If Franchisee is an Entity:

GUARANTOR(S)

Signature: _____

Printed Name: _____*

Signature: _____

Printed Name: _____

Signature: _____

Printed Name: _____

~~EXHIBIT E TO THE FRANCHISE AGREEMENT~~

~~FORM OF~~ BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (this "**Agreement**") is entered into by and between [Insert Name of Franchisee and Owner(s), as applicable] ("**Covered Entity**") and Right at Home, LLC ("**Right at Home**" or "**Business Associate**") ~~in order~~ to comply with privacy and security provisions of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations, as amended from time to time (statute and regulations collectively referred to as "**HIPAA**").

RECITALS

Right at Home provides services ("**Services**") to Covered Entity that involve the creation, use, or disclosure of protected health information ("**PHI**") under one or more agreements (each an "**Underlying Agreement**") and that are defined under HIPAA as business associate services.

Covered Entity and Right at Home are required by HIPAA to enter into a Business Associate Agreement with respect to the Services.

STATEMENT OF AGREEMENT

1. Definitions. Terms used, but not otherwise defined, in this Agreement will have the same meaning as those terms in HIPAA; provided that PHI refers only to protected health information of the Covered Entity unless otherwise stated.

2. Compliance and Agents. Right at Home agrees that when using or disclosing PHI, Right at Home will comply with the requirements of this Agreement with respect to such PHI. Right at Home will ensure that every agent, including a subcontractor, to whom Right at Home provides PHI received from, or created or received by Covered Entity will enter into a written business associate agreement with Right at Home that includes the same restrictions and conditions as ~~set forth~~ in this Agreement. If Right at Home is required to carry out an obligation of Covered Entity under HIPAA, Right at Home will comply with applicable requirements of HIPAA that apply to Covered Entity in the performance of that obligation.

3. Use and Disclosure; Rights. Right at Home agrees that it ~~shall~~will not use or disclose PHI except as permitted under this Agreement or as required by law. Right at Home's use and disclosure of PHI ~~shall~~will comply with the provisions of HIPAA applicable to business associates. Right at Home may use or disclose the PHI received or created by it (a) to perform its obligations under this Agreement;; (b) to provide Services for, or on behalf of, Covered Entity,; as specified in the Underlying Agreement;; and, (c) to provide data aggregation functions to or for the benefit of Covered Entity. Right at Home may use the PHI received by it, if necessary, to manage and administer its business or to carry out its legal responsibilities. Right at Home may disclose the PHI received by it to manage and administer its business or to carry out its legal responsibilities if: (a) the disclosure is required by law, or (b) Right at Home obtains reasonable assurances from the person to

whom the information is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purpose for which it is disclosed to the person, and the person agrees to notify Right at Home of any instances of which the person is aware that the confidentiality of the PHI has been breached. Covered Entity shall not ask Right at Home to use or disclose PHI in any manner that would not be permissible under HIPAA if done by Covered Entity.

4. Safeguards. Right at Home agrees to implement appropriate physical, administrative, and technical safeguards as required by 45 CFR §§164.308-164.316, to prevent any use or disclosure of electronic PHI other than as permitted or required by this Agreement.

5. Minimum Necessary. To the extent required by HIPAA, Right at Home will limit any use, disclosure, or request for use or disclosure of PHI to the minimum necessary to accomplish the intended purpose of the use, disclosure, or request.

6. Report of Improper Use or Disclosure. Right at Home will report to Covered Entity any information of which it becomes aware concerning any use or disclosure of PHI that is not permitted by this Agreement and any security incident of which it becomes aware.

7. Individual Access. In accordance with an individual's right to access to his or her own PHI in a designated record set under 45 CFR §164.524 and the individual's right to copy or amend such records under 45 CFR §164.524 and §164.526, Right at Home will make available all PHI in a designated record set to Covered Entity to enable the Covered Entity to provide access to the individual to whom that information pertains or such individual's representative.

8. Amendment of PHI. Right at Home will make available for amendment PHI in a designated record set and will incorporate any amendments to PHI in a designated record set in accordance with 45 CFR §164.526 and in accordance with any process mutually agreed to by the parties.

9. Accounting. Right at Home agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to an individual's request for an accounting of disclosures of their PHI in accordance with 45 CFR §164.528. Right at Home agrees to make available to Covered Entity the information needed to enable Covered Entity to provide the individual with an accounting of disclosures as set forth in 45 CFR §164.528.

10. DHHS Access to Books, Records, and Other Information. Right at Home will make available to the U.S. Department of Health and Human Services ("**DHHS**") its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by, Right at Home on behalf of, Covered Entity for purposes of determining the Covered Entity's compliance with HIPAA.

11. Individual Authorizations; Restrictions. Covered Entity will notify Right at Home of any limitation in Covered Entity's notice of privacy practices, any restriction on the use or disclosure of PHI that Covered Entity has agreed to with an individual, and any changes to or revocation of an authorization or other permission by an individual, to the

extent that such limitation, restriction, change, or revocation may affect Right at Home's use or disclosure of PHI.

12. Security Breach Notification. Right at Home will, following the discovery of a breach of unsecured protected health information, as defined in 45 CFR §164.402, notify Covered Entity of such breach within 15 business days. The notice will include the identification of each individual whose unsecured protected health information has been, or is reasonably believed by Right at Home to have been, accessed, acquired, or disclosed during such breach and other information required by HIPAA.

13. Term. This Agreement takes effect on the effective date of the Underlying Agreement, and continues in effect unless and until either party terminates the Underlying Agreement.

14. Breach; Termination; Mitigation. If Covered Entity ~~knows~~becomes aware of a pattern of activity or practice ~~ef~~by Right at Home that constitutes a material breach or violation of Right at Home's obligations under this Agreement, Right at Home and Covered Entity will take any steps reasonably necessary to cure such breach and make Right at Home comply, and, if such steps are unsuccessful, Covered Entity may terminate this Agreement. Right at Home will take reasonable actions available to it to mitigate any detrimental effects of such violation or failure to comply.

15. Return of PHI. Right at Home agrees that upon termination of this Agreement, and if feasible, Right at Home will (a) return or destroy all PHI received from Covered Entity, or created or received by Right at Home on behalf of Covered Entity, that Right at Home or any subcontractor maintains in any form or manner and retain no copies of such information or, (b) if such return or destruction is not feasible, immediately notify Covered Entity of the reasons return or destruction are not feasible, and extend indefinitely the protection of this Agreement to such PHI and limit further uses and disclosures to those purposes that make the return or destruction of the PHI not feasible.

16. Conflicts. The terms and conditions of this Agreement will override and control any conflicting term or condition of the Underlying Agreement. All non-conflicting terms and conditions of the Underlying Agreement will remain in full force and effect. Any ambiguity in this Agreement with respect to the Underlying Agreement will be resolved in a manner that will permit Covered Entity to comply with HIPAA.

IN WITNESS WHEREOF, Covered Entity and Right at Home execute this Agreement as of the Effective Date stated below.

FRANCHISOR:
Right at Home, LLC

COVERED ENTITY:
[FRANCHISEE'S NAME]

By:_____

By:_____

Printed Name: _____

Title if an entity:_____

Margaret Haynes
President and Chief Executive Officer

Date Signed: _____

Effective Date: _____

EXHIBIT ~~FD~~ TO THE FRANCHISE AGREEMENT

~~MULTIPLE UNIT AMENDMENT [DO NOT USE FOR RENEWALS]~~

~~THIS MULTIPLE UNIT AMENDMENT to the Franchise Agreement (“Agreement”) between Right at Home, LLC, (“Franchisor”) and _____, (“Franchisee”), is executed on the same date as the Agreement and is effective as of the Effective Date of the Agreement. Franchisor and Franchisee may sometimes be referred to in the singular as a “Party” or jointly as the “Parties.”~~

~~BACKGROUND~~

~~A. Franchisor and Franchisee entered into the Agreement contemporaneously with the execution of this Amendment on _____, 20____, pursuant to which Franchisee acquired the exclusive right to open and operate a Franchised Business within the Designated Area defined in the Agreement.~~

~~B. Simultaneously with the execution of this Agreement, Franchisee also entered into one or more other Franchise Agreements (each an “Additional Franchise Agreement”), pursuant to which Franchisee acquired the exclusive right to open and operate a Franchised Business within the Designated Area defined in each Additional Franchise Agreement, which Designated Area is contiguous to the Designated Area in this Agreement.~~

~~C.A. Franchisee desires to acquire and operate the Franchised Business pursuant to this Agreement and any the Additional Franchise Agreement(s) from the same Office; and, therefore, Franchisee desires to be relieved of the obligation to open additional Offices for the operation of the Franchised Businesses represented by each Additional Franchise Agreement.~~

~~D.A. Franchisor is willing to grant such right, subject to the terms of this Amendment.~~

~~AGREEMENT~~

~~So long as Franchisee otherwise satisfies all of its obligations in the Agreement, the Additional Franchise Agreements and any other agreement entered into with Franchisor or its affiliates, including specifically the minimum requirements set forth in Section 12.12 of the Agreement and each Additional Franchise Agreement; then, the Agreement is amended as follows:~~

~~1. **Term and Renewal.** Section 2.2.2 is deleted and replaced with the following:~~

~~Franchisee maintains legal and physical possession of the Office and the Franchised Business is in full compliance with the specifications and standards then applicable for a new or renewing Franchise. Franchisee will also present evidence reasonably satisfactory to Franchisor that Franchisee has the right to remain in possession of the Office for the duration of any Renewal Term; or, in the event Franchisee is unable to legally retain possession of the Office, or, in the judgment of Franchisor,~~

~~the Franchised Business should be relocated, Franchisee secures a substitute Office approved by Franchisor.~~

2. Business Location. ~~Section 3.1 is deleted and replaced with the following:~~

~~Franchisee must operate the Franchised Business only from Office within the Designated Area of the Agreement or an Additional Franchise Agreement. Franchisee's Open Office location for the Franchised Business will be at an Open Office location separate from any personal residence, nursing facility, assisted living facility (or similar facility) or executive suites; must exist and be used solely and exclusively for the operation of the Franchised Business under this Agreement and the Additional Franchise Agreements ("Office").~~

3. Advertising and Promotion. ~~Section 9.6.1, third sentence is deleted in its entirety and replaced as follows:~~

~~Beginning on the fourth (4th) month that the Franchised Business is Open, Franchisee is required to pay to Franchisor the greater of (a) the Brand Marketing and Promotion Fee; or (b) the Minimum Brand Marketing and Promotion Fee set out in Section 12.14.2.~~

4. Continuing Services and Royalty Fee. ~~Section 10.1, third sentence is deleted in its entirety and replaced as follows:~~

~~Beginning on the fourth (4th) month that the Franchised Business is Open, Franchisee is required to pay to Franchisor the greater of (a) the Royalty fee; or (b) the Minimum Royalty set out in Section 12.14.1.~~

5. Standards of Quality and Performance. ~~The first sentence of Section 12.2 is deleted and replaced with the following:~~

~~The Operating Principal must successfully complete RightStart Training Program prior to Opening the Office at the Premises and Franchisee must commence operations of the Franchised Business not later than the earlier of six (6) months after execution of this Agreement or thirty (30) days after completion of the RightStart Training Program, unless otherwise agreed upon in writing by Franchisor.~~

6. Minimums. ~~[DELETE IF NOT OPERATING ADDITIONAL FRANCHISE FROM EXISTING OFFICE] Section 12.13 is deleted in its entirety and replaced with the following:~~

~~12.13 To maintain the exclusivity of Franchisee's Designated Area, beginning on the fourth (4th) month the Franchised Business is Open, Franchisee must meet the following minimums:~~

~~12.13.1 — For each consecutive Quarter, Franchisee is required to pay to Franchisor the greater of (a) the Royalty Fee; or (b) a minimum royalty per Quarter (“Minimum Royalty”) according to the following schedule:~~

~~Months After Franchisee Has Opened Office~~	~~Minimum Royalty Requirement Per Quarter~~	~~Minimum Quarterly Net Billings~~
~~4-15~~	~~\$2,275~~	~~\$45,500~~
~~16-27~~	~~\$3,738~~	~~\$74,750~~
~~28-39~~	~~\$5,200~~	~~\$104,000~~
~~40-51~~	~~\$7,475~~	~~\$149,500~~
~~52-63~~	~~\$8,938~~	~~\$178,750~~
~~64 and thereafter, including Renewal Term, if any~~	~~\$10,563~~	~~\$211,250~~

~~12.13.2 — For each consecutive Quarter, Franchisee is required to contribute to the Brand Marketing and Promotion Fund the greater of (a) the Brand Marketing and Promotion Fee; or (b) a minimum brand marketing and promotion fee (“Minimum Brand Marketing and Promotion Fee”) according to the following schedule:~~

~~Months After Franchisee Has Opened Office~~	~~Minimum Brand Marketing and Promotion Fee Requirement Per Quarter~~
~~4-15~~	~~\$910~~
~~16-27~~	~~\$1,495~~
~~28-39~~	~~\$2,080~~
~~40-51~~	~~\$2,990~~
~~52-63~~	~~\$3,575~~
~~64 and thereafter, including Renewal Term, if any~~	~~\$4,225~~

~~12.13.3 — If at the end of each Quarter, the Royalty Fee and/or Brand Marketing and Promotion Fee Franchisee paid during the Quarter does not meet or exceed the Minimum Royalty and/or the Minimum Brand Marketing and Promotion Fee (as the case may be), Franchisee will pay Franchisor, or contribute to the Brand Marketing and Promotion Fund (as the case may be), the difference. The difference will be included with the last weekly invoice for such Quarter.~~

~~12.13.4 — If Franchisee owns Additional Franchised Businesses and an MSA Cap applies to such Additional Franchised Businesses, Franchisee’s Minimum Brand Marketing and Promotion Fee will be calculated based on the Minimum Quarterly Net Billings for all the Franchised Businesses owned and operated by Franchisee in the designated specified area so as not to exceed the MSA Cap. All other minimum requirements (including Minimum Royalty and Minimum~~

~~Quarterly Net Billings) will not change and will be applicable to each individual Franchised Business.~~

~~12.13.5 — Franchisee will be required to generate the Minimum Quarterly Net Billings throughout the term. The Minimum Royalty and the Minimum Brand Marketing and Promotion Fee are based on each Quarter's Minimum Net Billing Requirements. Any Royalty Fee and Brand Marketing and Promotion Fees paid in any Quarter in excess of the Minimum Royalty or Minimum Brand Marketing and Promotion Fee, as applicable, will not apply toward any such minimums for any future Quarter.~~

~~12.13.6 — Franchisor can increase the above stated Minimum Royalty and Minimum Quarterly Net Billings by up to 5% per year upon notice to Franchisee.~~

~~12.13.7 — If Franchisee's Royalty Fee and/or Brand Marketing and Promotion Fee payments do not meet or exceed the Minimum Royalty and Minimum Brand Marketing and Promotion Fee (even if Franchisee pays the difference) for (a) four consecutive Quarters; or (b) for more than four Quarters in any consecutive 24 month period; Franchisor has the right, in addition to other remedies in the Franchise Agreement and by law to: (i) decrease/reduce or otherwise change the size of the Designated Area; (ii) establish other franchises within the Designated Area; (iii) permit other franchisees to provide services to clients located within the Designated Area; and/or (iv) terminate the Franchise Agreement as provided in the Franchise Agreement.~~

~~12.13.8 — If Franchisee fails to meet the Minimum Quarterly Net Billings in any Quarter, Franchisor has the right, in addition to other remedies in the Franchise Agreement and by law to require Franchisee to participate in a Performance Improvement Plan, which will include attending the HIAC. A performance improvement plan will include Franchisee's submission of a detailed business plan that describes how Franchisee will meet the Minimum Quarterly Net Billings within a reasonable time frame, not to exceed 6 months ("**Performance Improvement Plan**"). Franchisee will submit the Performance Improvement Plan in the form and substance acceptable to Franchisor within 30 calendar days of Franchisor's request. Franchisor will approve or disapprove Franchisee's Performance Improvement Plan within 14 calendar days of Franchisor's receipt. If Franchisor, in its sole judgment, believes that the Performance Improvement Plan is reasonably achievable within the time period set out in the Performance Improvement Plan (but in no event longer than 6 months), Franchisor will grant Franchisee additional time to meet the Minimum Quarterly Net Billing requirements, as applicable, in accordance with the Performance Improvement Plan. If Franchisee fails or refuses to provide the Performance Improvement Plan within the time prescribed, Franchisor does not approve the Performance Improvement Plan, Franchisee fails to execute the Performance Improvement Plan, or Franchisee fails to meet the Minimum Quarterly Net Billings requirements as applicable within the time period set out in the Performance Improvement Plan, Franchisor may exercise the remedies described in Section 12.13.7 above. Details as to the form and content required for the Performance Improvement Plan and the~~

~~process described above may be more specifically explained and modified in the Manuals.~~

~~7.1. **Capitalized Terms.** All capitalized terms not defined in this Amendment will have the same meaning as in the Agreement.~~

~~8.1. **Amendment Binding.** This Amendment will be binding upon and inure to the benefit of each party and to each party's respective successors and assigns.~~

~~9.1. **No Further Changes.** Except as specifically provided in this Amendment, all of the terms, conditions and provisions of the Agreement will remain in full force and effect as originally written and signed.~~

~~**IN WITNESS WHEREOF**, the parties hereto have executed, sealed and delivered this Amendment in **2 or more counterparts as of the Effective Date.**~~

~~FRANCHISOR:~~

~~Right at Home, LLC~~

~~FRANCHISEE:~~

~~_____~~

~~By: _____~~

~~Margaret Haynes~~

~~President and Chief Executive Officer~~

~~Effective Date: _____~~

~~By: _____*~~

~~Printed Name: _____~~

~~Title if an entity: _____~~

~~Date Signed: _____~~

~~* The Operating Principal~~

~~EXHIBIT G TO THE FRANCHISE AGREEMENT~~

~~SPECIALIZED NURSING SERVICES AMENDMENT~~

~~THIS SPECIALIZED NURSING SERVICES AMENDMENT ("Amendment") to the Franchise Agreement ("Agreement") is entered into on _____ ("Amendment Effective Date") by and between **Right at Home, LLC**, ("Franchisor") and _____, ("Franchisee"). Franchisor and Franchisee may sometimes be referred to in the singular as a "Party" or jointly as the "Parties."~~

BACKGROUND

~~A. Franchisor and Franchisee entered into the Agreement on _____, pursuant to which Franchisee acquired the exclusive right to open and operate a Franchised Business within the Designated Area defined in the Agreement.~~

~~B. Franchisee desires to offer to its clients Ancillary Services relating to specialized nursing services, as defined below ("**Specialized Nursing**") in addition to Core Services in connection with the operation of the Franchised Business.~~

~~C. Franchisee acknowledges that performing Specialized Nursing requires special skills, training and accreditation by the Joint Commission or other agency, recognized in the state where the Franchise Business is located, that provides accreditation for health care facilities and services (the "**Accrediting Agency**").~~

~~D.A. Franchisor is willing to grant such right, subject to the terms of this Amendment.~~

~~AGREEMENT~~

~~So long as Franchisee otherwise satisfies all of its obligations in the Agreement and any Additional Franchise Agreement or other agreement entered into with Franchisor or its affiliates, including specifically the Minimum Quarterly Net Billings set out in the Agreement and each Additional Franchise Agreement; then, the Agreement is amended as follows:~~

~~1. **Specialized Nursing Defined.** For purposes of this Amendment and the Agreement, "**Specialized Nursing**" means a comprehensive clinical-based model of care for clients, ordered by a physician and provided by licensed professional care staff. Examples of specialized nursing in the home include, but are not limited to, case management, vital signs monitoring, medication management, wound care, enteral nutrition, continence care, lab draws, geriatric assessments, hospice support, infusion therapy, chemotherapy and ventilator support.~~

~~2. **Franchisor Approval.** Upon satisfaction of the requirements in Section 4, Franchisor hereby grants Franchisee the right to offer Specialized Nursing in connection with the operation of the Franchised Business, subject to the terms and conditions herein. Franchisee acknowledges and understands that Franchisor reserves the right to revoke such approval for any~~

~~reason at any time during the term of this Agreement by providing Franchisee with thirty (30) days' written notice.~~

~~**3.1. Franchisee Representations.** Franchisee represents that, as of the Amendment Effective Date, Franchisee or its Owners:~~

~~(a) Has completed the RightStart Training Program;~~

~~(b)(a) Does not have any uncured defaults under this Agreement; and~~

~~(c)(a) Is in full compliance with all federal, state, and local laws and regulations, including employment laws and wage laws and has obtained all applicable licenses and permits, including all requirements under the applicable Nurse Practice Act.~~

~~**4.1. Requirements to Begin Providing Specialized Nursing.** To have the right to begin to offer Specialized Nursing subject to this Amendment and the Agreement, Franchisee must provide Franchisor with written proof of all of the following:~~

~~(a) Except as provided in Section 5 below, the Franchised Business has been Open for at least 12 months;~~

~~(b) Franchisee, an Owner of Franchisee or another qualified person designated by Franchisee has successfully completed Franchisor's training program specifically relating to Specialized Nursing and must have satisfactorily completed a third party accreditation program acceptable to Franchisor ("Specialized Nursing Training Program");~~

~~(c)(a) Franchisee is in full compliance with the Agreement;~~

~~(d)(a) Franchisee has obtained all applicable licenses and permits and is in full compliance with all federal, state, and local laws and regulations, including as required by the applicable Nurse Practice Act;~~

~~(e)(a) Franchisee has obtained and continues to maintain in full force and effect all insurance policies required by the Agreement to provide Specialized Nursing;~~

~~(f)(a) Franchisee has purchased the third party policy and procedure manual designated by Franchisor, from time to time, from Franchisor's Approved Supplier;~~

~~(g)(a) Within six (6) months after the Amendment Effective Date, the Franchised Business must have completed all requirements of the Accrediting Agency for accreditation of its Specialized Nursing services and Franchisee must continue to maintain such accreditation during the term of the Agreement; and~~

~~(h)(a) Franchisee has engaged a full time, licensed registered nurse in good standing to deliver the Specialized Nursing services.~~

~~If Franchisee, at any time, fails to continue to satisfy the requirements of this Section, Franchisor will have the right to terminate the approval granted to Franchisee to provide Specialized Nursing, as provided in **Section 1** of this Amendment.~~

~~**5. Requirements Applicable to Resales.** If the Franchised Business operated pursuant to the Agreement was acquired from an existing franchisee who was already approved to provide Specialized Nursing (formerly referred to as "**Skilled Nursing Care**"); then, the requirements in **Sections 3** and **4** are revised as follows to have the right to continue to provide Specialized Nursing if, within six (6) months after acquiring the Franchised Business:~~

~~(a) Franchisee, an Owner of Franchisee and another qualified person designated by Franchisee completes the Specialized Nursing Training Program; and~~

~~(b) The Franchised Business must have completed all requirements of the Accrediting Agency for accreditation of its Specialized Nursing services as of the date that Franchisee acquired the Franchised Business and Franchisee must continue to maintain such accreditation during the term of this Agreement;~~

~~All other requirements in Sections 3 and 4 will apply to the Franchised Business(es) acquired from an existing franchisee who was already approved to provide Specialized Nursing.~~

~~If Franchisee fails to comply with the foregoing requirements, upon delivery of written notice to Franchisee, Franchisor has the right to revoke its approval of the right to provide Specialized Nursing.~~

~~**6. Ancillary Services; Continuation of Franchised Business.** Franchisee acknowledges and agrees that the provision of Specialized Nursing constitutes Ancillary Services, and that the provision of Core Services will remain the primary focus of the Franchised Business during the term of this Agreement. As such, in the event the Franchised Business's ability to offer Specialized Nursing is in any way suspended, revoked, or terminated by any federal, state, or local governmental agency or Franchisor, the Franchised Business will continue to provide Core Services throughout the remainder of the Initial Term of this Agreement and any Renewal Term further, pursuant to Section 3.5.2 of this Agreement, Operating Principal will continue to exert its best efforts to the supervision and conduct of the Franchised Business.~~

~~**7. Net Billings.** Franchisee acknowledges and agrees that any revenues generated by the Franchised Business involving the provision of Specialized Nursing are included in the term "**Net Billings**," as defined in Section 10.1.2 of this Agreement and used throughout this Agreement; and, will be reported to Franchisor separately from Net Revenues from other services, in the manner and at the time specified in the Manuals, or as Franchisor will otherwise require in writing from time to time.~~

~~**8. Compliance with System.** Franchisee agrees to purchase a copy of the third-party policy and procedure manual designated by Franchisor, from time to time, from a supplier approved by Franchisor and to satisfy any other requirements established from time to time by Franchisor that Franchisor believes are necessary for a Franchised Business to continue offering Specialized Nursing, including but not limited to attending additional training related to~~

~~Specialized Nursing as directed by Franchisor and acquiring Cyber Liability insurance described in Section 14.2.~~

~~**9.1. Capitalized Terms.** All capitalized terms not defined in this Amendment have the same meaning as in the Agreement.~~

~~**10.1. Not Transferrable by Franchisee.** The terms of this Amendment are personal to Franchisee and are not transferrable by Franchisee.~~

~~**11.1. No Further Changes.** Except as specifically provided in this Amendment, all of the terms, conditions and provisions of the Agreement will remain in full force and effect as originally written and signed.~~

FRANCHISOR:

Right at Home, LLC

By: _____

Margaret Haynes

President and Chief Executive Officer

Effective Date: _____

FRANCHISEE:

By: _____*

Printed Name: _____

Title if an entity: _____

Date Signed: _____

*The Operating Principal

~~EXHIBIT H TO THE FRANCHISE AGREEMENT~~

~~CONVERSION ADDENDUM~~

~~This Addendum, to the Franchise Agreement, is made by and between Right at Home, LLC, a limited liability company formed under the laws of the State of Delaware and having its principal place of business at 6700 Merrey Road, Suite 400, Omaha, Nebraska 68106 (“Franchisor”), and _____, whose principal address is _____, an individual/partnership/corporation/limited liability company resident/established in the State of _____ (“Franchisee”).~~

~~RECITALS~~

~~A. Prior to the Effective Date of the Franchise Agreement, Franchisee operated an independent in-home care and assistance business that may have included hands-on personal care, non-medical care, in-home care assistance, specialized nursing services and companionship care services to seniors and other adults (“Existing Business”).~~

~~B. Franchisee desires to convert its Existing Business to a Right at Home franchise business and operate the business in accordance with the Franchise Agreement and this Conversion Addendum (“Conversion Franchised Business”).~~

~~C. In consideration of the foregoing and the covenants and consideration below, Franchisee and Franchisor agree to amend the Franchise Agreement as follows:~~

~~1. Appointment and Franchise Fee. Section 1.2, is amended to add the following:~~

~~Notwithstanding the foregoing, Franchisee’s Designated Area may have more or less population than set out in this Section 1.2 depending on factors that include, but are not limited to, the location of Franchisee’s Conversion Franchised Business, Franchisor’s Designated Area criteria, and Franchisee’s trade area for its Existing Business.~~

~~2. Appointment and Franchise Fee. Section 1.5 is amended to add the following:~~

~~Notwithstanding anything to the contrary, Franchisee acknowledges that it is prohibited from providing Core Services and Ancillary Services to clients located in any other Right at Home franchisee’s Designated Area, including those clients that received such Core Services and Ancillary Services from the Existing Business prior to the Effective Date of the Franchise Agreement.~~

~~3. Appointment and Franchise Fee. Section 1.6 is deleted in its entirety and replaced as follows:~~

~~1.5 In consideration of the Franchise granted in this Agreement, Franchisee will pay to Franchisor, upon execution of this Agreement, a conversion franchise fee (“**Conversion Franchise Fee**”) in the amount set forth on Exhibit A. When paid, the Conversion Franchise Fee is fully earned and non-refundable as consideration for expenses incurred by Franchisor, including marketing, researching, awarding, furnishing assistance and services to Franchisee and for Franchisor’s lost or deferred opportunity to franchise others.~~

~~4. Appointment and Franchise Fee. Section 1.7.1.2 is deleted in its entirety.~~

5. ~~**Business Location, Entity Requirements and Operating Principal.**~~ Section 3.6 is added as follows:

~~3.6 — Franchisee represents and warrants that the Office that Franchisee will operate the Conversion Franchised Business is located in the Designated Area and is not used and will not be used for any other operation or purpose other than the Conversion Franchised Business. Franchisee further represents and warrants that the Office that Franchisee will operate the Conversion Franchised Business is separate from any personal residence, nursing facility, assisted living facility (or similar facility) or executive suites. Franchisee further represents and warrants that it has provided Franchisor with all information requested by Franchisor regarding the Office and that such information is accurate in all material respects.~~

6. ~~**Training and Assistance.**~~ Section 4.1 is deleted in its entirety and replaced as follows:

~~4.1 — Franchisor will make the RightStart Training Program available to the Operating Principal and two (2) additional persons. Each person attending the RightStart Training Program on behalf of Franchisee is required to complete the RightStart Training Program successfully prior to the earlier of (a) 90 days from the Effective Date of the Franchise Agreement; or (b) the date the Franchisee's Right at Home website is live to the public (the "Opening Date"). The RightStart Training Program will begin on the date designated by Franchisor. The RightStart Training Program will include classroom training, virtual and on-the-job training (as feasible) at Franchisor's headquarters and/or another location designated by Franchisor. All expenses incurred by the Operating Principal and other representatives in attending such training, including, without limitation, travel costs, room and board expenses, and employees' salaries, will be the sole responsibility of Franchisee. Franchisee acknowledges that it will be solely responsible for training Franchisee's employees that are not required to attend the RightStart Training Program in the operation of the Franchised Business.~~

7. ~~**Training and Assistance.**~~ Section 4.4 is deleted in its entirety.

8. ~~**Continuing Services; Royalty Fee.**~~ Section 10.1 is amended as follows:

~~Franchisor reserves the right to reduce the Royalty Fee for a period of time based on, among other factors, the Gross Revenue of Franchisee's existing business during a period immediately preceding the effective date of the Franchise Agreement and the market where the Franchised Business is located.~~

9. ~~**Standards of Quality and Performance.**~~ Section 12.2 is amended to add the following:

~~If this Agreement is for a Conversion Franchised Business, Franchisee must successfully complete the RightStart Training Program prior to opening the Office and Franchisee must commence operations of the Conversion Franchised Business no later than three (3) months after execution of this Agreement, unless otherwise agreed upon in writing by Franchisor or due to licensing requirements imposed by applicable law in the Designated Area. For purposes of this agreement "opening the office" for a Conversion Franchised Business occurs (a) 90 days from the Effective Date of the Franchise Agreement; or (b) the date the~~

~~Franchisee's Right at Home website is live to the public. Franchisee must convert signage and other identification of the Existing Business to the Conversion Franchise Business prior to opening the office for the Conversion Franchise Business.~~

10. ~~**Standards of Quality and Performance.**~~ Section 12.6 is amended to add the following:

~~Notwithstanding anything herein to the contrary, Franchisee must use the Required Suppliers and Required Supplies at the earlier of (a) 90 days from the Effective Date of Franchisee's Franchise Agreement; or (b) the date Franchisee's Right at Home website is live to the public.~~

11. ~~**Standards of Quality and Performance**~~ Section 12.14, first paragraph is deleted in its entirety and replaced as follows:

~~12.13 To maintain the exclusivity of Franchisee's Designated Area, beginning on the 13th month from the Minimum Royalty Measurement Period, Franchisee must meet the following minimums. For purpose of this Section 12.14, the "**Minimum Royalty Measurement Period**" is defined as the earlier of (a) 90 days for the Effective Date of the Franchise Agreement; or (b) the date the Franchisee's Right at Home website is live to the public.~~

12. ~~**Standards of Quality and Performance.**~~ Sections 12.14.1 and 12.14.2 are deleted in their entirety and replaced as follows:

12.14.1 ~~For each consecutive Quarter, Franchisee is required to pay to Franchisor the greater of (a) the Royalty Fee; or (b) a minimum royalty per Quarter ("**Minimum Royalty**") according to the following schedule:~~

Months After the Minimum Royalty Measurement Period	Minimum Royalty Requirement Per Quarter	Minimum Quarterly Net Billings
13-24	\$	\$
25-36	\$	\$
37-48	\$	\$
49-60	\$	\$
61-72	\$	\$
73 and thereafter, including Renewal Term, if any	\$	\$

12.14.2 ~~For each consecutive Quarter, Franchisee is required to contribute to the Brand Marketing and Promotion Fund the greater of (a) the Brand Marketing and Promotion Fee; or (b) a minimum brand marketing and promotion fee ("**Minimum Brand Marketing and Promotion Fee**") according to the following schedule:~~

Months After the Minimum Royalty Measurement Period	Minimum Brand Marketing and Promotion Fee Requirement Per Quarter
~~13-24~~	\$
~~25-36~~	\$
~~37-48~~	\$
~~49-60~~	\$
~~61-72~~	\$
73 and thereafter, including Renewal Term, if any	\$

~~13. **Standards of Quality and Performance.** Section 12.14.9 is amended to add the following:~~

~~12.14.9.5 — For a Conversion Franchised Business the Office is Open on the earlier of (a) 90 days for the Effective Date of the Franchise Agreement; or (b) the date the Franchisee's Right at Home website is live to the public.~~

~~14. **Franchisor's Operations Assistance.** Section 13.1.1 is deleted in its entirety and replaced as follows:~~

~~13.1.1 Provide a pre-opening support plan, which will include customized components for rebranding project plan for Franchisee;~~

~~15. **Independent Contractor and Indemnification.** Section 22.3 is amended to add the following:~~

~~16.1. Franchisee will also defend, at its own cost, and indemnify and hold harmless Franchisor, its shareholders, directors, officers, employees and agents, from and against any and all losses, costs, claims, expenses (including, without limitation, reasonable accountant, attorney and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses), damages and liabilities, however caused, resulting directly or indirectly, from or pertaining to the operation of the Existing Business, including the sale of any service or product sold from the Existing Business prior to the Effective Date of the Agreement. The indemnification and hold harmless will survive termination of this Agreement.~~
Franchisee's Representations. Franchisee represents and warrants to Franchisor that all information regarding the Existing Business, including but not limited to, Net Billings for the Existing Business, balance sheets, income statements and other financial information, information regarding the Office and information regarding clients and services of the Existing Business, furnished to Franchisor are accurate in all material respects. Franchisee acknowledges that Franchisor relied on such information to determine Franchisee's qualifications to convert its Existing Business to a Conversion Franchised Business.

~~17.1. **Capitalized Terms.** All capitalized terms not defined in this Addendum have the same meaning as in the Agreement.~~

~~18.1. **Not Transferrable by Franchisee.** The terms of this Addendum are personal to Franchisee and are not transferrable by Franchisee.~~

~~19. **No Further Changes.** Except as specifically provided in this Addendum, all of the terms, conditions and provisions of the Agreement will remain in full force and effect as originally written and signed. In the event of a conflict between the Agreement and terms of this Addendum, the terms of this Addendum will control.~~

FRANCHISOR:

Right at Home, LLC

By: _____

Margaret Haynes

President and Chief Executive Officer

Effective Date: _____

FRANCHISEE:

By: _____*

Printed Name: _____

Title if an entity: _____

Date Signed: _____

*The Operating Principal

~~ATTACHMENT I~~

CONDITIONAL ASSIGNMENT OF TELEPHONE, SOCIAL MEDIA AND DIRECTORY LISTING AGREEMENT

THIS CONDITIONAL ASSIGNMENT OF TELEPHONE, SOCIAL MEDIA AND DIRECTORY LISTING AGREEMENT ("**Agreement**") is made and entered into on _____, ("**Effective Date**") by and between RIGHT AT HOME, LLC ("**Franchisor**"), and _____ ("**Franchisee**").

1. Pursuant to the terms of the Agreement, and other valuable consideration, Franchisee assigns to Franchisor all telephone numbers, directory listings, fax numbers, Internet website addresses and domain names, social media accounts and other listings, whether in electronic or other media, used, or to be used, by Franchisee in the operation of Franchisee's Right at Home Business. This Agreement is valid on the Effective Date first set forth above and is, in all circumstances, irrevocable by Franchisee. Franchisor may fill in, add, or change the Effective Date and the listings at any time. The telephone, directory, or other company involved with any such listings and social media accounts is ~~hereby~~ authorized by both Franchisor and Franchisee to rely on this Agreement. Furthermore, both Franchisor and Franchisee will hold harmless and indemnify the telephone, directory, or other company involved with any such listings and social media accounts from any claims based on reliance on this Agreement.

2. ~~The~~ Franchisee ~~hereby~~ releases and forever discharges ~~the~~ Franchisor and its successors or assigns from liability of any kind or character which results or may result directly or indirectly from ~~the~~ Franchisor's exercise of its rights hereunder or from the telephone, directory, social media or other company's cooperation with ~~the~~ Franchisor in effecting the terms of this Agreement.

3. ~~The~~ Franchisor will have the absolute right to notify the telephone company, directory, social media or other company and all listing agencies of the termination or expiration of ~~the~~ Franchisee's right to use all telephone numbers, directory listings, fax numbers, Internet website addresses, domain names, social media accounts, and other listings under the "Right at Home", "RAH" and/or "RAH Staffing Services" name and to authorize the telephone, directory, social media or other company and all listing agencies to transfer to ~~the~~ Franchisor or its assignee all such telephone numbers, directory listings, fax numbers, Internet website addresses, domain names, social media accounts, and other listings used in ~~the~~ Franchisee's Right at Home Business. If Franchisor provides such notification, Franchisor or the assignee (as the case may be) will assume the performance of all of the terms, covenants, and conditions of the telephone, directory, social media, other company or listing agencies with respect to any such telephone numbers, directory listings, fax numbers, Internet website addresses, domain names, social media accounts, and other listings with the same force and effect as if they had originally been issued to Franchisor or its assignee (as the case may be).

4. The telephone, directory, social media and other company and all listing agencies will have the right to accept this Agreement as evidence of the exclusive rights of ~~the~~ Franchisor to such telephone numbers, directory listings, fax numbers, Internet website addresses, domain names, social media accounts, and other listings, and this

Agreement will constitute the authority from ~~the~~ Franchisee for the telephone, directory, social media and other company and listing agency to transfer all telephone numbers, directory listings, fax numbers, Internet website addresses, domain names, social medial accounts, and other listings, to ~~the~~ Franchisor. ~~The~~ Franchisee will not make any claims or commence any action against the telephone, directory, social media and other company and the listing agencies for complying with this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

FRANCHISOR:

Right at Home, LLC

~~FRANCHISEE:~~

By: _____

Margaret Haynes
President and Chief Executive Officer

COVERED ENTITY:

[FRANCHISEE'S NAME]

Effective Date: _____

By: _____ *

Printed Name: _____

Title if an entity: _____

Date Signed: _____

~~* The Operating Principal~~

EXHIBIT E TO THE FRANCHISE AGREEMENT

~~ATTACHMENT J~~
FRANCHISEE DISCLOSURE QUESTIONNAIRE

FRANCHISEE QUESTIONNAIRE

[To be completed by Franchisee ~~and~~, all Owners ~~before~~ and spouses signing Franchise Agreement]

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

As you know, you are about to enter into a franchise agreement for the development, opening and operation of a Franchised Business with Right at Home, LLC (the "**Franchisor**"). Please review each of the following questions carefully and provide honest and complete responses to each question. **None of the following questions are intended to cause you to surrender or believe that you have surrendered rights to which you are entitled under federal or state law or to shift Franchisor's disclosure duties under federal or state law to you.**

WHERE REQUESTED OR NECESSARY TO ANSWER ANY QUESTION, GIVE A COMPLETE EXPLANATION OF ANY RESPONSES ON THE LAST PAGE (REFER TO QUESTION NUMBER)

Yes ☐ No ☐	1. Did you receive the Franchise Disclosure Document ("FDD") that Franchisor provided to you?
Yes ☐ No ☐	2. Did you sign a receipt for the FDD and include the date you received the FDD?
Yes ☐ No ☐	3. Did you return the Receipt to ~~the~~ Franchisor?
Yes ☐ No ☐	4. Did you receive the Franchise Agreement and all exhibits or schedules attached to the Franchise Agreement? If any exhibits or schedules were not attached, please identify any missing exhibit or schedule on the Explanation of Responses attached.
Yes ☐ No ☐	5. <u>Other than our signature and the Effective Date (that we will add)</u> , were all of the blanks in the Franchise Agreement filled in? If not, please identify any missing information on the Explanation of Responses attached.
Yes ☐ No ☐	6. Do you understand that we will not approve your purchase of a franchise, or we may immediately terminate your Franchise Agreement, if we are prohibited from doing business with you under any anti-terrorism law enacted by the United States Government?
Yes ☐ No ☐	7. Did any broker, employee or other person speaking on Franchisor's behalf make any statement or promise regarding the costs involved in operating a Franchised Business that is not contained in the FDD or Franchise Agreement or that is contrary to, or different from, the information contained in the FDD or Franchise Agreement?

Yes ☐ No ☐

8. Did any broker, employee or other person speaking on Franchisor's behalf make any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Franchised Business will generate, that is not contained in the FDD or Franchise Agreement or that is contrary to, or different from, the information contained in the FDD or Franchise Agreement?

Yes ☐ No ☐

9. Did any broker, employee or other person speaking on Franchisor's behalf make any statement or promise or agreement, other than those matters addressed in your Franchise Agreement, concerning advertising, marketing, media support, marketing penetration, training, support service or assistance that is different from the information contained in the FDD?

Yes ☐ No ☐

10. Did any broker, employee or other person providing services to you on Franchisor's behalf solicit or accept any loan, gratuity, bribe, gift or any other payment in money, property or services from you in connection with a Franchised Business purchase with exception of those payments or loans provided in the FDD and Franchise Agreement?

PROSPECTIVE FRANCHISEES/APPLICANTS:

By: _____
Print Name: _____
Date: _____

By: _____
Print Name: _____
Date: _____

Each person who signs or guarantees the Franchise Agreement must sign and date a copy of this Franchisee Questionnaire and return it to Right at Home, LLC, 6700 Mercy Road, Suite 400 Omaha, Nebraska 68106 prior to signing the Franchise Agreement.

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.

EXHIBIT F TO THE FRANCHISE AGREEMENT

RENEWAL ADDENDUM

This Addendum, to the Franchise Agreement, is made by and between Franchisor and Franchisee and is effective as of the Effective Date.

RECITALS

A. _____ Franchisor and Franchisee entered into a Franchise Agreement on or about _____, (the "**Original Franchise Agreement**") which granted Franchisee the right to operate a Franchised Business in the Designated Area described in the Original Franchise Agreement.

B. _____ Franchisee has notified Franchisor of its desire to obtain a Renewal Term to continue to use the System and Marks in the operation of a Franchised Business pursuant to the Original Franchise Agreement.

C. _____ As provided in the Original Franchise Agreement, Franchisee is willing to enter into a new Successor Franchise Agreement with Franchisor on the terms and conditions of Franchisor's current form of franchise agreement, as modified by this Addendum.

In consideration of the foregoing and the covenants and consideration below, Franchisee and Franchisor agree to amend the Successor Franchise Agreement as follows:

1. **Term. Section 4.1** of the Agreement is deleted and replaced with the following:

4.1 _____ Renewal Term. The Renewal Term for this Agreement is 5 years commencing on the Effective Date, unless terminated sooner in accordance with this Agreement.

2. **Renewal Fee. Section 6.1** of the Agreement is deleted and replaced with the following:

6.1 _____ Renewal Fee. In consideration of the right to operate a Franchised Business granted in this Agreement, Franchisee must pay to Franchisor, upon execution of this Agreement, the Renewal Fee in the amount set forth in the Basic Terms. Franchisee acknowledges and agrees that the Renewal Fee is fully earned by Franchisor and is non-refundable. Whenever the term "Franchise Fee" is used in the Franchise Agreement, it will be "Renewal Fee".

3. **Minimum Royalty.** **Section 6.2.2** of the Agreement is deleted and replaced with the following:

6.2.2 Minimum Royalty. Beginning on the Effective Date, for each Quarter, Franchisee will pay to Franchisor the greater of (1) the Royalty Fee; or, (2) \$10,563.

(a) If the Royalty Fee paid by the end of any Quarter does not meet or exceed the Minimum Royalty, Franchisee will pay Franchisor the difference. The difference will be included with the last weekly invoice for such Quarter.

(b) Any Royalty Fee paid in any Quarter in excess of the Minimum Royalty will not apply toward any Minimum Royalty for any future Quarter.

4. **Minimum Brand Marketing and Promotion Fee.** **Section 6.2.4** of the Agreement is deleted and replaced with the following:

6.2.4 Minimum Brand Marketing and Promotion Fee.

(a) Beginning on the Effective Date, for each Quarter, Franchisee will contribute to the Brand Marketing and Promotion Fund the greater of (1) the Brand Marketing and Promotion Fee; or (2) the Minimum Brand Marketing and Promotion Fee in the amount of \$4,225. If the MSA Cap applies, the Franchisee will contribute to the Brand Marketing and Promotion Fund, the greater of (1) the Brand Marketing and Promotion Fee up to the MSA Cap; or, (2) the Minimum Brand Marketing and Promotion Fee up to the MSA Cap.

(b) If the Brand Marketing and Promotion Fee paid by the end of any Quarter does not meet or exceed the Minimum Brand Marketing and Promotion Fee, Franchisee will contribute to the Brand Marketing and Promotion Fund the difference. The difference will be included with the last weekly invoice for such Quarter.

(c) Any Brand Marketing and Promotion Fees paid in any Quarter in excess of the Minimum Brand Marketing and Promotion Fee will not apply toward any such Minimum Brand Marketing and Promotion Fee for any future Quarter.

5. **Minimum Quarterly Net Billings.** **Section 10.14.1** is deleted and replaced with the following:

10.14.1 Obligations to Meet Minimum Quarterly Net Billings. To maintain the exclusivity of Franchisee's Designated Area, beginning on the Effective Date and continuing throughout the Renewal Term and any Interim Period, Franchisee must meet the Minimum Quarterly Net Billings equal to \$211,250.

6. **RightStart Training Program.** If Franchisor determines it is necessary, Franchisee's Operating Principal and Franchisee's office manager, may be required to

successfully re-complete the RightStart Training Program, as provided in **Section 10.3.1(a)**.

7. **On-Site/Onboarding Training.** If Franchisor determines it is necessary, Franchisor will furnish to Franchisee, at the Office, one (1) of Franchisor's representatives for approximately two (2) days for the purpose of facilitating the Franchised Business, as provided in **Section 8.2**.

8. **Release of Claims.** Franchisee, its heirs, successors and assigns, affiliates, directors, officers and shareholders, and any other party claiming an interest through them (collectively and individually referred to as the "**Franchisee Parties**"), releases and forever discharges Franchisor, for itself, its predecessors, successors, assigns, affiliates, directors, officers, shareholders, and employees (collectively and individually referred to as the "**Franchisor Parties**") from any and all claims, debts, liabilities, demands, obligations, costs, expenses, actions and causes of action, whether known or unknown, vested or contingent, which Franchisee may now or in the future own or hold, that in any way relate to the Original Franchise Agreement (collectively, "**Claims**"), including but not limited to, any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of the Original Franchise Agreement or any other related agreement between Franchisee Parties and Franchisor Parties.

9. **Warranties and Representations of Franchisee.** Franchisee warrants and represents as follows:

(a) Franchisee has, during the entire Initial Term and any Interim Period of the Original Franchise Agreement, duly performed all provisions of the Original Franchise Agreement;

(b) Franchisee maintains legal and physical possession of the Office and has presented evidence reasonably satisfactory to Franchisor that Franchisee has the right to remain in possession of the Office for the duration of the Renewal Term; or, If Franchisee is unable to legally retain possession of the Office, or, in the judgment of Franchisor, the Franchised Business should be relocated, Franchisee has secured substitute premises for the Office approved by Franchisor;

(c) The Franchised Business is in full compliance with the specifications and standards then applicable for a new or renewing Franchise;

(d) Franchisee has given notice of renewal to Franchisor least eight (8) months, but not more than twelve (12) months, prior to the expiration of the term of the Original Franchise Agreement;

(e) Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor and a Franchisor Affiliate, including the Renewal Fee, and has timely met these obligations throughout the Initial Term and any Interim Period;

(f) Franchisee has executed the Successor Franchise Agreement, with this Addendum attached and incorporated therein by this reference; and

(g) Franchisee has complied with Franchisor's then-current qualifications and training requirements.

10. **Capitalized Terms.** Capitalized terms not otherwise defined in this Renewal Addendum shall have the same meaning as in the Successor Franchise Agreement.

11. **Addendum Binding.** This Renewal Addendum will be binding upon and inure to the benefit of each party and to each party's respective successors and assigns.

12. **No Further Changes.** Except as specifically provided in this Addendum, all of the terms, conditions and provisions of the Successor Franchise Agreement will remain in full force and effect as originally written and signed.

IN WITNESS WHEREOF, the parties have executed this Renewal Franchise Agreement as of the Effective Date.

FRANCHISOR:

Right at Home, LLC

By: _____

Margaret Haynes

President and Chief Executive Officer

Effective Date: _____

FRANCHISEE:

By: _____ *

Name: _____

Title if an entity: _____

Date Signed: _____

* The Operating Principal

If Franchisee is an Entity:

GUARANTOR(S)

Signature: _____

Name: _____

_____ *

Signature: _____

Name: _____

EXHIBIT G TO THE FRANCHISE AGREEMENT

MULTIPLE UNIT AMENDMENT [DO NOT USE FOR RENEWALS]

THIS MULTIPLE UNIT AMENDMENT to the Franchise Agreement (the "Agreement"), is made by and between Franchisor and Franchisee and is effective as of the Effective Date.

RECITALS

A. Franchisor and Franchisee entered into the Agreement contemporaneously with the execution of this Amendment, which granted Franchisee the right to open and operate a Franchised Business within the Designated Area defined in the Agreement.

B. Simultaneously with the execution of this Agreement, Franchisee also entered into one (1) or more other Franchise Agreements (each an "Additional Franchise Agreement"), which granted Franchisee the right to open and operate a Franchised Business in the Designated Area defined in each Additional Franchise Agreement, which Designated Area is contiguous to the Designated Area in the Agreement.

C. Franchisee desires to acquire and operate the Franchised Business pursuant to this Agreement and the Additional Franchise Agreement(s) from the same Office; and, therefore, Franchisee desires to be relieved of the obligation to open additional Offices for the operation of the Franchised Businesses represented by each Additional Franchise Agreement.

D. Franchisor is willing to grant such right, subject to the terms of this Amendment.

AGREEMENT

So long as Franchisee otherwise satisfies all of its obligations in the Agreement, the Additional Franchise Agreement(s) and any other agreement entered into with Franchisor or its affiliates, then, the Agreement is amended as follows:

1. Office. Under Section 10.4.2, Franchisor approves the operation of the Franchised Business from an Office opened and operated under an Additional Franchise Agreement.

2. [ONLY USE THIS IF THE TWO FRANCHISED BUSINESSES HAVE DIFFERENT ACTIVE

OFFICE OPEN DATES]
Royalty Fee. Section 6.2.2 is
deleted and replaced with
the following:

6.2.2. Minimum Royalty. Beginning the 4th month after the Active Grand Opening Date, for each Quarter thereafter, Franchisee will pay to Franchisor the greater of (1) the Royalty Fee; or (2) the Minimum Royalty set out in the Basic Terms.

(a) If the Royalty Fee paid by the end of any Quarter does not meet or exceed the Minimum Royalty, Franchisee will pay Franchisor the difference. The difference will be included with the last weekly invoice for such Quarter.

(b) Notwithstanding anything herein to the contrary, if Franchisee acquired the Franchised Business as a Transfer, the original Active Grand Opening Date for the Franchised Business will be used to determine the commencement date for the Minimum Royalty.

(c) Any Royalty Fee paid in any Quarter in excess of the Minimum Royalty will not apply toward any Minimum Royalty for any future Quarter.

3. [ONLY USE
THIS IF THE TWO
FRANCHISED BUSINESSES
HAVE DIFFERENT ACTIVE
OFFICE OPEN DATES] -
Minimum Royalty Fee. The
Minimum Royalty Fee in the
Basic Terms is amended to
add the following:

<u>Months After Active Grand Opening Date</u>	<u>Minimum Royalty Requirement Per Quarter</u>
<u>4-15</u>	<u>\$2,275</u>
<u>16-27</u>	<u>\$3,738</u>
<u>28-39</u>	<u>\$5,200</u>
<u>40-51</u>	<u>\$7,475</u>
<u>52-63</u>	<u>\$8,938</u>
<u>64 through 120</u>	<u>\$10,563</u>

4. [ONLY USE IF
THE TWO FRANCHISED
BUSINESSES HAVE
DIFFERENT ACTIVE OFFICE
OPEN DATE] Minimum
Brand Marketing and
Promotion Fee. Section

6.2.3(a) is deleted and replaced with the following:

(a) Beginning on the fourth (4th) month after the Active Grand Opening Date, Franchisee is required to pay to Franchisor the greater of (a) the Brand Marketing and Promotion Fee; or (b) the Minimum Brand Marketing and Promotion Fee set out in the Basic Terms. If the MSA Cap applies, the Franchisee will contribute to the Brand Marketing and Promotion Fund, the greater of (1) the Brand Marketing and Promotion Fee up to the MSA Cap; or (2) the Minimum Brand Marketing and Promotion Fee up to the MSA Cap.

5. [ONLY USE IF THE FRANCHISED OFFICES HAVE TWO DIFFERENT ACTIVE OFFICE OPEN DATES] Minimum Brand Marketing and Promotion Fee. The Minimum Brand Marketing and Promotion Fee in the Basic Terms is amended to add the following:

<u>Months After Active Grand Opening Date</u>	<u>Minimum Brand Marketing and Promotion Fee Requirement Per Quarter</u>
<u>4-15</u>	<u>\$910</u>
<u>16-27</u>	<u>\$1,495</u>
<u>28-39</u>	<u>\$2,080</u>
<u>40-51</u>	<u>\$2,990</u>
<u>52-63</u>	<u>\$3,575</u>
<u>64 through 120</u>	<u>\$4,225</u>

6. Requirement s to Commence Operations. Section 10.5.1 is deleted and replaced with the following:

10.5.1 Requirements to Commence Operations. Prior to the Active Grand Opening Date, the Franchisee must complete the following to Franchisor's satisfactions:

(a) The Franchisee must designate an Operating Principal in accordance with **Section 10.1**;

- (b) The Operating Principal must complete successfully the RightStart Training Program in accordance with **Section 10.3.1**;
- (c) Franchisee must obtain the insurance required in accordance with **Section 15.1**;
- (d) Franchisee must have all necessary licenses as required in **Section 10.9.1**; and
- (e) Franchisee must comply with all of Franchisor's pre-opening standards and specifications.

7. Capitalized

Terms. All capitalized terms not defined in this Amendment will have the same meaning as in the Agreement.

8. Amendment

Binding. This Amendment will be binding upon and inure to the benefit of each party and to each party's respective successors and assigns.

9. No Further

Changes. Except as specifically provided in this Amendment, all of the terms, conditions and provisions of the Agreement will remain in full force and effect as originally written and signed.

IN WITNESS WHEREOF, the parties hereto have executed, sealed and delivered this Amendment in two or more counterparts as of the Effective Date.

FRANCHISOR:

Right at Home, LLC

By: _____

Margaret Haynes

President and Chief Executive Officer

Effective Date: _____

FRANCHISEE:

By: _____ *

Printed Name: _____

Title if an entity: _____

Date Signed: _____

* The Operating Principal

ATTACHMENT ~~K~~H
STATE ADDENDUM
TO THE FRANCHISE AGREEMENT

If the franchise is located in or if franchisee is a resident of any of the following states, then the designated ~~provision~~provisions in the Franchise Agreement ~~will be~~are amended as follows:

(remainder of page intentionally left blank)

ADDENDUM TO THE FRANCHISE AGREEMENT FOR CALIFORNIA

The Franchise Agreement is amended as of the Effective Date as follows only to the extent that the jurisdictional requirements of California law applicable to the provision are met independent of this Addendum. This Addendum has no force or effect if such jurisdictional requirements are not met.

~~1. Sections 10.2 and 11.3~~ 1. Sections 6.2.12 and Error! Reference source not found. of the Franchise Agreement are supplemented by the following language: "All Royalty Fees, amounts due for purchases by Franchisee from Franchisor, and other amounts which Franchisee owes to Franchisor, will also bear interest after due and payable date at the highest applicable legal rate for open account business credit, not to exceed ten percent (10%) annually."

2. **Section 4.5 of 8.4.2** the Franchise Agreement is amended by the addition of the following language to the original language in **Section 4.5** (~~"Continuing Education~~ **8.4.2** ("Periodic Seminars");

For Franchisees with offices located in California, the State of California requires all management staff to complete every two years a harassment training course. To help franchisees keep the cost for the training down, Franchisor may purchase a set number of licenses at a discounted rate and make those licenses available to California franchisees to purchase a license for each user that is required by the state to take the training.

3. The Franchise Agreement is amended ~~by the addition of~~ to add the following new **Section 3523**:

3523. CALIFORNIA ADDENDUM

3523.1 THE FRANCHISE AGREEMENT REQUIRES FRANCHISEE TO EXECUTE A GENERAL RELEASE OF CLAIMS UPON RENEWAL OR TRANSFER OF THE FRANCHISE AGREEMENT. CALIFORNIA CORPORATIONS CODE SECTION 31512 PROVIDES THAT ANY CONDITION, STIPULATION OR PROVISION PURPORTING TO BIND ANY PERSON ACQUIRING ANY FRANCHISE TO WAIVE COMPLIANCE WITH ANY PROVISION OF THAT LAW OR ANY RULE OR ORDER THEREUNDER IS VOID.

3523.2 California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning transfer, termination or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

3523.3 The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

~~3523~~.4 The Franchise Agreement contains a covenant not to compete which extends beyond the transfer or termination of the franchise. This provision may not be enforceable under California law.

~~3523~~.5 The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

~~3523~~.6 The Franchise Agreement requires arbitration. Any proceedings will be conducted at the AAA's Omaha, Nebraska office with the costs being borne by each party. Prospective franchisees are encouraged to consult with private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

~~3523~~.7 The Franchise Agreement requires application of the laws of Nebraska. This provision may not be enforceable under California law.

~~3523~~.8 ~~You~~ **Franchisee** must sign a general release if you renew or transfer your franchise. California Corporations Code § 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§ 31000 through 31516). Business and Professions Code §§ 20000 through 20043).

~~3523~~.9 The Franchise Agreement is amended to add the following language: "Franchisee cannot provide specialized nursing services or other in-home medical care in California."

~~3523~~.10 **Exhibit G** of the Franchise Agreement (Specialized Nursing Services Amendment to Franchise Agreement) is ~~hereby~~ deleted.

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.

IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.

FRANCHISOR:

Right at Home, LLC

FRANCHISEE:

By: _____

~~Printed Name:~~ _____

~~Title:~~ Margaret Haynes
President and Chief Executive Officer

By: _____ *

Printed Name: _____

Title if an entity: _____

* The Operating Principal

ADDENDUM TO THE FRANCHISE AGREEMENT FOR ILLINOIS

The Franchise Agreement is amended as of the Effective Date as follows only to the extent that the jurisdictional requirements of Illinois law applicable to the provision are met independent of this Addendum. This Addendum has no force or effect if such jurisdictional requirements are not met.

The Franchise Agreement is amended ~~by the addition of~~ to add the following new **Section 3523**:

3523. ILLINOIS ADDENDUM

3523.1. The conditions under which a franchise can be terminated and your rights upon non-renewal may be affected by Illinois law, 815 ILCS 705/19 and 705/20.

3523.2. Section 4 of the Illinois Franchise Disclosure Act dictates that any provision in a Franchise Agreement which designates jurisdiction or venue in a forum outside of this state is void with respect to any cause of action which otherwise is enforceable in this state.

3523.3. Any governing law or choice of law clause granting authority to a state other than Illinois effectively negates the Illinois Franchise Disclosure Act. Therefore, the Franchise Agreement will be interpreted and construed under the Illinois Franchise Disclosure Act.

3523.4. 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 is void.

3523.5 The eighth recital beginning "WHEREAS, Franchisor expressly disclaims...." is not applicable.

~~35.6 — Section 28 ("Applicable~~ 23.6 Sections 0 and 20.3 ("Governing Law and Choice of Forum"), is amended by the addition of the following language to the original language that appears therein:

A. Section 4 of the Illinois Franchise Disclosure Act dictates that any provision in a Franchise Agreement which designates jurisdiction or venue in a forum outside of this state is void with respect to any cause of action which otherwise is enforceable in this state.

B. Any governing law or choice of law clause granting authority to a state other than Illinois effectively negates the Illinois Franchise Disclosure Act. Therefore, the Franchise Agreement will be interpreted and construed under the Illinois Franchise Disclosure Act.

C. 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 is void.

~~35.7—Section 32 (“Caveat”), is amended to delete the final sentence: “Franchisor does not, in this Agreement or otherwise, make any representation or warranty, express or implied, to the potential success of the business venture contemplated hereby”.~~

~~35.8—Section 33 (“Acknowledgements”) is not applicable.~~

23.7 Sections 20.4 and 22.19 (“Waiver of Jury Trial” and “Drafter”) are not applicable.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving 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 Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.

~~the franchisor.~~

FRANCHISOR:

Right at Home, LLC

FRANCHISEE:

By: _____

Margaret Haynes

President and Chief Executive Officer

By: _____ *

Printed Name: _____

Title if an entity: _____

* The Operating Principal

~~This provision supersedes any other term of any document executed in connection with the franchise.~~

~~IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.~~

~~FRANCHISOR:~~

~~Right at Home, LLC~~

~~FRANCHISEE:~~

~~_____~~

~~By: _____~~

~~Printed Name: _____~~

~~By: _____~~ *

~~Printed Name: _____~~

Title: _____

Title if an entity: _____

~~* The Operating Principal~~

ADDENDUM TO THE FRANCHISE AGREEMENT FOR INDIANA

The Franchise Agreement is amended as of the Effective Date as follows only to the extent that the jurisdictional requirements of Indiana law applicable to the provision are met independent of this Addendum. This Addendum has no force or effect if such jurisdictional requirements are not met.

The Franchise Agreement is amended ~~by the addition of~~ to add the following new **Section 3523**:

3523. INDIANA ADDENDUM

3523.1 Indiana law prohibits franchisors from requiring their franchisees to prospectively agree to a release, assignment, novation, waiver or estoppel that attempts to relieve any person from liability.

3523.2 Franchisor retaining any rebates, commissions or other consideration paid by suppliers will not apply to Franchisee, as stated in Indiana Code, Title 23, Article 2, Chapter 2.7-1(4).

3523.3 If there is an alleged breach of **Section ~~6, 7 or 15~~14** of the Agreement, Franchisor may be entitled to seek immediate equitable remedies, including, restraining orders and injunctive relief to safeguard the proprietary and confidential information.

3523.4 Indiana law prohibits franchisors from requiring their franchisees to prospectively agree to a release, assignment, novation, waiver or estoppel that attempts to relieve any person from liability.

3523.5 Franchisor will not permit a franchise to sell or renew without good cause or in bad faith. However, Indiana law does not prohibit a Franchise Agreement from providing that the Agreement is not renewable on expiration or that the Agreement is renewable if Franchisee meets certain conditions specified in the Agreement.

3523.6 Unilateral termination of the Agreement is not permitted under Indiana law if the termination is without good cause or in bad faith. Good cause within the meaning of Indiana law includes any material violation of the Agreement.

3523.7 Franchisee will not be required to indemnify Franchisor for any liability imposed upon Franchisor as a result of Franchisee's reliance upon or use of procedures or products which were required by Franchisor, if such procedures or products were utilized by Franchisee in the manner required by Franchisor.

3523.8 Franchisee is not responsible for tortious claims from Franchisor's gross negligence or willful misconduct in the making of or causing of the changes necessary in Franchisor's protection of its Marks.

~~3523~~.9 Indiana prohibits covenants not to compete in an area greater than the Area of Primary Responsibility; therefore, Franchisee agrees to abide by the covenants not to compete terms within the Designated Area, as defined in the Agreement.

~~3523~~.10 Indiana prohibits the limitation of litigation brought for breach of the Agreement in any matter. Any terms, which designate jurisdiction or venue or require Franchisee to agree to jurisdiction or venue in a forum outside of Indiana is void concerning any cause of action, which is otherwise enforceable in Indiana. The Agreement and all related agreements will be interpreted and construed under the Indiana Franchise Laws, except to the extent governed by the United States Trademark Act of 1946.

~~3523~~.11 Despite anything to the contrary in this provision, Franchisee does not waive any right under the Indiana statutes with regard to prior representations made in the Indiana Franchise Disclosure Document.

~~No~~**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 Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.**

IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.

~~the franchisor.~~

~~This provision supersedes any other term of any document executed in connection with the franchise.~~

~~IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.~~

FRANCHISOR:

Right at Home, LLC

FRANCHISEE:

By: _____

~~Printed Name:~~ _____

~~Title:~~ _____ Margaret Haynes

President and Chief Executive Officer

By: _____ *

Printed Name: _____

Title if an entity: _____

* The Operating Principal

ADDENDUM TO THE FRANCHISE AGREEMENT FOR MARYLAND

The Franchise Agreement is amended as of the Effective Date as follows only to the extent that the jurisdictional requirements of Maryland law applicable to the provision are met independent of this Addendum. This Addendum has no force or effect if such jurisdictional requirements are not met.

The Franchise Agreement is amended ~~by the addition of~~ to add the following new **Section 3523**:

3523. MARYLAND ADDENDUM

3523.1. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of any liability are not intended to nor shall they act as a release, estoppels or waiver of any liability incurred under the Maryland Franchise Disclosure Law.

3523.2. A franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Franchise Registration and Disclosure Law.

3523.3. 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.

3523.4. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years from the date of the grant of the Franchised Business."

3523.5. **Exhibit JE** of the Franchise Agreement, ~~the~~ Franchisee Disclosure Questionnaire, is amended to state: "All representations requiring prospective franchisees to assent to a release, estoppel or waiver of any liability are not intended to nor shall they act as a release, estoppels or waiver of any liability incurred under the Maryland Franchise Disclosure Law."

~~No~~**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 Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.**

IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.

~~the franchisor.~~

~~This provision supersedes any other term of any document executed in connection with the franchise.~~

~~IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.~~

FRANCHISOR:

Right at Home, LLC

FRANCHISEE:

By:_____

By:_____*

Printed Name:_____

Printed Name:_____

Title:_____

Title if an entity:_____

FRANCHISOR:

Right at Home, LLC

~~* The Operating Principal~~

FRANCHISEE:

By:_____

By:_____*

Margaret Haynes

Printed Name:_____

President and Chief Executive Officer

Title if an entity:_____

~~* The Operating Principal~~

ADDENDUM TO THE FRANCHISE AGREEMENT FOR MICHIGAN

The Franchise Agreement is amended as of the Effective Date as follows only to the extent that the jurisdictional requirements of Michigan law applicable to the provision are met independent of this Addendum. This Addendum has no force or effect if such jurisdictional requirements are not met.

The Franchise Agreement is amended ~~by the addition of~~ to add the following new **Section 3523**:

3523. MICHIGAN ADDENDUM

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

A. A prohibition on the right of a franchisee to join an association of franchisees.

B. A requirement that a franchisee assent to a release, assignment, novation, waiver or estoppel which deprives a franchisee of rights and protections provided in this act. This will 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 this term except for good cause. Good cause includes the failure of ~~the~~ Franchisee to comply with any lawful provision of the Franchise Agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

D. A provision that permits a franchisor to refuse to renew a franchise without fairly compensating ~~the~~ Franchisee by repurchase or other means for the fair market value at the time of expiration of ~~the~~ Franchisee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials which have no value to ~~the~~ Franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years, and (ii) ~~the~~ Franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or ~~the~~ Franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

E. A provision that permits ~~the~~ Franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

F. A provision requiring that arbitration or litigation be conducted outside this state. This will not preclude ~~the~~ Franchisee from entering into an agreement, at the time

of arbitration or litigation, to conduct arbitration or litigation 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. The subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause includes, but is not limited to:

- 1) The failure of the proposed transferee to meet ~~the~~ Franchisor's then-current reasonable qualifications or standards.
- 2) The fact that the proposed transferee is a competitor of ~~the~~ Franchisor or subfranchisor.
- 3) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- 4) 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 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 a provision has been made for providing the required contractual services.

~~No~~**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.

~~IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.~~

Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.

FRANCHISOR:

Right at Home, LLC

FRANCHISEE:

By:_____

By:_____*

Printed Name:_____

Printed Name:_____

Title:_____

Title if an entity:_____

FRANCHISOR:

Right at Home, LLC

~~* The Operating Principal~~

FRANCHISEE:

By:_____

By:_____*

Margaret Haynes

Printed Name:_____

President and Chief Executive Officer

Title if an entity:_____

~~* The Operating Principal~~

ADDENDUM TO THE FRANCHISE AGREEMENT FOR MINNESOTA

The Franchise Agreement is amended as of the Effective Date as follows only to the extent that the jurisdictional requirements of Minnesota law applicable to the provision are met independent of this Addendum. This Addendum has no force or effect if such jurisdictional requirements are not met.

The Franchise Agreement is amended ~~by the addition of~~ to add the following new **Section 35.23**:

35.23. MINNESOTA ADDENDUM

35.23.1 The Minnesota Department of Commerce requires that Franchisor indemnify Franchisee against liability to third parties resulting from claims by third parties that ~~the~~ Franchisee's use of Franchisor's trademark infringes trademark rights of the third party. Franchisor does not indemnify against the consequences of Franchisee's use of Franchisor's trademark except in accordance with the requirements of the Agreement, and, as a condition to indemnification, Franchisee must provide notice to Franchisor of any claim within ten (10) days and tender the defense of the claim to Franchisor. If Franchisor accepts the tender of defense, Franchisor has the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

~~35.2 — By not having a Principal Register Federal Registration for either “Right at Home” or “RAH Staffing Services”, Franchisor does not have certain presumptive legal rights granted by a registration.~~

~~35.3~~35.23.2 To renew, Franchisee must have complied, and continue to comply, with all provisions of all agreements and must execute Franchisor's then-current form of Franchise Agreement and sign general releases of all claims against Franchisor, provided however, that such general releases will not apply to any claims arising under the Minnesota Franchise Law.

~~35.4~~35.23.3 It is an unfair and inequitable practice for Franchisor to:

A. Terminate or cancel a franchise without first giving written notice setting forth all the reasons for the termination or cancellation to Franchisee at least ninety (90) days in advance of termination or cancellation, and Franchisee fails to correct the reasons stated for termination or cancellation in the notice within sixty (60) days of receipt of the notice. However, the notice will be effective immediately upon receipt where the alleged grounds for termination or cancellation are:

(i) Voluntary abandonment of the franchise relationship by ~~the~~ Franchisee;

(ii) The conviction of Franchisee of an offense directly related to the business conducted pursuant to the franchise; or

(iii) Failure to cure a default under the Agreement which materially impairs the goodwill associated with Franchisor's trade name, trademark, service mark, logotype or other commercial symbol after ~~the~~ Franchisee has received written notice to cure at least twenty-four (24) hours in advance thereof;

B. Terminate or cancel the Agreement except for good cause. "Good cause" means failure by ~~the~~ Franchisee to substantially comply with the material and reasonable franchise requirements imposed upon Franchisee by Franchisor including, but not limited to:

(i) The bankruptcy or insolvency of Franchisee;

(ii) Assignment for the benefit of creditors or similar disposition of the assets of the Franchised Business;

(iii) Voluntary abandonment of the Franchised Business;

(iv) Conviction or a plea of guilty or no contest to a charge of violating any law relating to the Franchised Business; or

(v) Any act by or conduct of ~~the~~ Franchisee which materially impairs the goodwill associated with Franchisor's trademark, trade name, service mark, logotype or other commercial symbol; or

C. Except for failure to renew a franchise for good cause as defined above, and Franchisee has failed to correct reasons for termination, no person may fail to renew a franchise unless:

(i) Franchisee has been given written notice of the intention not to renew at least one hundred eighty (180) days in advance of the expiration of the franchise; and

(ii) Franchisee has been given an opportunity to operate the franchise over a sufficient period of time to enable Franchisee to recover the fair market value of the franchise as a growing concern, as determined and measured from the date of the failure to renew. Franchisor may not refuse to renew a franchise if the refusal is for the purpose of converting Franchisee's business premises to an operation that will be owned by Franchisor for its own account.

D. Unreasonably withhold consent to an assignment, transfer, or sale of the franchise whenever Franchisee to be substituted meets the present qualifications and standards required of ~~the~~ Franchisees of Franchisor.

~~35.5~~23.4 Requirements for Franchisee to renew or extend: "Minnesota Rules, 1989, Department of Commerce, Chapter 2860, Section 4400D prohibits Franchisor from requiring Franchisee to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statutes 1973 Supplement, section

80C.01 to 80C.22; provided, that this part will not bar the voluntary settlement of disputes."

~~35.6~~23.5 Minn. Rule 2860.4400J. states that it is unfair and inequitable for Franchisor to require Franchisee to waive his rights to any forum provided for by the laws of jurisdiction. Any language found in the Franchise Agreement contrary to this rule is amended so that it does not apply to Minnesota franchisees.

~~35.7~~23.6 Franchisee cannot consent to ~~the~~ Franchisor obtaining injunctive relief. Franchisor may seek injunctive relief.

~~No~~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.~~

~~IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.~~

Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.

FRANCHISOR:

Right at Home, LLC

FRANCHISEE:

By: _____

Printed Name: _____

Title: _____

By: _____*

Printed Name: _____

Title if an entity: _____

* ~~The Operating Principal~~

FRANCHISOR:

Right at Home, LLC

By:

Margaret Haynes

President and Chief Executive Officer

FRANCHISEE:

By:

*

Printed Name:

Title if an entity:

* The Operating Principal

ADDENDUM TO THE FRANCHISE AGREEMENT FOR NEW YORK

The Franchise Agreement is amended as of the Effective Date as follows only to the extent that the jurisdictional requirements of New York law applicable to the provision are met independent of this Addendum. This Addendum has no force or effect if such jurisdictional requirements are not met.

The Franchise Agreement is amended ~~by the addition of~~ to add the following new **Section 3523**:

3523. NEW YORK ADDENDUM

3523.1 To the extent required by applicable law, all rights Franchisee enjoys and any causes of action arising in Franchisee's 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.

3523.2 Franchisee may terminate the Agreement on any grounds available by law.

3523.3 The foregoing choice of law should not be considered a waiver of any right conferred upon Franchisor or Franchisee by Article 33 of the General Business Law of the State of New York

~~No~~**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 Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.**

IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.

~~the franchisor:~~

~~This provision supersedes any other term of any document executed in connection with the franchise.~~

~~IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.~~

FRANCHISOR:

Right at Home, LLC

FRANCHISEE:

By: _____

Printed Name: _____

Title: _____

FRANCHISOR:

Right at Home, LLC

By: _____

Margaret Haynes

President and Chief Executive Officer

By: _____ *

Printed Name: _____

Title if an entity: _____

~~* The Operating Principal~~

FRANCHISEE:

By: _____ *

Printed Name: _____

Title if an entity: _____

* The Operating Principal

ADDENDUM TO THE FRANCHISE AGREEMENT FOR NORTH DAKOTA

The Franchise Agreement is amended as of the Effective Date as follows only to the extent that the jurisdictional requirements of North Dakota law applicable to the provision are met independent of this Addendum. This Addendum has no force or effect if such jurisdictional requirements are not met.

The Franchise Agreement is amended ~~by the addition of~~ to add the following new **Section 3523**:

3523. NORTH DAKOTA ADDENDUM

3523.1 Refund and cancellation provisions will be inapplicable to franchises operating under the North Dakota Franchise Investment Law. If Franchisor elects to cancel this Agreement, Franchisor will be entitled to a reasonable fee for its evaluation of Franchisee and related preparatory work performed and expenses actually incurred.

3523.2 The Franchise Agreement is amended by the addition of the following language to the original language or deleted as indicated:

A. The execution of a general release upon renewal, assignment or termination will be inapplicable to franchises operating under the North Dakota Franchise Investment Law.

B. Franchisee's obligations on termination/non-renewal are amended to delete any reference to a North Dakota franchisee consenting to liquidated damages.

C. Franchisee's obligations on termination/non-renewal are amended to read: "the prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorney fees."

D. **Section ~~15~~14.2.2** of the Franchise Agreement) is amended by the addition of the following language to the original language that appears therein: "Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of North Dakota except in limited instances as provided by law."

E. **Section ~~29~~20.3** of the Franchise Agreement 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. The site of arbitration or mediation must be agreeable to all parties.

F. Choice of Forum" (Item 17(v) of the Franchise Disclosure Document, **Section ~~28~~20.9** of the Franchise Agreement) is amended with the following language: "Any action will be brought in the appropriate state of federal court in North Dakota."

G. **Section 28.1** Error! Reference source not found. of the Franchise Agreement) is amended to read as follows: "This Agreement takes effect upon its acceptance and execution by Franchisor in North Dakota."

H. **Section 33.720.4** of the Franchise Agreement requiring Franchisee 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 is amended accordingly to the extent required by law.

I. **Section 34.10** of the Franchise Agreement requiring Franchisee 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 is amended accordingly to the extent required by law.

3523.3. ~~Section 33 of the~~ Franchise Agreement is amended ~~by the addition of~~ to add the following language ~~to the original language that appears therein to read as follows:~~

Franchisee acknowledges that Franchisee received a copy of this Agreement, the attachments hereto, if any, and agreements relating thereto, if any, at least seven (7) days prior to the date on which this Agreement was executed.

~~No~~**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 Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.

~~the franchisor.~~

~~This provision supersedes any other term of any document executed in connection with the franchise.~~

~~IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.~~

FRANCHISOR:

Right at Home, LLC

FRANCHISEE:

By: _____

Printed Name: _____

Title: _____

By: _____*

Printed Name: _____

Title if an entity: _____

FRANCHISOR:

Right at Home, LLC

By:

Margaret Haynes

President and Chief Executive Officer

~~* The Operating Principal~~

FRANCHISEE:

By:

*

Printed Name:

Title if an entity:

* The Operating Principal

ADDENDUM TO THE FRANCHISE AGREEMENT FOR RHODE ISLAND

The Franchise Agreement is amended as of the Effective Date as follows only to the extent that the jurisdictional requirements of Rhode Island law applicable to the provision are met independent of this Addendum. This Addendum has no force or effect if such jurisdictional requirements are not met.

The Franchise Agreement is amended ~~by the addition of~~ to add the following new **Section 3523**:

3523. RHODE ISLAND ADDENDUM

3523.1 The Franchise Agreement is amended by the addition of the following language to the original language:

§19-28.1-14 of the Rhode Island Franchise Investment Act provides that [A provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.]

3523.2. ~~Section 28~~Sections 0 and 20.3 of the Franchise Agreement ~~is~~are amended as follows: "This Section is invalid under Rhode Island General Law Section (19.28.1-4)"

~~No~~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 Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.

~~the franchisor:~~

~~This provision supersedes any other term of any document executed in connection with the franchise.~~

~~IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.~~

FRANCHISOR:

Right at Home, LLC

FRANCHISEE:

By: _____

Printed Name: _____

Title: _____

FRANCHISOR:

Right at Home, LLC

By: _____

Margaret Haynes

President and Chief Executive Officer

By: _____ *

Printed Name: _____

Title if an entity: _____

~~* The Operating Principal~~

FRANCHISEE:

By: _____ *

Printed Name: _____

Title if an entity: _____

* The Operating Principal

ADDENDUM TO THE FRANCHISE AGREEMENT FOR SOUTH DAKOTA

The Franchise Agreement is amended as of the Effective Date as follows only to the extent that the jurisdictional requirements of South Dakota law applicable to the provision are met independent of this Addendum. This Addendum has no force or effect if such jurisdictional requirements are not met.

The Franchise Agreement is amended ~~by the addition of~~ to add the following new **Section 3523**:

3523. SOUTH DAKOTA ADDENDUM

3523.1 The Franchise Agreement is amended by the addition of the following language to the original language that appears therein:

Liquidated damages provisions will be inapplicable to franchises operating under the laws of South Dakota." If Franchisor seeks to terminate the contract after Franchisee has submitted two acceptable sites, franchisee will be required to pay Franchisor for its actual expenses in site evaluation and selection activities.

3523.2. **Section ~~16.3~~18.3** of the Franchise Agreement is amended to add the following: "If Franchisee fails to pay any amounts due to Franchisor or its affiliates and do not cure the breach within 30 days' notice from Franchisor, Franchisee has 30 days to cure any other default (except those defaults listed in **Section ~~16.2~~18.2**."

3523.3. **Section ~~15.4~~14.2** of the Franchise Agreement is amended as follows: "Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of South Dakota."

3523.4. ~~Section 28~~**Sections 0 and 20.3** of the Franchise Agreement ~~is~~are amended by the addition of the following language:

Any provision in the Franchise Agreement restricting jurisdiction or venue to a forum outside of South Dakota or requiring the application of the laws of any other state is void with respect to a claim otherwise enforceable under the South Dakota Franchise Act.

Pursuant to SDCL 37-5B-21, any condition, stipulation or provision requiring a franchisee to waive compliance with or relieving a person of a duty or liability imposed by or a right provided by this chapter or a rule or order under this chapter is void.

~~No~~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 Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.

~~the franchisor.~~

~~This provision supersedes any other term of any document executed in connection with the franchise.~~

~~IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.~~

FRANCHISOR:

Right at Home, LLC

FRANCHISEE:

By: _____

Printed Name: _____

Title: _____

By: _____ *

Printed Name: _____

Title if an entity: _____

~~* The Operating Principal~~

FRANCHISOR:

Right at Home, LLC

FRANCHISEE:

By: _____

Margaret Haynes

President and Chief Executive Officer

By: _____ *

Printed Name: _____

Title if an entity: _____

* The Operating Principal

ADDENDUM TO THE FRANCHISE AGREEMENT FOR VIRGINIA

The Franchise Agreement is amended as of the Effective Date as follows only to the extent that the jurisdictional requirements of Virginia law applicable to the provision are met independent of this Addendum. This Addendum has no force or effect if such jurisdictional requirements are not met.

The Franchise Agreement is amended ~~by the addition of~~ to add the following new **Section 3523**:

3523. VIRGINIA ADDENDUM

3523.1 Rebates will be divided among System franchisees and Franchisor and Affiliate-owned stores on a pro-rata basis linked to the amount of purchases made.

3523.2 Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement does not constitute "reasonable cause", as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

~~No~~**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 Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.

~~the franchisor:~~

~~This provision supersedes any other term of any document executed in connection with the franchise.~~

~~IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.~~

FRANCHISOR:

Right at Home, LLC

FRANCHISEE:

By: _____

Printed Name: _____

Title: _____

By: _____*

Printed Name: _____

Title if an entity: _____

FRANCHISOR:

Right at Home, LLC

By:

Margaret Haynes

President and Chief Executive Officer

~~* The Operating Principal~~

FRANCHISEE:

By:

*

Printed Name:

Title if an entity:

* The Operating Principal

ADDENDUM TO THE FRANCHISE AGREEMENT FOR WASHINGTON

The Franchise Agreement is amended as of the Effective Date as follows only to the extent that the jurisdictional requirements of Washington law applicable to the provision are met independent of this Addendum. This Addendum has no force or effect if such jurisdictional requirements are not met.

The Franchise Agreement is amended ~~by the addition of~~ to add the following new **Section 3523**:

3523. WASHINGTON ADDENDUM

3523.1 ~~In the event~~ If of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

3523.2 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.

3523.3 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.

3523.4 A release or waiver of rights executed by a franchisee will not include rights under the Washington Franchise Investment Protection Act 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, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

3523.5 Transfer fees are collectable to the extent that they reflect ~~the~~ Franchisor's reasonable estimated or actual costs in effecting a transfer.

3523.6 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.

~~35.23~~ 35.23.7 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 Franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

23.8 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.

~~35.8~~ 23.9 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.

23.10 Persons who receive financial incentives to refer franchise prospects to us may be required to register as franchise brokers under the laws of some states.

~~35.9~~ 23.11 On February 18, 2020, Franchisor entered into an Assurance of Discontinuance ("AOD") with the State of Washington pursuant to which Franchisor agreed not to include or enforce a provision in the Franchise Agreement that prevents Franchisee from employing or seeking to employ any person employed by any other Franchisee.

~~No~~ **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 Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.**

IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.

FRANCHISOR:

Right at Home, LLC

By:

Margaret Haynes

President and Chief Executive Officer

FRANCHISEE:

By:

*

Printed Name:

Title if an entity:

* The Operating Principal

EXHIBIT I TO THE FRANCHISE AGREEMENT

SPECIALIZED NURSING SERVICES AMENDMENT

THIS SPECIALIZED NURSING SERVICES AMENDMENT ("Amendment") to the Franchise Agreement ("Agreement") is entered into on ("Amendment Effective Date") by and between Franchisor and Franchisee.

BACKGROUND

A. Franchisor and Franchisee entered into the Agreement on , which granted Franchisee the right to open and operate a Franchised Business within the Designated Area defined in the Agreement.

B. Franchisee desires to offer to its clients Ancillary Services relating to specialized nursing services, as defined below ("**Specialized Nursing**"), as part of the operation of the Franchised Business.

C. Franchisee acknowledges that performing Specialized Nursing requires special skills, training and accreditation by the Joint Commission or other agency, recognized in the state where the Franchise Business is located that provides accreditation for health care facilities and services (the "**Accrediting Agency**").

D. Franchisor is willing to grant such right, subject to the terms of this Amendment.

AGREEMENT

So long as Franchisee otherwise satisfies all of its obligations in the Agreement and any Additional Franchise Agreement or other agreement entered into with Franchisor or its affiliates; then, the Agreement is amended as follows:

10. **Specialized Nursing Defined.** For purposes of this Amendment and the Agreement, "**Specialized Nursing**" means a comprehensive clinical-based model of care for clients, ordered by a physician and provided by licensed professional care staff. Examples of specialized nursing in the home include, but are not limited to, case management, vital signs monitoring, medication management, wound care, enteral nutrition, continence care, lab draws, geriatric assessments, hospice support, infusion therapy, chemotherapy and ventilator support.

11. **Franchisor Approval.** Upon satisfaction of the requirements in **Section 4** of this Amendment, Franchisor grants Franchisee the right to offer Specialized Nursing as part of the operation of the Franchised Business, subject to the terms and conditions in this Amendment. Franchisee acknowledges and understands that Franchisor reserves the right to revoke such approval for any reason at any time during the Term by providing Franchisee with 30 days' written notice.

12. **Franchisee Representations.**

Franchisee represents that, as of the Amendment Effective Date, Franchisee or its Owners:

- (a) Has completed the RightStart Training Program;
- (b) Does not have any uncured defaults under this Agreement; and
- (c) Is in full compliance with all federal, state, and local laws and regulations, including employment laws and wage laws and has obtained all applicable licenses and permits, including all requirements under the applicable Nurse Practice Act.

13. Requirements to Begin Providing Specialized Nursing. To have the right to begin to offer Specialized Nursing subject to this Amendment and the Agreement, Franchisee must provide Franchisor with written proof of all of the following:

- (a) Except as provided in **Section 5** of this Amendment, the Franchised Business has been Open for at least 12 months;
- (b) Franchisee, an Owner of Franchisee or another qualified person designated by Franchisee has successfully completed Franchisor's training program specifically relating to Specialized Nursing as set out in **Section 8.7** of the Agreement and must have satisfactorily completed a third-party accreditation program acceptable to Franchisor ("**Specialized Nursing Training Program**");
- (c) Franchisee is in full compliance with the Agreement;
- (d) Franchisee has obtained all applicable licenses and permits and is in full compliance with all federal, state, and local laws and regulations, including as required by the applicable Nurse Practice Act;
- (e) Franchisee has obtained and continues to maintain in full force and effect all insurance policies required by the Agreement to provide Specialized Nursing;
- (f) Franchisee has purchased the third-party policy and procedure manual designated by Franchisor, from time to time, from Franchisor's Approved Supplier;
- (g) Within six (6) months after the Amendment Effective Date, the Franchised Business must have completed all requirements of the Accrediting Agency for

accreditation of its Specialized Nursing services and Franchisee must continue to maintain such accreditation during the term of the Agreement; and

(h) Franchisee has engaged a full-time, licensed registered nurse in good standing to deliver the Specialized Nursing services.

If Franchisee fails to continue to satisfy the requirements of this **Section** at any time, Franchisor will have the right to terminate the approval granted to Franchisee to provide Specialized Nursing, as provided in **Section 1** of this Amendment.

14. Requirement
s Applicable to Resales. If the Franchised Business operated pursuant to the Agreement was acquired from an existing franchisee who was already approved to provide Specialized Nursing (formerly referred to as "Skilled Nursing Care"); then, the requirements in **Sections 3** and **4** of this Amendment are revised as follows to have the right to continue to provide Specialized Nursing if, within six (6) months after acquiring the Franchised Business:

(a) Franchisee, an Owner of Franchisee and another qualified person designated by Franchisee completes the Specialized Nursing Training Program; and

(b) The Franchised Business must have completed all requirements of the Accrediting Agency for accreditation of its Specialized Nursing services as of the date that Franchisee acquired the Franchised Business and Franchisee must continue to maintain such accreditation during the Term;

All other requirements in **Sections 3** and **4** of this Amendment will apply to the Franchised Business(es) acquired from an existing franchisee who was already approved to provide Specialized Nursing.

If Franchisee fails to comply with the foregoing requirements, upon delivery of written notice to Franchisee, Franchisor has the right to revoke its approval of the right to provide Specialized Nursing.

15. Ancillary Services; Continuation of Franchised Business.

Franchisee acknowledges and agrees that the provision of Specialized Nursing constitutes Ancillary Services, and that the provision of Core Services will remain the primary focus of the Franchised Business during the term of the Agreement. As such, If the Franchised Business's ability to offer Specialized Nursing is in any way suspended, revoked, or terminated by any federal, state, or local governmental agency or Franchisor, the Franchised Business will continue to provide Core Services throughout the remainder of the Initial Term and any Renewal Term of the Agreement, Operating Principal will continue to exert its best efforts to the supervision and conduct of the Franchised Business.

16. Net Billings.
Franchisee acknowledges and agrees that any revenues generated by the Franchised Business involving the provision of Specialized Nursing are included in the term "Net Billings," as defined in Section 1.53 of the Agreement and used throughout this Agreement; and, will be reported to Franchisor separately from Net Revenues from other

services, in the manner and at the time specified in the Manuals, or as Franchisor will otherwise require in writing from time to time.

17. Compliance with System. Franchisee agrees to purchase a copy of the third-party policy and procedure manual designated by Franchisor, from time to time, from a supplier approved by Franchisor and to satisfy any other requirements established from time to time by Franchisor that Franchisor believes are necessary for a Franchised Business to continue offering Specialized Nursing, including but not limited to attending additional training related to Specialized Nursing as directed by Franchisor and acquiring Cyber Liability insurance described in Section Error! Reference source not found. of the Agreement.

18. Capitalized Terms. All capitalized terms not defined in this Amendment have the same meaning as in the Agreement.

19. Not Transferrable by Franchisee. The terms of this Amendment are personal to Franchisee and are not transferrable by Franchisee.

20. No Further Changes. Except as specifically provided in this Amendment, all of the terms, conditions and provisions of the Agreement will remain in full force and effect as originally written and signed.

FRANCHISOR:

Right at Home, LLC

By: _____

Margaret Haynes

President and Chief Executive Officer

Effective Date: _____

FRANCHISEE:

By: _____ *

Printed Name: _____

Title if an entity: _____

Date Signed: _____

* The Operating Principal

EXHIBIT J TO THE FRANCHISE AGREEMENT

CONVERSION ADDENDUM

THIS CONVERSION ADDENDUM ("Addendum") to the Franchise Agreement ("Agreement") is entered into by and between Franchisor and Franchisee and is effective as of the Effective Date.

RECITALS

A. Prior to the Effective Date, Franchisee operated an independent in-home care and assistance business that may have included hands-on personal care, non-medical care, in-home care assistance, specialized nursing services and companionship care services to seniors and other adults ("Existing Business").

B. Franchisee desires to convert its Existing Business to a Right at Home franchise business and operate the business in accordance with the Agreement and this Conversion Addendum ("Conversion Franchised Business").

In consideration of the foregoing and the covenants and consideration below, Franchisee and Franchisor agree to amend the Franchise Agreement as follows:

1. **Royalty Fee. Section 6.2.1**, is amended to add the following:

Franchisor reserves the right to reduce the Royalty Fee for a period of time based on, among other factors, the Net Billings of Franchisee's existing business during a period immediately preceding the Effective Date and the market where the Franchised Business is located.

2. **Minimum Royalty. Section 6.2.2** of the Agreement is deleted and replaced with the following:

6.2.2 Minimum Royalty. Beginning on the Active Grand Opening Date, for each Quarter thereafter, Franchisee will pay to Franchisor the greater of (1) the Royalty Fee; or (2) the Minimum Royalty set out below:

<u>Months After Active Grand Opening Date</u>	<u>Minimum Royalty Requirement Per Quarter</u>
<u>13-24</u>	<u>\$</u>
<u>25-36</u>	<u>\$</u>
<u>37-48</u>	<u>\$</u>
<u>49-60</u>	<u>\$</u>
<u>61-72</u>	<u>\$</u>
<u>73 through 120</u>	<u>\$</u>

(a) If the Royalty Fee paid by the end of any Quarter does not meet or exceed the Minimum Royalty, Franchisee will pay Franchisor the difference. The difference will be included with the last weekly invoice for such Quarter.

(b) Any Royalty Fee paid in any Quarter in excess of the Minimum Royalty will not apply toward any Minimum Royalty for any future Quarter.

13. **Minimum Brand Marketing and Promotion Fee.** Section 6.2.4 of the Agreement is deleted and replaced with the following:

(a) Beginning on the Active Grand Opening Date, Franchisee will contribute to the Brand Marketing and Promotion Fund the greater of (1) the Brand Marketing and Promotion Fee; or (2) the Minimum Brand Marketing and Promotion Fee. The amount of the Minimum Brand Marketing and Promotion Fee is set out below:

<u>Months After Active Grand Opening Date</u>	<u>Minimum Brand Marketing and Promotion Fee Requirement Per Quarter</u>
<u>13-24</u>	<u>\$</u>
<u>25-36</u>	<u>\$</u>
<u>37-48</u>	<u>\$</u>
<u>49-60</u>	<u>\$</u>
<u>61-72</u>	<u>\$</u>
<u>73 through 120</u>	<u>\$</u>

(b) If the MSA Cap applies, the Franchisee will contribute to the Brand Marketing and Promotion Fund, the greater of (1) the Brand Marketing and Promotion Fee up to the MSA Cap; or (2) the Minimum Brand Marketing and Promotion Fee up to the MSA Cap.

(c) If the Brand Marketing and Promotion Fee paid by the end of any Quarter does not meet or exceed the Minimum Brand Marketing and Promotion Fee, Franchisee will contribute to the Brand Marketing and Promotion Fund the difference. The difference will be included with the last weekly invoice for such Quarter.

(d) Any Brand Marketing and Promotion Fees paid in any Quarter in excess of the Minimum Brand Marketing and Promotion Fee will not apply toward any such Minimum Brand Marketing and Promotion Fee for any future Quarter.

3. **Additional Opening Training.** Section 7.2.4 is amended to add the following:

In addition, Franchisor will provide a pre-opening support plan, which will include customized components for a rebranding project plan for Franchisee.

4. **On-Site/Onboarding Training.** Section 8.2 is deleted in its entirety.

5. ~~[DELETE IF USING THE STANDARD MINIMUM QUARTERLY NET BILLINGS IN BASIC TERMS] Minimum Quarterly Net Billings. Section 10.14.1~~ is deleted and replaced with the following:

10.14.1 Obligations to Meet Minimum Quarterly Net Billings. To maintain the exclusivity of Franchisee's Designated Area, beginning on the Active Grand Opening Date and continuing throughout the Initial Term and any Interim Period, Franchisee must meet the Minimum Quarterly Net Billings set out below:

<u>Months After Active Grand Opening Date</u>	<u>Minimum Quarterly Net Billings</u>
	\$
	\$
	\$
	\$
	\$
	\$

6. ~~Active Grand Opening Date. Section 10.5.2(a)~~ is deleted in its entirety and replaced as follows:

(a) The Active Grand Opening Date is the date that the requirements in Section 10.5.1 and Section 10.5.3 are met, which cannot be later than 90 days after the Effective Date, unless otherwise agreed to in writing by Franchisor.

7. ~~Indemnification. Section 15.2~~ is amended to add the following:

15.2.4 Franchisee will also defend, at its own cost, and indemnify and hold harmless Franchisor, its shareholders, directors, officers, employees and agents, from and against any and all losses, costs, claims, expenses (including, without limitation, reasonable accountant, attorney and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses), damages and liabilities, however caused, resulting directly or indirectly, from or pertaining to the operation of the Existing Business, including the sale of any service or product sold from the Existing Business prior to the Effective Date of the Agreement. The indemnification and hold harmless will survive termination of this Agreement.

8. ~~Franchisee's Representations.~~ Franchisee represents and warrants to Franchisor that all information regarding the Existing Business, including but not limited to, Net Billings for the Existing Business, balance sheets, income statements and other financial information, information regarding the Office and information regarding clients and services of the Existing Business, furnished to Franchisor are accurate in all material respects. Franchisee acknowledges that Franchisor relied on such information to determine Franchisee's qualifications to convert its Existing Business to a Conversion Franchised Business.

9. **Capitalized Terms.** All capitalized terms not defined in this Addendum have the same meaning as in the Agreement.

10. **Not Transferrable by Franchisee.** The terms of this Addendum are personal to Franchisee and are not transferrable by Franchisee.

No Further Changes. Except as specifically provided in this Addendum, all of the terms, conditions and provisions of the Agreement will remain in full force and effect as originally written and signed. ~~the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.~~

~~IN WITNESS WHEREOF, the parties have executed this State Addendum as of the Effective Date.~~

FRANCHISOR:

Right at Home, LLC

FRANCHISEE:

By: _____

Printed Name: _____

Title: _____

By: _____ *

Printed Name: _____

Title if an entity: _____

~~* The Operating Principal~~

11. If of a conflict between the Agreement and terms of this Addendum, the terms of this Addendum will control.

FRANCHISOR:

Right at Home, LLC

FRANCHISEE:

By: _____

Margaret Haynes

President and Chief Executive Officer

Effective Date: _____

By: _____ *

Printed Name: _____

Title if an entity: _____

Date Signed: _____

* The Operating Principal

EXHIBIT C TO THE FRANCHISE DISCLOSURE DOCUMENT

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OF CONFIDENTIAL BRAND STANDARDS MANUAL AND DIGITAL RESOURCE LIBRARY



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Right at Home, LLC

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Private Duty Policy and Procedures	80930K
Insurance	1230K
Equipment and Hardware	1919K
New Owner Tools (RightStart/Resale)	145672K
RightFocus Knowledge Kit	2101K
Best Practices Manual	8990K
Virtual Training Tools and Resources	126K
Accounting, Payroll and Billing	36852K
Vendors and Suppliers	118809K
Specialized Nursing Services Implementation	7043K
Awards and Recognition	2518K
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Relocation	357K
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TOTAL APPROXIMATE SIZE OF DIGITAL RESOURCE LIBRARY	3602002K

EXHIBIT D TO THE FRANCHISE DISCLOSURE DOCUMENT
FINANCIAL STATEMENTS AND GUARANTY OF PERFORMANCE



RiseMark Holdings, LLC and Subsidiaries

Independent Auditor's Report and Consolidated Financial Statements

December 31, 2023, 2022 and 2021



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forvis.com

Independent Auditor's Report

Board of Directors and Members
RiseMark Holdings, LLC and Subsidiaries
Omaha, Nebraska

Opinion

We have audited the consolidated financial statements of RiseMark Holdings, LLC and Subsidiaries, which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of income, members' equity, and cash flows for each of the three years in the period ended December 31, 2023, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of RiseMark Holdings, LLC and Subsidiaries as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of RiseMark Holdings, LLC and Subsidiaries 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 Consolidated Financial Statements

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

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

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

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 RiseMark Holdings, LLC and Subsidiaries' 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about RiseMark Holdings, LLC and Subsidiaries' 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.

FORVIS, LLP

**Greenville, North Carolina
February 22, 2024**

RiseMark Holdings, LLC and Subsidiaries
Consolidated Balance Sheets
December 31, 2023 and 2022

	2023	2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 13,752,807	\$ 17,463,636
Trade accounts receivable, less allowance for credit losses of \$286,500 and \$251,000, respectively	2,853,821	2,934,474
Current portion of prepaid expenses	2,097,677	1,793,503
Current portion of notes receivable	1,527	17,721
Total current assets	<u>18,705,832</u>	<u>22,209,334</u>
Property and equipment, net	2,409,360	2,907,233
Other assets:		
Prepaid expenses, net of current portion	943,408	762,383
Right-of-use asset, net	3,217,427	3,676,867
Goodwill	22,623,927	23,148,162
Intangible assets, net	64,322,405	66,625,276
Other assets	1,085,839	655,625
	<u>92,193,006</u>	<u>94,868,313</u>
Total assets	<u><u>\$ 113,308,198</u></u>	<u><u>\$ 119,984,880</u></u>
LIABILITIES AND MEMBERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 475,212	\$ 1,636,589
Accrued compensation and taxes withheld	1,991,687	2,079,367
Current portion of deferred revenue	649,920	576,525
Other accrued liabilities	3,602,486	2,604,195
Current portion of long-term debt	1,400,000	334,490
Current portion of lease liability	804,347	774,775
Total current liabilities	<u>8,923,652</u>	<u>8,005,941</u>
Long-term liabilities:		
Other liabilities	959,778	459,152
Deferred revenue, net of current portion	3,904,037	3,461,385
Long-term debt, net of current portion	26,518,187	37,624,095
Lease liability, net of current portion	3,839,951	4,517,390
Total long-term liabilities	<u>35,221,953</u>	<u>46,062,022</u>
Total liabilities	<u>44,145,605</u>	<u>54,067,963</u>
Members' equity:		
Members' equity	<u>69,162,593</u>	<u>65,916,917</u>
Total liabilities and members' equity	<u><u>\$ 113,308,198</u></u>	<u><u>\$ 119,984,880</u></u>

RiseMark Holdings, LLC and Subsidiaries
Consolidated Statements of Income
Years Ended December 31, 2023, 2022 and 2021

	2023	2022	2021
Revenues:			
Franchise royalties	\$ 35,112,844	\$ 31,552,211	\$ 30,390,197
Franchise sales	1,333,219	900,824	655,141
Advertising revenue from franchisees	7,805,551	7,504,975	7,225,484
Service revenue	20,665,199	13,773,113	6,785,439
Other	42,234	20,105	6,875
Total revenue	<u>64,959,047</u>	<u>53,751,228</u>	<u>45,063,136</u>
Operating expenses:			
Advertising expense	7,805,551	7,504,975	7,225,484
Employee compensation	13,473,492	10,828,792	10,259,142
Operating costs	7,245,760	5,324,776	2,909,156
Cost of services	12,325,650	8,310,345	4,132,786
Occupancy	1,032,017	999,431	891,528
Marketing	1,208,405	811,134	884,936
General and administrative	7,101,319	6,079,812	4,592,086
Depreciation and amortization	2,877,889	2,963,653	2,822,569
Total operating expenses	<u>53,070,083</u>	<u>42,822,918</u>	<u>33,717,687</u>
Income from operations	11,888,964	10,928,310	11,345,449
Other income (expense):			
Interest income	668,032	141,471	99,671
Interest expense	(3,950,946)	(2,769,496)	(2,988,433)
Miscellaneous income (expense)	(244,930)	138,930	162,715
Total other expense, net	<u>(3,527,844)</u>	<u>(2,489,095)</u>	<u>(2,726,047)</u>
Net income	<u>\$ 8,361,120</u>	<u>\$ 8,439,215</u>	<u>\$ 8,619,402</u>

RiseMark Holdings, LLC and Subsidiaries
Consolidated Statements of Members' Equity
Years Ended December 31, 2023, 2022 and 2021

	Members' Equity					Total
	Class A	Class B	Class P	Member Notes Receivable	Retained Earnings	
Balance December 31, 2020	\$ 47,499,856	\$ 5,382,011	\$ -	\$ (5,393,529)	\$ 6,437,582	\$ 53,925,920
Distributions	-	-	-	-	(2,706,867)	(2,706,867)
Exchange to Class A units	5,382,011	(5,382,011)	-	-	-	-
Payment of Member Notes Receivable	-	-	-	17,351	-	17,351
Equity-based compensation	-	-	104,000	-	-	104,000
Net income	-	-	-	-	8,619,402	8,619,402
Balance December 31, 2021	52,881,867	-	104,000	(5,376,178)	12,350,117	59,959,806
Distributions	-	-	-	-	(1,984,367)	(1,984,367)
Payment of Member Notes Receivable	-	-	-	1,264,983	-	1,264,983
Repurchase of Membership Interest	(1,266,356)	-	(70,689)	-	(563,830)	(1,900,875)
Equity-based compensation	-	-	138,155	-	-	138,155
Net income	-	-	-	-	8,439,215	8,439,215
Balance December 31, 2022	51,615,511	-	171,466	(4,111,195)	18,241,135	65,916,917
Distributions	-	-	-	-	(5,058,890)	(5,058,890)
Issuance of Membership Interest	100,000	-	-	-	-	100,000
Payment of Member Notes Receivable	-	-	-	1,581,229	-	1,581,229
Repurchase of Membership Interest	(1,582,945)	-	-	-	(751,034)	(2,333,979)
Equity-based compensation	-	-	596,196	-	-	596,196
Net income	-	-	-	-	8,361,120	8,361,120
Balance December 31, 2023	<u>\$ 50,132,566</u>	<u>\$ -</u>	<u>\$ 767,662</u>	<u>\$ (2,529,966)</u>	<u>\$ 20,792,331</u>	<u>\$ 69,162,593</u>

See Notes to Consolidated Financial Statements

RiseMark Holdings, LLC and Subsidiaries
Consolidated Statements of Cash Flows
Years Ended December 31, 2023, 2022 and 2021

	2023	2022	2021
Cash flows from operating activities:			
Net income	\$ 8,361,120	\$ 8,439,215	\$ 8,619,402
Adjustments to reconcile net income to net cash provided by operations:			
Depreciation and amortization	2,877,889	2,963,653	2,822,569
Amortization of deferred financing costs	45,244	48,607	436,045
(Gain) loss on disposal of property and equipment	-	6,145	590
Bad debt expense	33,500	67,500	(231,500)
Equity-based compensation	596,196	138,155	104,000
Loss on sale of in-home care service entities	343,385	-	-
Loss on extinguished debt issuance costs	230,886	-	-
Increase (decrease) in cash arising from changes in assets and liabilities:			
Trade accounts receivable	31,216	(1,129,713)	312,862
Prepaid expenses	(485,199)	(538,782)	(288,119)
Operating lease right-of-use asset	618,032	308,215	392,393
Other assets	(430,214)	(286,392)	(274,625)
Accounts payable	(1,161,377)	392,462	656,199
Accrued compensation and taxes withheld	(87,680)	81,966	256,599
Deferred revenue	516,047	409,447	727,522
Other accrued liabilities and other liabilities	1,498,917	727,352	808,885
Operating lease liability	(805,477)	(483,733)	(475,077)
Net cash provided by operating activities	12,182,485	11,144,097	13,867,745
Cash flows from investing activities:			
Purchase of property and equipment	(82,820)	(134,923)	(137,324)
Proceeds from disposal of property and equipment	-	294	150
Issuance of notes receivable	(52,000)	-	(37,621)
Payments received on notes receivable	82,131	160,978	850,791
Acquisition of subsidiaries	-	(3,823,158)	(1,754,149)
Additions to other intangible assets	-	(11,486)	(457,816)
Proceeds from sale of in-home care service entities	187,543	-	-
Net cash provided by (used in) investing activities	134,854	(3,808,295)	(1,535,969)
Cash flow from financing activities:			
Principal payments on long-term debt	(10,234,028)	(1,776,335)	(3,320,876)
Issuance costs to refinance	(82,500)	-	(336,202)
Net payments on members' notes receivable	1,581,229	1,264,983	17,351
Distributions	(5,058,890)	(1,984,367)	(2,706,867)
Repurchase of membership interest	(2,333,979)	(1,900,875)	-
Issuance of Class A Units	100,000	-	-
Net cash used in financing activities	(16,028,168)	(4,396,594)	(6,346,594)
Net change in cash and cash equivalents	(3,710,829)	2,939,208	5,985,182
Cash and cash equivalents, beginning of period	17,463,636	14,524,428	8,539,246
Cash and cash equivalents, end of period	\$ 13,752,807	\$ 17,463,636	\$ 14,524,428

RiseMark Holdings, LLC and Subsidiaries
Consolidated Statements of Cash Flows
Years Ended December 31, 2023, 2022 and 2021

(Continued)

	2023	2022	2021
Supplemental disclosures:			
Cash paid for interest	<u>\$ 3,532,473</u>	<u>\$ 2,680,889</u>	<u>\$ 2,512,387</u>
Supplemental disclosure of noncash investing and financing activities:			
Additions to operating lease right-of-use assets obtained from new operating lease obligations	<u>\$ 190,472</u>	<u>\$ -</u>	<u>\$ -</u>
Conversion of accounts receivable to notes receivable	<u>\$ 13,937</u>	<u>\$ 11,602</u>	<u>\$ 43,272</u>

Note 1. Nature of Activities

RiseMark Holdings, LLC (RiseMark) was established in the state of Delaware on June 28, 2016. On August 15, 2016, RiseMark acquired all of the outstanding membership interests in Right at Home, LLC (RAH), Right at Home International, LLC (RAH International) and IKOR International, LLC (IKOR), collectively the “Company”. In 2019, IKOR was dissolved as all franchise agreements were mutually terminated.

In 2019, RAHCO, LLC (RAHCO), RAHCO Kentuckiana, LLC (Kentuckiana), RAHCO Pensacola, LLC (Pensacola), and RAHCO Virginia Beach, LLC (Virginia Beach) were established in the state of Delaware. In 2020, RAHCO Athens, LLC (Athens) and RAHCO Mobile, LLC (Mobile) were also established in the state of Delaware. In 2021, RAHCO Portland, LLC (Portland) and RAHCO Houston, LLC (Houston) were also established in the state of Delaware. In 2022, RAHCO St. Louis, LLC (St. Louis), RAHCO Hilton Head Savannah, LLC (Hilton Head Savannah), and RAHCO Colorado Springs, LLC (Colorado Springs) were also established in the state of Delaware. RAHCO is the sole member of these entities, collectively “RAHCO and subsidiaries”. RiseMark is the sole member of RAHCO. In 2023, Athens, Mobile, and Houston were sold, as further discussed in Note 2.

The principal business activities of RAH and RAH International are the sale of homecare and healthcare supplemental staffing franchises and master franchises throughout the world. The principal business activities of the RAHCO subsidiaries are to provide in-home care assistance and companionship services to seniors and other adults.

The Company accounts for acquired businesses using the acquisition method of accounting recording the assets acquired and liabilities assumed at their respective fair values at the date of acquisition. Any excess of the purchase price over the estimated fair values of the identifiable net assets is recorded as goodwill. Acquisition-related expenses are recognized separately from the business combination and are expensed as incurred.

Note 2. Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements is set forth below.

Basis of Accounting and Use of Estimates

The consolidated financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of RiseMark and its wholly owned subsidiaries: RAH, RAH International, and RAHCO and subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

RiseMark Holdings, LLC and Subsidiaries
Notes to Consolidated Financial Statements
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Cash and Cash Equivalents

Cash and cash equivalents includes cash on deposit at financial institutions and all highly liquid temporary cash investments with maturities of three months or less.

Trade Accounts and Notes Receivable

Trade accounts receivable and notes receivable are carried at original invoice amount and contractual terms, respectively, less an estimate made for credit losses. The allowance for credit losses is based on management's assessment of the amount which may become uncollectible in the future and is estimated using specific review of customer accounts on a periodic basis, overall portfolio quality, current and forecasted economic conditions that may affect the customer's ability to pay, and historical experience. Trade accounts receivable and notes receivable are written off when deemed uncollectible. Recoveries of previously written off balances are recorded when received.

Property and Equipment

Property and equipment are recorded at cost. Expenditures for additions and betterments are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Property and equipment are capitalized if their life is expected to be greater than one year and if their cost exceeds \$500. The costs of assets disposed of and related accumulated depreciation are eliminated from the accounts in the year of disposal. Gains or losses from property disposals are recognized in the year of disposal.

Depreciation is computed using the straight-line method over the following estimated lives:

	<u>Years</u>
Computers and equipment	3 - 5
Office furniture and fixtures	5 - 15
Motor vehicles	3 - 5
Leasehold improvements	4 - 10

Projects in progress are recorded at cost and depreciation is recorded once the assets are placed in service.

Leasehold improvements are amortized over the shorter of the expected lease term or the estimated useful life of the asset. The expected lease term is consistent with the lease term assumed in the accounting for the underlying leases and includes the initial term and any renewal options that are reasonably assured of being exercised.

The carrying values of long-lived assets, including property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the recorded value cannot be recovered from the estimated undiscounted future cash flows expected to result from its use and eventual disposition. When the book value of an asset exceeds the associated undiscounted expected future cash flows, it is considered to be impaired and is written down to fair value, which is determined based on either discounted future cash flows or appraised values. The factors considered by management in performing this assessment include current operating results, trends and prospects, the manner in which the property is used, and the effects of obsolescence, demand, competition, and other economic factors. Based on this assessment, there was no impairment for 2023, 2022 and 2021.

Company Owned Life Insurance

The Company has purchased life insurance policies on certain key executives. Company owned life insurance is recorded on the consolidated balance sheet as other assets at its cash surrender value or the amount that can be realized.

Business Combinations

Business combinations are accounted for under the acquisition method of accounting in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 805, "Business Combinations." Under the acquisition method, the acquiring entity in a business combination recognizes the acquired assets and assumed liabilities at their estimated fair values as of the date of acquisition. The right-of-use asset and lease liability of acquired leases are measured at the present value of the remaining lease payments at the acquisition date. Assets acquired and liabilities assumed from contingencies must also be recognized at fair value if the fair value can be determined during the measurement period. Acquisition-related costs, including conversion and restructuring charges, are expensed as incurred. The results of acquired companies' operations have been included in the Company's financial statements since the effective date of each respective acquisition. The goodwill recognized is expected to be deductible for income tax purposes. Results of operations for the acquired businesses prior to the acquisition date are not included in the consolidated statements of income.

Goodwill and Intangible Assets

Goodwill represents the excess of the fair value of an acquired entity over the value assigned to the assets acquired less liabilities assumed. Goodwill of \$3,672,880 was recognized for the acquisitions consummated in 2022. The Company sold three RAHCO subsidiaries in 2023, which resulted in the derecognition of \$524,235 in goodwill.

Goodwill is not amortized. The Company evaluates goodwill on an annual basis in the fourth quarter or more frequently if management believes indicators of impairment exist. Such indicators could include, but are not limited to (1) a significant adverse change in legal factors or in business climate, (2) unanticipated competition, or (3) an adverse action or assessment by a regulator. The Company first assesses qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount, including goodwill. If management concludes that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, management conducts a quantitative goodwill impairment test. The impairment test involves comparing the fair value of the applicable reporting unit with its carrying value. The Company estimates the fair values of its reporting units using a combination of the income, or discounted cash flows, approach and the market approach, which utilizes comparable companies' data. If the carrying amount of a reporting unit exceeds the reporting unit's fair value, an impairment loss is recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit. The Company's evaluation of goodwill completed during the year resulted in no impairment loss.

Other intangible assets primarily include tradename and franchise agreements, resulting from the business acquisition completed on August 15, 2016 and are recorded based on their estimated value at that date. The tradename is not amortized and is evaluated annually for impairment using discounted future cash flows. Franchise agreements are amortized using methods based on the projected future earnings expected from these intangibles using an estimated useful life of fifteen years.

Management periodically reviews the carrying value of intangible assets that are being amortized to determine whether impairment may exist. The Company considers relevant cash flow and profitability information, including estimated future operating results, trends and other available information, in assessing whether the carrying value of intangible assets being amortized can be recovered. If the Company determines that the carrying value of amortized intangible assets will not be recovered from the undiscounted future cash flows, the Company considers the carrying value of such intangible assets impaired and reduces them by a charge to operations in the amount of the impairment. An impairment charge is measured as the excess of the carrying value over the fair value of the intangible assets that are being amortized. The Company did not record any impairment loss related to intangibles in 2023, 2022 and 2021.

Debt Issuance Costs

Debt issuance costs related to the Company's long-term debt are recorded as a direct deduction from the carrying amount of the debt (see Note 7). Amortization of the debt issuance costs is recorded as interest expense.

Leases

The Company follows the accounting guidance of ASC Topic 842, which requires lessees to recognize the following for essentially all leases, at the commencement date: (1) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis utilizing the Company's incremental borrowing rate; and (2) a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The guidance also requires qualitative and quantitative disclosures designed to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Company has elected the accounting policy allowed under ASC 842 to not record a lease liability and right-of-use asset for short-term leases (leases whose lease term is 12 months or less).

Revenue Recognition

The Company recognizes the following revenues:

- **Franchise Revenue**

Franchise revenue consists primarily of royalties, advertising revenue and initial fees. Franchise rights are granted either through a unit level franchise agreement (domestic market) or through a master franchise agreement (international markets). The franchise arrangement between the Company as the franchisor and its franchisees as the customer requires the Company to perform various activities to support the brand that do not directly transfer goods and services to the franchisee, but instead represent a single performance obligation, which is the transfer of the franchise license. The intellectual property subject to the franchise license is symbolic intellectual property as it does not have significant standalone functionality, and substantially all of the utility is derived from its association with the Company's past or ongoing activities. The nature of the Company's promise in granting the franchise license is to provide the franchisee with access to the brand's symbolic intellectual property over the term of the license. Master franchise agreements transfer exclusive master franchise rights and administrative obligations, including control of any advertising contributions, to master franchisees in international markets (typically an entire country) who in turn grant sub-franchising rights to sub-franchisees. The services provided by the Company to both individual and master franchisees are highly interrelated with the franchise license and as such are considered to represent a single performance obligation.

The transaction price in a standard franchise arrangement consists of (a) initial franchise fees; (b) continuing franchise fees (royalties); and (c) advertising fees (domestic markets only). Since the Company considers the licensing of the franchising right to be a single performance obligation, no allocation of the transaction price is required.

The Company recognizes the primary components of the transaction price as follows:

- Upfront franchise fees are recognized as revenue ratably on a straight-line basis over the term of the franchise agreement commencing with the completion of the brand's initial training program for domestic franchisees and completion of the brand's franchising training program for international master franchisees.
- Domestically the Company is entitled to royalties and advertising fees based on a percentage of the franchisees' gross revenues as defined in the franchise agreement. Royalty and advertising revenue are recognized when the franchisees' revenues are earned.

RiseMark Holdings, LLC and Subsidiaries
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- Internationally the Company is entitled to royalties based on a percentage of the net revenue reported to the master franchisee by sub-franchisee as defined in the agreement. Royalty revenue is recognized when the master franchisees' revenue is earned. As a result of transferring administrative obligations to a master franchisee the percentage of a master franchisee's revenue the Company receives as a continuing fee is less than the percentage received from franchisees operating under unit level franchise agreements.
- Revenues for advertising services are recognized by the Company when related revenue is received by its franchisees based on the application of the sales-based royalty exception within ASC Topic 606. These revenues are presented as advertising revenues from franchisees and expenses incurred to provide these services are presented as advertising expense in the accompanying consolidated statements of income.

- **Service Revenue**

Service revenue earned by RAHCO and subsidiaries consists of various in-home care assistance and companionship services to seniors and other adults. A service agreement is established with the customer that stipulates the hourly rates to be charged for services performed and the customer is billed for the hours of service completed at the established hourly rates. Revenue is recognized upon the completion of service by the caregiver.

- **Costs of Acquiring Contracts**

The Company routinely incurs sales commissions to acquire new franchisees. Sales commissions are capitalized and amortized on a straight-line basis over the life of the related franchise agreement.

Advertising Expenses

The Company expenses advertising and marketing costs as incurred. Advertising and marketing expense totaled approximately \$9,014,000, \$8,316,000 and \$8,110,000 for the years ended December 31, 2023, 2022 and 2021, respectively.

Income Taxes

RiseMark Holdings, LLC and its subsidiaries have elected to be taxed as partnerships as defined under the Internal Revenue Code. Earnings and losses are included in the income tax returns of the individual members and taxed depending on their individual tax positions. Accordingly, no provision for income taxes has been recorded for the Company.

The Company recognizes the effect of uncertain income tax positions only if those positions are more likely than not of being sustained. Management believes there are no uncertain income tax positions taken which would require the Company to reflect a liability for unrecognized tax benefits on the accompanying consolidated balance sheets.

Equity-Based Compensation

The primary type of equity-based compensation utilized by the Company is Class P unit awards. The Company accounts for equity-based employee compensation arrangements by estimating the fair value of the unit award on the grant date. See further discussion of the awards in Note 8.

Concentrations of Credit Risk

The Company has several types of financial instruments subject to credit risk. The Company maintains bank accounts in which the balances sometimes exceed federally insured limits. The Company's receivables and notes receivable also subject the Company to credit risk.

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Recently Adopted Accounting Pronouncements

Effective January 1, 2023, the Company adopted ASU 2016-13, Financial Instrument – Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments related to the impairment of financial instruments. This guidance, commonly referred to as Current Expected Credit Loss (“CECL”), changes impairment recognition to a model that is based on expected losses rather than incurred losses. The measurement of expected credit losses under the CECL methodology applies to financial assets measured at amortized cost, including trade receivables and note receivables. There was no material impact on the consolidated financial statements upon adoption of the guidance on January 1, 2023.

Note 3. Business Combinations

RAHCO and subsidiaries has entered into several cash-settled acquisitions. The acquisitions were conducted to provide access to the respective geographical market. To date no measurement period adjustments have been made to the original fair value estimates.

In fiscal year 2022, RAHCO and subsidiaries acquired several regional home care businesses, including Day to Day Farms, Inc., Ralph Donald Corporation, and Supportive Care Services, LLC. Total cash consideration paid for these acquisitions was \$3,823,158 and goodwill of \$3,672,880 was recognized.

In fiscal year 2021, RAHCO and subsidiaries acquired several regional home care businesses, including Gaudet & Company, Inc., Columbia Care, LLC, and T Lee Enterprises, LLC. Total cash consideration paid for these acquisitions was \$1,754,149 and goodwill of \$1,734,311 was recognized.

Note 4. Property and Equipment

Property and equipment at December 31, consists of the following:

	<u>2023</u>	<u>2022</u>
Computers and equipment	\$ 664,966	\$ 624,224
Office furniture and fixtures	1,053,358	1,038,679
Motor vehicles	96,488	107,172
Leasehold improvements	<u>3,047,169</u>	<u>3,039,218</u>
	4,861,981	4,809,293
 Projects in progress	 -	 17,034
 Less: accumulated depreciation	 <u>(2,452,621)</u>	 <u>(1,919,094)</u>
	<u><u>\$ 2,409,360</u></u>	<u><u>\$ 2,907,233</u></u>

Depreciation expense for the years ended December 31, 2023, 2022 and 2021 was \$577,768, \$632,956 and \$598,673, respectively.

RiseMark Holdings, LLC and Subsidiaries
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Note 5. Notes Receivable

Notes receivable consists of the following at December 31:

	<u>2023</u>	<u>2022</u>
Non-interest bearing unsecured notes receivable from various franchisees. Repayments are made weekly through January 2024.	\$ 1,527	\$ 17,721
Less: current portion and allowance	<u>(1,527)</u>	<u>(17,721)</u>
Notes receivable, net of current portion	<u>\$ -</u>	<u>\$ -</u>

The aggregate maturities of notes receivable for the years ending after December 31, 2023 are as follows:

<u>Year Ending December 31,</u>	
2024	<u>\$ 1,527</u>

Note 6. Intangible Assets

Intangible assets at December 31, 2023 and 2022 consist of the following:

	<u>2023</u>		
	<u>Gross carrying amount</u>	<u>Accumulated amortization</u>	<u>Net carrying amount</u>
Franchise agreements	\$ 30,388,000	\$ (14,950,454)	\$ 15,437,546
Tradename	48,586,000	-	48,586,000
Other intangible assets	<u>1,861,239</u>	<u>(1,562,380)</u>	<u>298,859</u>
	<u>\$ 80,835,239</u>	<u>\$ (16,512,834)</u>	<u>\$ 64,322,405</u>
	<u>2022</u>		
	<u>Gross carrying amount</u>	<u>Accumulated amortization</u>	<u>Net carrying amount</u>
Franchise agreements	\$ 30,388,000	\$ (12,924,587)	\$ 17,463,413
Tradename	48,586,000	-	48,586,000
Other intangible assets	<u>1,872,898</u>	<u>(1,297,035)</u>	<u>575,863</u>
	<u>\$ 80,846,898</u>	<u>\$ (14,221,622)</u>	<u>\$ 66,625,276</u>

Included in other intangible assets are amounts related to licenses, software, and website development.

Amortization expense for the years ended December 31, 2023, 2022 and 2021 was \$2,300,121, \$2,330,697 and \$2,223,896, respectively.

RiseMark Holdings, LLC and Subsidiaries
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Estimated amortization expense for each of the next five years and thereafter is as follows:

<u>Year Ending December 31,</u>	
2024	\$ 2,253,942
2025	2,046,641
2026	2,042,700
2027	2,042,367
2028	2,041,712
Thereafter	<u>5,309,043</u>
Total	<u>\$ 15,736,405</u>

Note 7. Line of Credit and Long-Term Debt

In conjunction with the acquisition on August 15, 2016, the Company entered into a credit agreement with a lender. The credit agreement included a \$3,000,000 revolving line of credit and a \$35,000,000 term loan. The line of credit and term loan were collateralized by substantially all assets. The Company was required to make an annual principal payment on the term loan based on adjusted cash flows (as defined in the credit agreement). This annual principal payment was applied pro rata to the next four scheduled installment payments until each installment was paid in full, with any excess being applied to the balloon payment due at the end of the loan.

On October 16, 2020, the Company entered into an amendment to their original credit agreement to increase the Term Loan balance by \$11,000,000. This amendment was created in order to finance the redemption of Class B units (see Note 8). As a result of this amendment, the quarterly principal payments increased from \$87,500 to \$115,000, and the interest rate on the term loan and line of credit changed to the sum of either the base rate plus the applicable margin of up to 4.5% or the LIBOR rate plus the applicable margin of up to 5.5%, as contracted periodically by the Company. The line of credit required a commitment fee equal to 0.5% per annum on any unused balance of the line.

On September 24, 2021, the Company entered into an amendment to their original credit agreement to increase the revolving line of credit to \$5,000,000 and include a delayed draw term loan of \$10,000,000. As a result of this amendment, the interest rate on the term loan and line of credit changed to the sum of either the base rate plus the applicable margin of up to 3.5% or the LIBOR rate plus the applicable margin of up to 4.5%, as contracted periodically by the Company. In addition, the maturity of the term loan and line of credit was extended to August 14, 2028.

On December 15, 2023, the Company refinanced the credit agreement with a new lending institution. The new credit agreement includes a \$5,000,000 revolving credit commitment, a \$28,000,000 term loan, and incremental term loans not to exceed \$12,000,000. The line of credit and term loan are collateralized by substantially all assets. The term loan and line of credit bear interest at SOFR plus an applicable margin based on the Company's net senior leverage ratio, ranging from 200 basis points to 230 basis points, payable quarterly. The term loan quarterly principal installments are \$350,000 in 2024, \$525,000 in 2025, and \$700,000 in 2026 through the maturity date of December 15, 2028, with all remaining principal and interest due at maturity.

The interest rate on the term loan at December 31, 2023 and 2022 was 7.49% and 8.6%, respectively.

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The credit agreement contains various restrictive covenants which apply beginning with the fiscal quarter ending March 31, 2024. The Company was in compliance with respect to the prior debt covenants applicable as of December 31, 2022.

There was no balance outstanding on the revolving credit commitment or incremental term loans as of December 31, 2023 and 2022.

The outstanding balance of the term loan is reported on the consolidated balance sheets net of debt issuance costs of \$81,813 and \$275,443 at December 31, 2023 and 2022, respectively. These costs are being amortized to interest expense over the life of the term loan.

Principal maturities of the term debt are as follows (exclusive of payments based on adjusted cash flows):

<u>Year Ending December 31,</u>	
2024	\$ 1,400,000
2025	2,100,000
2026	2,800,000
2027	2,800,000
2028	18,900,000
Less: unamortized deferred financing costs	<u>(81,813)</u>
Total	<u>\$ 27,918,187</u>

Note 8. Member's Equity and Equity-Based Compensation

In 2020, RiseMark was authorized to issue two classes of units, Class A and Class B. An amended and restated company agreement was executed on January 31, 2021 that recapitalized the Class B units as Class A units and formed a new class of Class P units for the issuance to stakeholders as profits interests. During the year ended December 31, 2021, all of the outstanding Class B units were exchanged one-for-one for Class A units. Each Class A unit is entitled to one vote for each unit. Class P units are non-voting.

As of December 31, 2023 and 2022 there were 787.46 and 811.39 Class A units issued and outstanding.

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A summary of Class P unit activity during the years ended December 31, 2023, 2022, and 2021 is presented below:

	<u>Vested Units</u>	<u>Non-vested Units</u>	<u>Total Units</u>	<u>Weighted Average Exercise Price</u>
Issued and outstanding December 31, 2020	-	-	-	\$ -
Units granted	<u>8.56</u>	<u>25.69</u>	<u>34.25</u>	<u>12,146</u>
Issued and outstanding December 31, 2021	8.56	25.69	34.25	12,146
Units granted	3.99	11.96	15.95	26,293
Vested	2.74	(2.74)	-	12,146
Repurchased	(5.82)	-	(5.82)	12,146
Forfeited	<u>-</u>	<u>(17.46)</u>	<u>(17.46)</u>	<u>12,146</u>
Issued and outstanding December 31, 2022	9.47	17.45	26.92	20,528
Units granted	15.50	46.50	62.00	29,551
Vested	6.73	(6.73)	-	20,531
Repurchased	-	-	-	-
Forfeited	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Issued and outstanding December 31, 2023	<u>31.70</u>	<u>57.22</u>	<u>88.92</u>	<u>\$ 26,819</u>

After giving consideration to any special allocations as defined in the operating agreement, income and loss is allocated to and among members pro rata in accordance with their number of units.

Under RiseMark's operating agreement, the members have agreed to pricing formulas, redemption opportunities, and repurchase rights covering all units. The pricing formulas are based on net earnings and members' equity as reported in the Company's annual consolidated financial statements.

Prior to January 1, 2020, members holding Class B units had no redemption rights. Beginning January 1, 2020 any Class B member has the right to sell units back to RiseMark. Effective January 31, 2021, all Class A members other than a specified Class member has the right to sell units back to RiseMark. Additionally, beginning on January 1, 2023, RiseMark shall have the right to redeem all (but not less than all) of the then outstanding units of any member other than Investors Management Corporation. For purposes of put or call of units, each unit is priced based on a proxy for fair value.

All redemptions are subject to the Board's determination in its sole discretion and in good faith that the Company has sufficient cash and liquidity to support ongoing operations upon completion of the redemption or repurchase.

During the year ended December 31, 2020, the Company issued 81.39 Class A units in exchange for assigned member notes receivable totaling \$5,393,529. Interest accrues at 1.02% and is payable annually. All unpaid interest and principal are due on August 15, 2026. The accrued interest receivable is presented within the current portion of prepaid expenses on the consolidated balance sheets. As the units were issued for assigned notes receivable, the notes receivable are presented as contra-equity in the accompanying consolidated statements of members' equity. The notes are collateralized by each members' assigned interest in the Company and units.

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The Company's Class P units are awarded to employees at the discretion of the Board of Managers and vest immediately upon merger or acquisition of the Company or one fourth annually on each anniversary of the vesting commencement date. Class P units are automatically forfeited without any payment upon termination of employment for cause. Upon termination of employment with the Company for any reason other than termination for cause, the vested Class P units are retained by the holder.

Class P units are accounted for as equity awards and are measured based on the fair market value as determined at each grant date. The Company establishes the Class P unit value using the Black-Scholes model for determining fair value. The exercise price is defined as an amount specified by the Board of Managers at the time of each Class P unit issuance that shall not be less than the amount of distributions that would be distributed to the existing members, if immediately prior to the issuance of the Class P unit, all the assets of the Company were sold for their respective fair market values, the liabilities of the Company were paid in full and the remaining proceeds were distributed in accordance with the Amended and Restated LLC Agreement. Holders of Class P units will only be entitled to distributions under the Amended and Restated LLC Agreement to the extent of the taxable income, gains, or profits generated by the Company's assets and activities, or the subsequent appreciation in the assets of the Company after the grant of the Class P units.

For the years ended December 31, 2023, 2022, and 2021, equity-based compensation expense totaled \$596,196, \$138,155, and \$104,000, respectively. As of December 31, 2023, 2022, and 2021, there was \$1,617,122, \$381,155, and \$311,999, respectively, of total unrecognized compensation cost related to equity-based compensation arrangements, which is expected to be recognized over a period of three years.

The assumptions used and the calculated fair value of the equity awards at December 31, 2023, 2022, and 2021 are as follows:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Expected dividend yield	-	-	-
Risk-free interest rate	4.09%	3.18%	0.89%
Expected life in years	5	5	5
Expected volatility	26.70%	25.65%	18.66%
Weighted average calculated value of units granted	\$ 29,551	\$ 26,293	\$ 9,283

Note 9. Commitments and Contingencies

Litigation

The Company is occasionally subject to various proceedings and claims, either asserted or unasserted, which arise in the ordinary course of business. While the outcome of these claims cannot be predicted with certainty, management does not believe that the outcome of any of these matters will have a material adverse effect on the Company's financial position, results of operations or cash flows.

Note 10. Lease Obligations

The Company determines if an arrangement is an operating lease or financing lease at commencement. The Company has determined that it has no finance lease arrangements at December 31, 2023 and 2022. Lease assets and obligations are recognized at the lease commencement date based on the present value of lease payments over the term of the lease. The Company generally uses its incremental borrowing rate, which is based on information available at the lease commencement date, to determine the present value of lease payments.

RiseMark Holdings, LLC and Subsidiaries
Notes to Consolidated Financial Statements
December 31, 2023, 2022 and 2021

The Company has operating leases primarily for office space used by the Company. Operating lease expense is recognized in continuing operations by amortizing the total lease payments straight-line over the life of the lease. In determining lease asset values, the Company considers fixed and variable payment terms, prepayments, incentives, and options to extend, terminate or purchase. Renewal, termination, or purchase options affect the lease term used for determining lease asset value only if the option is reasonably certain to be exercised. The leases provide for increases in future minimum annual rental payments based on defined increases, subject to certain minimum increases. Also, the agreements generally require the Company to pay real estate taxes, insurance, and repairs.

The weighted-average remaining lease term for the Company's operating leases was 5.66 and 6.64 years as of December 31, 2023 and 2022, respectively. The weighted-average discount rate for the Company's operating leases was 4.95% and 4.84% as of December 31, 2023 and 2022, respectively.

The total operating lease cost was \$860,677, \$773,160 and \$686,778 for the years ended December 31, 2023, 2022 and 2021, respectively.

The total cash paid for leases for the year ended December 31, 2023, 2022 and 2021 was \$1,049,248, \$947,563 and \$769,463, respectively.

The following is a maturity analysis of the annual undiscounted cash flows of the operating lease liabilities as of December 31, 2023:

<u>Year Ending December 31,</u>	
2024	\$ 1,012,476
2025	952,145
2026	839,390
2027	823,034
2028	837,437
Thereafter	<u>852,092</u>
Total minimum future payments	5,316,574
Less: Imputed interest	<u>(672,276)</u>
Present value of lease liability	<u>\$ 4,644,298</u>

Note 11. Employee Benefit Plans

The Company maintains a 401(k) profit sharing plan which covers substantially all employees upon completion of one year and 1,000 hours of service and attainment of 21 years of age. The Company makes contributions to the plan matching 100% of the amount contributed by participants up to a maximum of 4% of their eligible compensation. Additional contributions may also be made at the Company's discretion. Employer contributions totaled \$176,288, \$160,574 and \$166,822 for the years ended December 31, 2023, 2022 and 2021, respectively.

The Company adopted a non-qualified defined contribution retirement plan effective January 1, 2021 designed to comply with Section 409a of the IRS code. Only employees designated by the plan trustees are eligible to participate in the plan. All participants are 100% vested in their voluntary deferral contributions. The plan provides for Company discretionary contributions. As of December 31, 2023 and 2022, the deferred compensation plan liability was \$959,778 and \$459,152, respectively.

Note 12. Subsequent Events

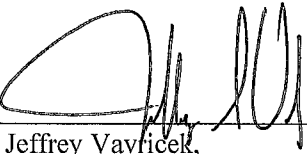
The Company evaluated the effect subsequent events would have on the consolidated financial statements through February 22, 2024, which is the date the consolidated financial statements were available to be issued.

GUARANTY OF PERFORMANCE

For value received, RiseMark Holdings, LLC, a Delaware limited liability company (the "**Guarantor**"), located at 6700 Mercy Rd. Suite 400, Omaha, NE 68106, absolutely and unconditionally guarantees to assume the duties and obligations of Right at Home, LLC, located at 6700 Mercy Rd. Suite 400, Omaha, NE 68106 (the "**Franchisor**"), under its franchise registrations and under its Franchise Agreement identified in its 2024 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisee's and amended, modified or extended from time to time. This guaranty continues until all such obligations of the Franchisor under its franchise registration and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever occurs first. The Guarantors not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guaranty is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Omaha, Nebraska on the 19 day of March, 2024.

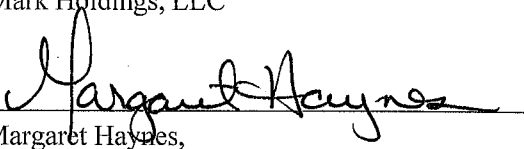
ATTEST:

By: 

Jeffrey Vavricek,
Chief Financial Officer

GUARANTOR:

RiseMark Holdings, LLC

By: 

Margaret Haynes,
President and Chief Executive Officer

**EXHIBIT E TO THE FRANCHISE DISCLOSURE DOCUMENT
MULTI-STATE ADDENDUM
TO THIS FRANCHISE DISCLOSURE DOCUMENT**

**MULTI-STATE ADDENDUM
TO THIS FRANCHISE DISCLOSURE DOCUMENT AND
FRANCHISE AGREEMENT**

ADDITIONAL STATE DISCLOSURES

If the franchise is located in or if franchisee is a resident of any of the following states, then the designated provision in the Franchise Disclosure Document ("FDD")¹ will be amended as follows:

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.

(remainder of page intentionally left blank)

¹Addenda provisions to the Franchise Disclosure Document ("FDD") also are amendments to all Exhibits attached as listed in the FDD Table of Contents and Receipt Pages.

CALIFORNIA

California Corporations Code, Section 31125 requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

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

Neither Right at Home, LLC nor any person identified in Item 2 of the Franchise Disclosure Document is subject to any currently effective order of any national securities association or nation 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.

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

1. Item 6 is supplemented by the following language to the "Late Fee": the highest interest rate allowed in California is 10% annually.
2. Item 6 is amended by the addition of the following language to the original language in note 6 ("Continuing Education"):

For franchisees with offices located in California, the State of California requires all management staff to complete every two years a harassment training course. To help franchisees keep the cost for the training down, Right at Home may purchase a set number of licenses at a discounted rate and make those licenses available to California franchisees to purchase a license for each user that is required by the state to take the training. Licenses may become available to franchisees in other states for additional types of training.

3. Item 17 is amended by the addition of the following language to the original language:

A. The following language is added as a 2nd Section before the chart/columns.

THE FRANCHISE AGREEMENT REQUIRES FRANCHISEE TO EXECUTE A GENERAL RELEASE OF CLAIMS UPON RENEWAL OR TRANSFER OF THE FRANCHISE AGREEMENT. CALIFORNIA CORPORATIONS CODE SECTION 31512 PROVIDES THAT ANY CONDITION, STIPULATION OR PROVISION PURPORTING TO BIND ANY PERSON ACQUIRING ANY FRANCHISE TO WAIVE COMPLIANCE WITH ANY PROVISION OF THAT LAW OR ANY RULE OR ORDER THEREUNDER IS VOID.

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

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

D. The Franchise Agreement contains a covenant not to compete which extends beyond the transfer or termination of the franchise. This provision may not be enforceable under California law.

E. The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

F. The Franchise Agreement requires arbitration. Any proceedings will be conducted at the AAA's Omaha, Nebraska office with the costs being borne by each party. Prospective franchisees are encouraged to consult with private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

G. The Franchise Agreement requires application of the laws of Nebraska. This provision may not be enforceable under California law.

H. You must sign a general release if you renew or transfer your franchise. California Corporations Code § 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§ 31000 through 31516). Business and Professions Code §§ 20000 through 20043).

4. Item 19 is amended by the addition of the following language to the original language under the "CAUTION" section:

The financial performance claims figures (i.e., Net Billings) 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 franchise business. Franchisees or form franchisees, listed in the disclosure document, may be one source of this information.

5. The RECEIPT Pages ("LAST PAGE"), are amended to add the following language:

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA. SUCH REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF THE DEPARTMENT OF BUSINESS OVERSIGHT NOR A

FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

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

6. The Franchise Disclosure Document is amended to add the following language: "Franchisee cannot provide specialized nursing services or other in-home medical care in California."

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 HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

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

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

The following list reflects the status of the franchise registrations of the Franchisor in the states which require registration:

1. This proposed registration is effective in the following states:

California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin

2. This proposed registration is or will shortly be on file in the following states:

None

3. States which have refused, by order or otherwise, to register these franchises are:

None

4. States which have revoked or suspended the right to offer the franchises are:

None

5. States in which the proposed registration of these franchises has been withdrawn are:

None

ILLINOIS ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT

The Franchise Disclosure Document is amended as follows:

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

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

Your rights upon termination and non-renewal of a Franchise Agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

The RECEIPT Pages ("LAST PAGE"), is amended as follows:

IF RIGHT AT HOME, LLC OFFERS YOU A FRANCHISE, RIGHT AT HOME, LLC MUST PROVIDE THIS FRANCHISE DISCLOSURE DOCUMENT TO YOU BY THE EARLIEST OF:

- (1) THE FIRST PERSONAL MEETING TO DISCUSS OUR FRANCHISE; OR
- (2) FOURTEEN CALENDAR DAYS BEFORE THE SIGNING OF A BINDING AGREEMENT; OR
- (3) FOURTEEN CALENDAR DAYS BEFORE A PAYMENT TO RIGHT AT HOME, LLC.

INDIANA

1. The first sentence of the first Risk Factor is amended to read as follows: "INDIANA LAW IS CONTROLLING FOR INDIANA FRANCHISEES."
2. Item 3 is amended by the addition of the following language to the original language that appears: "Company is not involved in any pending arbitration and has not, during the ten (10) year period before the date of this Franchise Disclosure Document, been a party to any arbitration proceeding."
3. Item 5 is amended by the addition of the following language to the original language that appears: "Indiana law prohibits franchisors from requiring their franchisees to prospectively agree to a release, assignment, novation, waiver or estoppel that attempts to relieve any person from liability."
4. Item 6 ("indemnification" reference) is amended by the addition of the following language to the original language as follows: "(Indiana Code 23-2-2.7-1 [5] prohibits this provision)"
5. Item 8 is amended by the addition of the following language to the original language that appears: "Company retaining any rebates, commissions or other consideration paid by suppliers will not apply to any Indiana franchisee as stated in Indiana Code, Title 23, Article 2, Chapter 2.7-1 (4)."
6. Item 14 is amended by the addition of the following language to the original language that appears: "If there is an alleged breach of Section 15, Company may be entitled to seek immediate equitable remedies, including, restraining orders and injunctive relief to safeguard the proprietary and confidential information."
7. Item 17(c) is amended by the addition of the following language to the original language that appears: "(Indiana Code Title 23-2-2.7-(5) prohibits this provision)"
8. Item 17(m) is amended by the addition of the following language to the original language that appears: "(Indiana Code Title 23-2-2.7-(5) prohibits this provision)"
9. Item 17(t) is amended by the addition of the following language to the original language that appears: "(subject to Indiana law)"
10. Item 17(v) is amended by the addition of the following language to the original language that appears: "(Indiana Code Title 23-2-2.7-1 (10) prohibits this provision)"
11. Item 17(w) is amended by the addition of the following language to the original language that appears: "(subject to Indiana law)"
12. Item 17 is further amended by the addition of the following language to the original language that appears:

Indiana law prohibits franchisors from requiring their franchisees to prospectively agree to a release, assignment, novation, waiver or estoppel that attempts to relieve any person from liability.

Company will not permit a franchise to sell or renew without good cause or in bad faith. However, Indiana law does not prohibit a Franchise Agreement from providing that the agreement is not renewable on expiration or that the agreement is renewable if you meet certain conditions specified in the agreement.

Unilateral termination of the franchise is not permitted under Indiana law if the termination is without good cause or in bad faith. Good cause within the meaning of Indiana law includes any material violation of the Franchise Agreement.

Franchisee will not be required to indemnify Franchisor for any liability imposed upon Franchisor as a result of Franchisee's reliance upon or use of procedures or products which were required by Franchisor, if such procedures or products were utilized by Franchisee in the manner required by Franchisor.

You are not responsible for tortious claims from the Company's gross negligence or willful misconduct in the making of or causing of the changes necessary in the Company's protection of its Marks.

Indiana prohibits covenants not to compete in an area greater than the Area of Primary Responsibility; therefore, you agree to abide by the covenants not to compete terms within the Designated Area as defined in this Franchise Agreement.

If there is an alleged breach of Sections ~~6~~13 or ~~7~~14 of the Franchise Agreement, Company may be entitled to seek immediate equitable remedies, including; restraining orders and injunctive relief to safeguard the proprietary and confidential information.

Indiana prohibits the limitation of litigation brought for breach of the Franchise Agreement in any matter. Any terms; which designate jurisdiction or venue or require you to agree to jurisdiction or venue in a forum outside of Indiana is void concerning any cause of action, which is otherwise enforceable in Indiana. The Franchise Agreement and all related agreements will be interpreted and construed under the Indiana Franchise Laws, except to the extent governed by the United States Trademark Act of 1946.

If there is an alleged breach of Section ~~15~~, 14, the Company may be entitled to seek immediate equitable remedies, including; restraining orders and injunctive relief to safeguard the proprietary and confidential information.

Despite anything to the contrary in this provision, the franchisee does not waive any right under the Indiana statutes with regard to prior representations made in the Indiana Uniform Franchise Offering Circular.

**ADDENDUM
TO THE FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF MARYLAND**

This Addendum pertains to franchises sold in the State of Maryland, residents of the State of Maryland, and franchises to be located in the State of Maryland, regardless of the franchisee's residency, and is for the purpose of complying with Maryland statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of any liability are not intended to nor shall they act as a release, estoppels or waiver of any liability incurred under the Maryland Franchise Disclosure Law.
2. A franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Franchise Registration and Disclosure Law.
3. 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.
4. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years from the date of the grant of the Franchised Business."
5. The Franchisee Disclosure Questionnaire, is amended to state: "All representations requiring prospective franchisees to assent to a release, estoppel or waiver of any liability are not intended to nor shall they act as a release, estoppels or waiver of any liability incurred under the Maryland Franchise Disclosure Law."

MICHIGAN

The following disclosures are required by the State of Michigan:

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

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

A. A prohibition on the right of a franchisee to join an association of franchisees.

B. A requirement that a franchisee assent to a release, assignment, novation, waiver or estoppel which deprives a franchisee of rights and protections provided in this act. This will 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 this term except for good cause. Good cause includes the failure of the franchisee to comply with any lawful provision of the Franchise Agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

D. A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years, and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

E. A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

F. A provision requiring that arbitration or litigation be conducted outside this state. This will not preclude the franchisee from entering into an agreement, at the time of arbitration or litigation, to conduct arbitration or litigation 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. The subdivision does not prevent a

franchisor from exercising a right of first refusal to purchase the franchise. Good cause includes, but is not limited to:

- 1) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
- 2) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
- 3) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- 4) 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 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 a provision has been made for providing the required contractual services.

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

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

Any questions regarding this notice should be directed to:

State of Michigan
Consumer Protection Division
Antitrust and Franchising Unit
Michigan Department of Attorney General
670 Law Building
Lansing, MI 48913
(517) 373-7117

~~[Remainder of this page intentionally left blank]~~

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MINNESOTA

1. Risk Factors: The second Risk Factor is amended by the addition of the following language at the end thereof:

MINNESOTA STATUTE SECTION 80C.21 AND MINNESOTA RULE PART 2860.4400J PROHIBIT FRANCHISOR FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA. IN ADDITION, NOTHING IN THE FRANCHISE DISCLOSURE DOCUMENT OR AGREEMENTS CAN ABROGATE OR REDUCE ANY OF YOUR RIGHTS AS PROVIDED FOR IN MINNESOTA STATUTES, CHAPTER 80C, OR YOUR RIGHTS TO ANY PROCEDURE, FORUM OR REMEDY PROVIDED FOR BY THE LAWS OF THE JURISDICTION.

2. The following Section is added at the end of Item 12:

"The minimum requirements are not a financial performance representation."

3. The following Sections are added at the end of Item 13:

The Minnesota Department of Commerce requires that the Company indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of the Company's trademark infringes trademark rights of the third party. The Company does not indemnify against the consequences of the franchisee's use of the Company's trademark except in accordance with the requirements of the franchise, and, as a condition to indemnification, the franchisee must provide notice to the Company of any claim within ten (10) days and tender the defense of the claim to the Company. If the Company accepts the tender of defense, the Company has the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

By not having a Principal Register Federal Registration for either "Right at Home" or "RAH Staffing Services", Company does not have certain presumptive legal rights granted by a registration.

4. The first sentence of the "Summary" section of Item 17(c) entitled Requirements for you to Renew or Extend is deleted in its entirety and the following is substituted in its place:

You must have complied, and continue to comply, with all provisions of all agreements and must execute our then-current form of Franchise Agreement and sign general releases of all claims against us, provided however, that such general releases will not apply to any claims arising under the Minnesota Franchise Law.

5. All franchise contracts or agreements, and any other device or practice of a Company other than those classifications of franchises specifically recognized by the Commissioner will conform to the following provisions. It is an unfair and inequitable practice for any Company to:

A. Terminate or cancel a franchise without first giving written notice setting forth all the reasons for the termination or cancellation to the franchisee at least ninety (90) days in advance of termination or cancellation, and the franchisee fails to correct the reasons stated for termination or cancellation in the notice within sixty (60) days of receipt of the notice. However, the notice will be effective immediately upon receipt where the alleged grounds for termination or cancellation are:

(i) Voluntary abandonment of the franchise relationship by the franchisee;

(ii) The conviction of the franchisee of an offense directly related to the business conducted pursuant to the franchise; or

(iii) Failure to cure a default under the Franchise Agreement which materially impairs the goodwill associated with the Company's trade name, trademark, service mark, logotype or other commercial symbol after the franchisee has received written notice to cure at least twenty-four (24) hours in advance thereof;

B. Terminate or cancel a franchise except for good cause. "Good cause" means failure by the franchisee to substantially comply with the material and reasonable franchise requirements imposed upon him by the Company including, but not limited to:

(i) The bankruptcy or insolvency of the franchisee;

(ii) Assignment for the benefit of creditors or similar disposition of the assets of the franchised business;

(iii) Voluntary abandonment of the franchised business;

(iv) Conviction or a plea of guilty or no contest to a charge of violating any law relating to the franchised business; or

(v) Any act by or conduct of the franchisee which materially impairs the goodwill associated with the Company's trademark, trade name, service mark, logotype or other commercial symbol; or

C. Except for failure to renew a franchise for good cause as defined in Section 2 above, and the franchisee has failed to correct reasons for termination as stated in Section 1 above, no person may fail to renew a franchise unless:

(i) The franchisee has been given written notice of the intention not to renew at least one hundred eighty (180) days in advance of the expiration of the franchise; and

(ii) The franchisee has been given an opportunity to operate the franchise over a sufficient period of time to enable the franchisee to recover the fair market value of the franchise as a growing

concern, as determined and measured from the date of the failure to renew. No Company may refuse to renew a franchise if the refusal is for the purpose of converting the franchisee's business premises to an operation that will be owned by the Company for its own account.

D. Unreasonably withhold consent to an assignment, transfer, or sale of the franchise whenever the franchisee to be substituted meets the present qualifications and standards required of the franchisees of the particular Company.

6. Requirements for you to renew or extend: "Minnesota Rules, 1989, Department of Commerce, Chapter 2860, Section 4400D prohibits a Company from requiring a Franchisee to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statutes 1973 Supplement, section 80C.01 to 80C.22; provided, that this part will not bar the voluntary settlement of disputes."

7. Minn. Rule 2860.4400J. states that it is unfair and inequitable for a franchisor to require a franchisee to waive his rights to any forum provided for by the laws of jurisdiction. Any language found in the Franchise Disclosure Document contrary to this rule is amended so that it does not apply to Minnesota franchisees.

8. Franchisee cannot consent to the Franchisor obtaining injunctive relief. Franchisor may seek injunctive relief.

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 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 to be added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order

relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "Termination by franchisee": You may terminate the agreement on any grounds available by law.

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

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

NORTH DAKOTA

1. Item 5 is amended by the addition of the following language to the original language:

Refund and cancellation provisions will be inapplicable to franchises operating under the North Dakota Franchise Investment Law. If Company elects to cancel this Agreement, Company will be entitled to a reasonable fee for its evaluation of you and related preparatory work performed and expenses actually incurred.

2. Item 17 of the Franchise Disclosure Document and corresponding Sections of the Franchise Agreement are amended by the addition of the following language to the original language or deleted as indicated:

A. Requirements for you to renew or extend" (Item 17(c) of the Franchise Disclosure Document, Sections 2.2 and 2.3 of the Franchise Agreement). "The execution of a general release upon renewal, assignment or termination will be inapplicable to franchises operating under the North Dakota Franchise Investment Law.

B. Your obligations on termination/non-renewal" (Item 17(i)) and Section 17.8 of the Franchise Agreement) are amended to delete any reference to a North Dakota franchisee consenting to liquidated damages.

C. Your obligations on termination/non-renewal" (Item 17(i) and Section ~~17~~19 of the Franchise Agreement) are amended to read: "the prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorney fees."

D. Covenants not to compete upon termination or expiration of the Franchise Agreement is generally unenforceable in the State of North Dakota except in limited instances as provided by law.

E. Item 17(u) of the franchise disclosure document and Section ~~29~~20 of the Franchise Agreement 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. The site of arbitration or mediation must be agreeable to all parties.

F. Choice of Forum" (Item 17(v) of the Franchise Disclosure Document, Section ~~28~~20.3 of the Franchise Agreement) is amended with the following language: "Any action will be brought in the appropriate state of federal court in North Dakota."

G. The "Choice of Law" (Item 17(w) of the Franchise Disclosure Document, Section ~~28~~20.2 of the Franchise Agreement) is amended to read as follows: "This Agreement takes effect upon its acceptance and execution by Company in North Dakota."

~~H. Item 17(u) of the franchise disclosure document and Section 29 of the Franchise Agreement 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. The site of arbitration or mediation must be agreeable to all parties.~~

~~H.~~ Section 33.7 of the Franchise Agreement 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.

~~I.~~ Item 17 of the franchise disclosure document, Sections ~~34.1~~20 of the Franchise Agreement requiring the franchisee 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.

RHODE ISLAND

1. The "Renewal, Termination, and Dispute Resolution" (Item 17) is amended by the addition of the following language to the original language:

§19-28.1-14 of the Rhode Island Franchise Investment Act provides that [A provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.]

2. Item 17(v) is amended as follows: "This Section is invalid under Rhode Island General Law Section (19.28.1-4~~4~~²)."

3. Item 17(w) is amended as follows: "This Section is invalid under Rhode Island General Law Section (19-28.1-14~~4~~²)."

SOUTH DAKOTA

1. Item 5 is amended by the addition of the following language to the original language that appears therein:

Liquidated damages provisions will be inapplicable to franchises operating under the laws of South Dakota." If Franchisor seeks to terminate the contract after Franchisee has submitted two acceptable sites, franchisee will be required to pay Franchisor for its actual expenses in site evaluation and selection activities.

2. The "Summary" section of Item 17(g) entitled "Cause" Defined - Defaults Which Can Be Cured, is deleted in its entirety and the following is substituted in its place: "If you fail to pay any amounts due to us or our affiliates and do not cure the breach within 30 days' notice from us, you have 30 days to cure any other default (except those defaults listed in (h))."

3. The "Summary" section of Item 17(r) of the Franchise Disclosure Document chart entitled Non-Competition Covenants and Section ~~15.4~~14.2 of the Franchise Agreement is amended as follows: "Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of South Dakota."

4. The "Summary" sections of Items 17(v) and 17(w) entitled Choice of Forum and Choice of Law, respectively, are amended by the addition of the following language:

Any provision in the Franchise Agreement restricting jurisdiction or venue to a forum outside of South Dakota or requiring the application of the laws of any other state is void with respect to a claim otherwise enforceable under the South Dakota Franchise Act.

Pursuant to SDCL 37-5B-21, any condition, stipulation or provision requiring a franchisee to waive compliance with or relieving a person of a duty or liability imposed by or a right provided by this chapter or a rule or order under this chapter is void.

VIRGINIA

The Franchise Disclosure Document is amended as follows:

1. ~~Pursuant~~ Pursuant to the Virginia Retail Franchising Act ("VRFA"), the FTC cover page is modified by adding the words "or grant" at the end of the third sentence in the third Section so it reads as follows:

~~You~~ You must receive this disclosure document at least fourteen (14) calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale or grant.

2. Item 8 is amended by the addition of the following language:

~~A.~~ A. "Company provides no material benefits to you based on your use of designated or required suppliers unless otherwise stated."

~~B.~~ B. "Rebates will be divided among System franchisees and Company and Affiliate-owned stores on a pro-rata basis linked to the amount of purchases made."

3. Item 17 is amended by striking the first Section and replacing it with the following language:

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

4. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Right at Home for use in the Commonwealth of Virginia is amended as follows:

Item 17(h) is amended by the addition of the following language:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement does not constitute "reasonable cause", as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

5. Item 19 is amended by striking the last Section and replacing it with the following language:

Other than the preceding financial performance representation, Right at Home, 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 Margaret Haynes, Right at Home, LLC, 6700 Mercy Road, Suite 400, Omaha, Nebraska 68106 (402) 697-7537, the Federal Trade Commission, and the appropriate State regulatory agencies.

6. ~~Pursuant~~Pursuant to the VRFA, the Item 23 Receipts at Exhibit L are modified by adding the word "calendar" between the words "14" and "days" and the words "or grant" at the end of the second Section so each reads as follows:

~~If~~If Right at Home, LLC offers you a franchise, Right at Home, LLC must provide the Franchise Disclosure Document to you 14 calendar days (commencing the day after delivery of this Franchise Disclosure Document) before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale or grant.

WASHINGTON

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 ~~will~~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, 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.

Item 5 is amended to disclose the following: Persons who receive financial incentives to refer franchise prospects to us may be required to register as franchise brokers under the laws of some states.

On February 18, 2020, Franchisor entered into an Assurance of Discontinuance ("AOD") with the State of Washington pursuant to which Franchisor agreed not to include

or enforce a provision in the Franchise Agreement that prevents Franchisee from employing or seeking to employ any person employed by any other Franchisee.

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.

WISCONSIN

The State of Wisconsin has not reviewed and does not endorse, approve, recommend, or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

EXHIBIT F TO THE FRANCHISE DISCLOSURE DOCUMENT

LIST OF RIGHT AT HOME CURRENT FRANCHISEES

LIST OF RIGHT AT HOME CURRENT FRANCHISEES

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Beau Green, ~~Rachel~~ ~~Green~~ Bradford Meythalyer	1300	1446 Montgomery Hwy	STE B	Birmingham	Alabama	35216	(205) 460-1062
Beau Green, ~~Rachel~~ ~~Green~~ Bradford Meythalyer	1356 - NR	9 Office Park Cir	STE 210	Birmingham	Alabama	35223	(205) 874-9414
Beau Green, ~~Rachel~~ ~~Green~~ Bradford Meythalyer	1357	240-C Johnson St SE		Decatur	Alabama	35602	(256) 260-0911
Beau Green, ~~Rachel~~ ~~Green~~ Bradford Meythalyer	1358 - NR	2045 Cecil Ashburn Dr	STE 100	Huntsville	Alabama	35802	(256) 585-3140
Beau Green, Bradford Meythalyer	1199	7121 Halcyon Park Dr		Montgomery	Alabama	36117	(334) 517-1045
Beau Green, ~~Rachel~~ ~~Green~~ Bradford Meythalyer	1636 - NR	320 Hargrove Road East		Tuscaloosa	Alabama	35401	(659) 734-0660
Beau Green, Bradford Meythalyer	<u>1534</u>	<u>6420 Hillcrest Park Ct</u>	<u>Suite A</u>	<u>Mobile</u>	<u>Alabama</u>	<u>36695</u>	<u>(251) 459-8671</u>
Becky Leuer, Mark Leuer	1187	17035 N 67th Ave	STE 11	Glendale	Arizona	85308	(480) 632-1100
Leo Brennan, Sandra Perez	1097	13851 W Lamar Blvd	STE E-101	Goodyear	Arizona	85338	(623) 547-0700
Leo Brennan, Sandra Perez	1201 - NR	13851 W Lamar Blvd	STE E-101	Goodyear	Arizona	85338	(623) 547-0700
Adam Bliss, Kola Bliss	1430 - NR	210 W Continental Rd	STE 224	Green Valley	Arizona	85622	(520) 777-4175
Becky Leuer, Mark Leuer	1188	832 W Baseline Rd	STE 16	Mesa	Arizona	85210	(480) 632-1100
Becky Leuer, Mark Leuer	1252 - NR	832 W Baseline Rd	STE 16	Mesa	Arizona	85210	(480) 632-1100
Sunir Kochhar, Karen Kochhar	1396	12480 N Rancho Vistoso Blvd	STE 110	Oro Valley	Arizona	85755	(520) 268-8608
Sunir Kochhar, Karen Kochhar	1397 - NR	12480 N Rancho Vistoso Blvd	STE 110	Oro Valley	Arizona	85755	(520) 268-8608

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Chris Slagle, Lynnette Slagle	1622	2929 N 44TH ST	STE 340	Phoenix	Arizona	85018	(602) 800-6758
Chris Slagle, Lynnette Slagle	1673 - NR	2929 N 44TH ST	STE 340	Phoenix	Arizona	85018	(602) 800-6758
Jaime Koger	1494	14040 N Cave Creek Rd	STE 209	Scottsdale	Arizona	85022	(602) 493-0085
Adam Bliss, Kola Bliss	1429	7371 E Tanque Verde Rd		Tucson	Arizona	85715	(520) 777-4175
Adam Bliss, Kola Bliss	1645 - NR	174 S Coronado Dr	Ste B	Sierra Vista	Arizona	85635	(520) 499-2495
Brent & Andrea Morgan	1684	4902 S Val Vista Dr	Ste 110	Gilbert	Arizona	85298	(480) 900-9077
Kyle & Rebecca McCarthy	1370	3190 Bella Vista Way		Bella Vista	Arkansas	72714	(479) 855-6000
Kyle & Rebecca McCarthy	1404 - NR	3190 Bella Vista Way		Bella Vista	Arkansas	72714	(479) 855-6000
Larry Heihn	1414	3903 Hwy 7 N	STE A	Hot Springs Village	Arkansas	71909	(501) 321-4962
Michael Miller, Lauren Miller	1452 - NR	16607 Cantrell Rd	STE 6	Little Rock	Arkansas	72223	(501) 673-3167
Michael Miller, Lauren Miller	1607	16607 Cantrell Rd	STE 6	Little Rock	Arkansas	72223	(501) 673-3167
David Bullard, Kamala Bullard	1368	9057 A Soquel Dr	STE D	Aptos	California	95003	(831) 662-0400
David Bullard, Kamala Bullard	1498 - NR	9057 A Soquel Dr	STE D	Aptos	California	95003	(831) 662-0400
Larry Anthony	1314 - NR	499 N Canon Dr	Ste 404	Beverly Hills	California	90210	(310) 694-5002
Calvin Forbes, Sho Akao	1174	224 E Olive Ave	STE 304	Burbank	California	91502	(818) 956-5905
Calvin Forbes, Sho Akao	1315 - NR	224 E Olive Ave	STE 304	Burbank	California	91502	(818) 956-5905
Dan Bishop	1542	433 Airport Blvd	STE 109	Burlingame	California	94010	(650) 373-2101
Phil Chandler	1347	4476 Market St	STE 604	Ventura	California	93003	(805) 389-5320
Ronke Iselen, Lucky Islen	1011	3137 Castro Valley Blvd	STE 201	Castro Valley	California	94546	(510) 690-9612

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Renee Concialdi, Joe Concialdi	1189 - NR	328 E San Bernardino Rd		Covina	California	91723	(626) 584-8131
Vernon Atwood	1402 - NR	5252 Orange Ave	STE 209	Cypress	California	90630	(562) 653-4480
Vernon Atwood	1401	5252 Orange Ave	STE 209	Cypress	California	90630	(714) 249-4843
Melanie Delgado	1629	525 W Bradley Ave		El Cajon	California	92020-1211	(619) 937-2330
Melanie Delgado	1670 - NR	525 W Bradley Ave		El Cajon	California	92020-1211	(619) 937-2330
Pat James, Greg James	1321	17155 Newhope St	STE 0	Fountain Valley	California	92708	(714) 485-4120
Pat James, Greg James	1322 - NR	17155 Newhope St	STE 0	Fountain Valley	California	92708	(714) 485-4120
Suraj Kairamkonda	1078	5550 N Palm Ave		Fresno	California	93704	(559) 228-8918
Suk Ahn, Sam Kim	1540	16388 Colima Rd	STE 109	Hacienda Heights	California	91745	(626) 961-0500
Suk Ahn, Sam Kim	1541 - NR	16388 Colima Rd	STE 109	Hacienda Heights	California	91745	(626) 961-0500
George Dzimiri	1483	1119 S State St		Hemet	California	92543	(951) 291-9881
Vernon Atwood	1298 - NR	15061 Springdale St	STE 203	Huntington Beach	California	92649	(562) 653-4480
~~Ryan Curnow, Chad Dollarhide~~ Frank Billante	1087	23421 S Pointe Dr	STE 150	Laguna Hills	California	92653	(949) 215-5151
Frank Billante ~~Ryan Curnow, Chad Dollarhide~~	1305 - NR	23421 S Pointe Dr	STE 150	Laguna Hills	California	92653	(949) 215-5151
Larry Anthony	1377	10780 Santa Monica Blvd	STE 345	Los Angeles	California	90025	(310) 694-5001
Rick Carson, Diane Carson	1211	611 Scenic Dr		Modesto	California	95350	(209) 579-9445
~~Carol Brohmer, Robert Brohmer~~ Arun Shekar and Renee Hood	1353 - NR	~~3369 Beard Rd~~ 1221 Farmers Ln	Ste A	~~Napa~~ Santa Rosa	California	~~94558~~ 95405	(707) ~~492-3396~~ 843-5192
Joshua Greenberg	1258	9198 Greenback Ln	STE 108	Orangevale	California	95662	(916) 673-9081
Frank Billante	1200	74040 Hwy 111	STE J	Palm Desert	California	92260	(760) 340-1919

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Renee Concialdi, Joe Concialdi	1156	1250 E Walnut St	STE 220	Pasadena	California	91106	(626) 584-8130
Renee Concialdi, Joe Concialdi	1589 - NR	1250 E Walnut St	STE 220	Pasadena	California	91106	(626) 584-8130
Martin Murallon, Nila Murallon	1288	2865 Sunrise Blvd	STE 102	Rancho Cordova	California	95742	(916) 302-4243
Martin Murallon, Nila Murallon	1286 - NR	2865 Sunrise Blvd	STE 102	Rancho Cordova	California	95742	(916) 302-4243
Andy Cohen	1247	7365 Carnelian St	STE 213	Rancho Cucamonga	California	91730	(909) 466-5472
Andy Cohen	1406 - NR	10134 6th St	STE J	Rancho Cucamonga	California	91730	(909) 466-5472
Gulraj Shahpuri	1319	483 Seaport Crt	STE 104	Redwood City	California	94063	(650) 361-1265
Gulraj Shahpuri	1320 - NR	483 Seaport Crt	STE 104	Redwood City	California	94063	(650) 361-1265
Martin Murallon, Nila Murallon	1316 - NR	4065 Southampton St		Roseville	California	95747	(916) 302-4243
Dan Parker, Jill Parker	1183	3840 Rosin Ct	STE 170	Sacramento	California	95834	(916) 779-0601
Dan Parker, Jill Parker	1332 - NR	3840 Rosin Ct	STE 170	Sacramento	California	95834	(916) 779-0601
Cal Forbes, Sho Akao	1133	8369 Vickers St	STE 203	San Diego	California	92111	(858) 277-5900
Cal Forbes, Sho Akao	1132 - NR	8369 Vickers St	STE 203	San Diego	California	92111	(858) 277-5900
Cal Forbes, Sho Akao	1278 - NR	8369 Vickers St	STE 203	San Diego	California	92111	(858) 277-5900
Cal Forbes, Sho Akao	1331 - NR	8369 Vickers St	STE 203	San Diego	California	92111	(858) 277-5900
Riaz Danekari	1478	901 Campisi Way	Suite 180	Campbell	California	95008	(408) 982-3388
Lorette Oliver	1601 - NR	310 Via Vera Cruz	STE 207	San Marcos	California	92708	(760) 752-2888
Jessica Price, Joe Price	1344	121 Paul Dr	STE A2	San Rafael	California	94903	(415) 233-7855
Dan Boyle	1157	250 N Golden Circle Dr	STE 205	Santa Ana	California	92705	(714) 730-2647
Dan Boyle	1217 - NR	250 N Golden Circle Dr	STE 205	Santa Ana	California	92705	(714) 730-2647
Dan Boyle	1426 - NR	250 N Golden Circle Dr	STE 205	Santa Ana	California	92705	(714) 730-2647
Tina Kreider, Larry Kreider	1270	226 E Canon Perdido St	STE B	Santa Barbara	California	93101	(805) 962-0555

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Tim Petlin	1291	1750 14th St	Unit A	Santa Monica	California	90404	(310) 313-0600
Tim Petlin	1375 - NR	1750 14th St	Unit A	Santa Monica	California	90404	(310) 313-0600
~~Tim Petlin~~ Carol Brohmer, Robert Brohmer Arun Shekar and Renee Hood	~~1376 - NR~~	~~1750 14th St~~	~~Unit A~~	~~Santa Monica~~	~~California~~	~~90404~~	~~(310) 313-0600~~
	1262	1221 Farmers Ln	Ste A	Santa Rosa	California	95405	(707) ~~492-3396~~ 843-5192
Larry Anthony	1378 - NR	5121 Van Nuys Blvd	STE 204	Sherman Oaks	California	91403	(818) 235-1400
Lorette Oliver	1289	29379 Rancho California Rd	STE 206	Temecula	California	92591	(951) 506-9628
Terry Jeffers, Lisa Jeffers	1196	12189 7th St	STE 6	Yucaipa	California	92399	(909) 795-8838
Victoria Kharitonova and Riaz Danekari	1657	901 Campisi Way	Suite 180	Campbell	California	95008	(669) 295-2600
Larry Anthony	1678 - NR	10780 Santa Monica Blvd	STE 345	Los Angeles	California	90025	(310) 694-5001
Harpreet Kaur	1692	1451 Rimpau Ave	Suite 202	Corona	California	92879	951-621-1700
Jason DiPietro	1631	4810 Riverbend Rd	Ste A	Boulder	Colorado	80301	(303) 313-3073
Jason DiPietro	1632-NR	4810 Riverbend Rd	Ste A	Boulder	Colorado	80301	(303) 313-3073
Chuck Gallegos	1080	6855 S Havana St	STE 620	Centennial	Colorado	80112	(720) 875-1800
Chuck Gallegos	1207 - NR	6855 S Havana St	STE 620	Centennial	Colorado	80112	(720) 875-1800
Patrick McCann, Patti Walter	1138	330 E Mulberry St	STE 1900	Fort Collins	Colorado	80524	(970) 494-1111
Meshelle McKendry, David McKendry	1592	~~2493 Hwy 6 and 50~~ Crossroads Blvd	~~Unit 13~~ STE 3	Grand Junction	Colorado	~~81505-1124~~ 81506	(970) 697-1331
Meshelle McKendry, David McKendry	1642 - NR	~~301 W Main~~ 214 8th St	Ste ~~205~~ 215	~~Friseo~~ Glenwood Springs	Colorado	~~80443~~ 81601	(970) ~~455-8762~~ 456-4610
Lisa Randall, Tim Randall	1334 - NR	100 Mill Plain Rd	3rd Floor	Danbury	Connecticut	06468	(203) 300-5954
DeMarcus (Marc) Brooks	1264	7 Tokeneke Rd		Darien	Connecticut	06820	(203) 202-9488
Tracy Weiss	1394 - NR	900 Straits Tpke		Middlebury	Connecticut	06762	(203) 269-4400

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Susan Malafronte	1337	200 Bridgeport Ave		Milford	Connecticut	06460	(203) 713-8855
Susan Malafronte	1338 - NR	200 Bridgeport Ave		Milford	Connecticut	06460	(203) 713-8855
Lisa Randall, Tim Randall	1273	518 Monroe Tpke	2nd Floor	Monroe	Connecticut	06468	(203) 261-5777
Dave Harrison	1604	49 Sherwood Ter		Old Saybrook	Connecticut	06475	(860) 339-5299
Dave Harrison	1624-NR	823 Boston Post Rd	STE 2D	Old Saybrook	Connecticut	06475	(860) 339-5299
Tracy Weiss	1393	7 Wallace Row		Wallingford	Connecticut	06492	(203) 269-4400
Lisa Randall, Tim Randall	1553 - NR	8 Wright St	1st Floor	Westport	Connecticut	06880	(203) 293-5780
Bob Scandura	1106	30 Jordan Ln	3rd Floor	Wethersfield	Connecticut	06109	(860) 436-9757
Bob Scandura	1129 - NR	30 Jordan Ln	3rd Floor	Wethersfield	Connecticut	06109	(860) 436-9757
~~Alison Bakey, Joe Bakey~~ Rebecca Gilbert-Johnson	~~1122~~ 1682	~~1500 N French St~~ 630 Tolland Stage Rd		~~Wilmington~~ Toll and	~~Delaware~~ Connecticut	~~19801~~ 06084	~~(610) 566-6650~~ (860) 871-7117
Mohamed Sharif, Ayni Sharif	1094	1818 New York Ave NE	STE 219	Washington	District of Columbia	20002	(202) 269-0008
Danielle Dyer	1038	27657 Old 41 Rd		Bonita Springs	Florida	34135	(239) 949-1070
Danielle Dyer	1269 - NR	27657 Old 41 Rd		Bonita Springs	Florida	34135	(239) 949-1070
Jeramie Snelling	1379 - NR	548 48th St Ct E		Bradenton	Florida	34208	(941) 357-1959
Jeramie Snelling	1510 - NR	548 48th St Ct E		Bradenton	Florida	34208	(941) 357-1959
Jeramie Snelling	1451 - NR	548 48th St Ct E		Bradenton	Florida	34208	(941) 357-1959
Jeramie Snelling	1459 - NR	548 48th St Ct E		Bradenton	Florida	34208	(941) 357-1959
Jeramie Snelling	1481 - NR	548 48th St Ct E		Bradenton	Florida	34208	(941) 357-1959
Jeramie Snelling	1616 - NR	548 48th St Ct E		Bradenton	Florida	34208	(941) 357-1959
Bruce Gropper	1634 - NR	200 Knuth Road	Ste 150E	Boynton Beach	Florida	33436	(561) 774-8080
Jeramie Snelling	1290	304 S Belcher Rd	STE A	Clearwater	Florida	33765	(727) 400-4700
Glenn Fechtenburg, Emily Fechtenburg	1615 - NR	792 E Montrose St		Clermont	Florida	34711	(352) 835-0101
Suresh Chugani	1500	1249 Stirling Rd	STE 14	Dania Beach	Florida	33004	(954) 589-0035
Suresh Chugani	1671 - NR	1249 Stirling Rd	STE 14	Dania Beach	Florida	33004	(954) 589-0035

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Grace Nguyen, Peter Nguyen	1537	10 Fairway Dr	STE 105	Deerfield Beach	Florida	33441	(561) 910-1843
Grace Nguyen, Peter Nguyen	1538	10 Fairway Dr	STE 105	Deerfield Beach	Florida	33441	(561) 910-1843
Rosalei Olazar	1612	233 N Amelia Ave		Deland	Florida	32724	(386) 279-0493
Grace Nguyen, Peter Nguyen	1591 - NR	7000 W Atlantic Ave		Delray Beach	Florida	33446	(561) 910-1843
Bruce Gropper	1633 - NR	1615 S Congress Ave	STE 103	Delray Beach	Florida	33445	(561) 214-4499
Heidi Nyvoll, Arnt Nyvoll	1578	2960 S McCall Rd	STE 205	Englewood	Florida	34224	(941) 999-2609
Heidi Nyvoll, Arnt Nyvoll	1579 - NR	2960 S McCall Rd	STE 205	Englewood	Florida	34224	(941) 999-2609
Reid Grier	1586	10175 Fortune Pky	STE 202	Jacksonville	Florida	32256	(904) 201-3566
Reid Grier	1587 - NR	10175 Fortune Pky	STE 202	Jacksonville	Florida	32256	(904) 201-3566
Bruce Gropper	1550	8461 Lake Worth Rd	STE 1-250	Lake Worth	Florida	33467	(561) 440-2273
Rob Hoffman, Barbara Hoffman	1507	740 Florida Central Pky	STE 2056	Longwood	Florida	32750	(321) 295-7849
Reid Grier	1556	7270 NW 12th St, Airport Executive Tower II	STE 700	Miami	Florida	33126	(305) 697-9722
Reid Grier	1557 - NR	1380 NE Miami Gardens Dr	STE 242A	North Miami Beach	Florida	33179	(786) 783-3265
Reid Grier	1558 - NR	7270 NW 12th St, Airport Executive Tower II	STE 700	Miami	Florida	33126	(305) 697-9722
Reid Grier	1664 - NR	7270 NW 12th St, Airport Executive Tower II	STE 700	Miami	Florida	33126	(305) 697-9722
Paul Lallanilla	1220	8520 Government Dr	Unit 6	New Port Richey	Florida	34654	(727) 844-3570
Paul Lallanilla	1311 - NR	8520 Government Dr	Unit 6	New Port Richey	Florida	34654	(727) 844-3570
Nikki Magyar	1495 - NR	711 W Colonial Dr		Orlando	Florida	32804	(407) 757-0981
Nikki Magyar	1496 - NR	711 W Colonial Dr		Orlando	Florida	32804	(407) 757-0981
Nikki Magyar	1561	711 W Colonial Dr		Orlando	Florida	32804	(407) 757-0981
Nikki Magyar	1614 - NR	711 W Colonial Dr		Orlando	Florida	32804	(407) 757-0981

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Nikki Magyar	1637 - NR	711 W Colonial Dr		Orlando	Florida	32804	(407) 757-0981
Bruce Gropper	1551	4440 PGA Blvd	STE 600	Palm Beach Gardens	Florida	33410	(561) 282-6106
Donna Williams	1205	1905 W Baker St	STE A	Plant City	Florida	33567	(813) 764-9290
~~Michael Juceam~~ Jeramie Snelling	1063	2344 Bee Ridge Rd	STE 110	Sarasota	Florida	34239	(941) 929-1966
Christine Blum	1627	5327 Commercial Way	B105	Spring Hill	Florida	34607	(352) 694-1087
Christine Blum	1628-NR	5327 Commercial Way	B105	Spring Hill	Florida	34607	(352) 694-1087
~~Ok-Azie, Kathleen~~ AzieJeramie Snelling	1509	137 S Pebble Beach Blvd	STE 204	Sun City Center	Florida	33573	(813) 800-2273
William Booker Moore III, Sharon Weeden	1569	1204 Miccosukee Rd	STE 2	Tallahassee	Florida	32308	(850) 765-4701
Jeramie Snelling	1059 - NR	8010 Woodland Ctr Blvd	STE 200	Tampa	Florida	33614	(813) 514-4724
Jeramie Snelling	1617	8010 Woodland Ctr Blvd	STE 200	Tampa	Florida	33614	(813) 514-4724
Glenn Fechtenburg, Emily Fechtenburg	1399	2540 County Rd 561		Tavares	Florida	32778	(352) 835-0101
Glenn Fechtenburg, Emily Fechtenburg	1422 - NR	2540 County Rd 561		Tavares	Florida	32778	(352) 835-0101
Glenn Fechtenburg, Emily Fechtenburg	1508 - NR	2540 County Rd 561		Tavares	Florida	32778	(352) 835-0101
Miriam Juarbe, Antonio Juarbe	1598	1535 N Park Dr	STE 100	Weston	Florida	33326	(954) 530-3840
Kari Janes	1625	1897 Palm Beach Lakes Blvd	Ste 211	West Palm Beach	Florida	33409	(561) 494-6511
Kari Janes	1626-NR	1897 Palm Beach Lakes Blvd	Ste 211	West Palm Beach	Florida	33409	(561) 494-6511
Paul Lallanilla	1575 - NR	6272 Abbott Station Dr	STE 102	Zephyrhills	Florida	33542	(727) 844-3570
~~Lucia Navarro~~ Peter and Grace Nguyen	1630	~~631 Lucerne Avenue~~ 1500 Gateway Boulevard	STE ~~201~~ 220	~~Lake Worth~~ Boynton Beach	Florida	~~33460~~ 33426	(561) ~~210-4101~~ 662-9838
Nicole Rodriguez, Anna Rodriguez, Mauricio Chavarriaga	1638	10007 Wellness Way	STE 100	Orlando	Florida	32832	(407) 219-4142

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Nicole Rodriguez, Anna Rodriguez, Mauricio Chavarriaga	1639 - NR	10007 Wellness Way	STE 100	Orlando	Florida	32832	(407) 219-4142
Donna Williams	1677 - NR	1905 W Baker St	STE A	Plant City	Florida	33567	(813) 764-9290
Karine & Alexandre (Alex) Alquier	1665 - NR	8751 W Broward Blvd		Plantation	Florida	33324	(954) 357-2048
Karine & Alexandre (Alex) Alquier	1666	8751 W Broward Blvd		Plantation	Florida	33324	(954) 357-2048
Sidney Chugani	1681-NR	7857 W Sample Rd	Ste 136	Coral Springs	Florida	33065	(954) 866-9750
Kari Janes	1688	3375 20th ST	STE 200	Vero Beach	Florida	32960	(772) 217-4020
Christine Blum	1687-NR	1665 SW Highway 484	Ste 106	Ocala	Florida	34473	(352) 363-5552
Reid Grier	1691-NR	7270 NW 12th St, Airport Executive Tower II	Ste 700	Miami	Florida	33126	(305) 697-9722
Robert Hylton	1683	1000 SE Monterey Commons Blvd.	Suite 204	Stuart	Florida	34996	(772) 291-2474
Kari Janes	1693-NR	3375 20th ST	STE 200	Vero Beach	Florida	32960	(772) 217-4020
Robert Brown, Susan Brown	1251	4625 Alexander Dr	STE 210	Alpharetta	Georgia	30022	(770) 343-6235
Robert Brown, Susan Brown	1238 - NR	4625 Alexander Dr	STE 210	Alpharetta	Georgia	30022	(770) 343-6235
Sandi Cooper, Aziza Cooper-Diallo	1026	448 Ralph D Abernathy Blvd	STE 2	Atlanta	Georgia	30312	(404) 522-0029
Sandi Cooper, Aziza Cooper-Diallo	1309 - NR	448 Ralph D Abernathy Blvd	STE 2	Atlanta	Georgia	30312	(404) 522-0029
Mark Ross, Nicole Ross	1304	2131 Pace St		Covington	Georgia	30015	(678) 712-6636
Mark Ross, Nicole Ross	1446 - NR	320 W Lanier Ave	STE 200	Fayetteville	Georgia	30214	(678) 568-4727
Amy Morrissey, Pete Morrissey	1236	731 Queen City Pky	STE 103	Gainesville	Georgia	30501	(770) 535-3007
Amy Morrissey, Pete Morrissey	1453 - NR	731 Queen City Pky	STE 102	Gainesville	Georgia	30501	(770) 535-3007
Teddrick Brown	1613	2860 HWY 54	STE 203	Peachtree City	Georgia	30269	(678) 519-4064
Jay DeVille	1071	11 John Davenport Dr	STE B	Rome	Georgia	30165	(706) 290-7701
Mark Ross, Nicole Ross	1445 - NR	2330 Scenic Hwy S	STE 401	Snellville	Georgia	30078	(678) 712-6636

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
~~Wanda Scott~~	~~3105~~	~~1711 Meriweather Dr~~	~~Ste 100~~	~~Watkinsville~~	~~Georgia~~	~~30677~~	~~(706) 769-7277~~
Lori Bochat, Doug Bochat	1276	3211 S Cherokee Ln	STE 610	Woodstock	Georgia	30188	(678) 403-1636
Pete Morrissey	1698	1731 Meriweather Dr	STE 101	Watkinsville	Georgia	30677	(706) 769-7277
David Busenbark, Olivia Busenbark	1490	98-021 Kamehameha Hwy	STE 323	Aiea	Hawaii	96701	(808) 797-2111
Paige Bennion, Lucas Miller	1590	6126 W State St	STE 313	Boise	Idaho	83703	(208) 639-1649
Brian Wetters, Kathy Wetters	1028	133 S Batavia Ave	PO Box 145	Batavia	Illinois	60510	(630) 717-8477
Heather Lantry	1438 - NR	101 W Grand Ave	STE 208	Chicago	Illinois	60654	(773) 775-4677
Heather Lantry	1437 - NR	101 W Grand Ave	STE 208	Chicago	Illinois	60654	(773) 775-4677
~~Robert Stelletello~~ Matt Field, Rachel Field	~~1350 - NR~~	~~7000~~ 9560 W N Ave ~~147TH ST~~	~~STE 1A~~	~~Chicago~~ Orland Park	Illinois	~~60707~~ 60462	(708) ~~445-6000~~ 873-9007
~~Robert Stelletello~~ Matt Field, Rachel Field	~~1242 - NR~~	~~7000~~ 9560 W N Ave ~~147TH ST~~	~~STE 1B~~	~~Chicago~~ Orland Park	Illinois	~~60707~~ 60462	(708) ~~445-6000~~ 873-9007
David Eustis	1548	1 Regency Plaza Dr		Collinsville	Illinois	62234	(618) 215-6797
David Eustis	1549 - NR	1 Regency Plaza Dr		Collinsville	Illinois	62234	(618) 215-6797
Mike Steiner	1387	33205 N US Highway 45		Grayslake	Illinois	60030	(847) 984-0103
Matt Field, Rachel Field	1329	185 Milwaukee Ave	STE 200	Lincolnshire	Illinois	60069	(847) 374-8400
Matt Field, Rachel Field	1330 - NR	185 Milwaukee Ave	STE 200	Lincolnshire	Illinois	60069	(847) 374-8400
Jeanette Palmer	1328 - NR	662 E Northwest Hwy		Mt. Prospect	Illinois	60056	(847) 392-1200
Brian Wetters, Kathy Wetters	1072 - NR	1783 S Washington St	STE 108B	Naperville	Illinois	60565	(630) 717-8477
~~Ken Mikes, Tracy Mikes~~ Matt and Rachel Field	~~1154~~	~~8951~~ 9560 W 151st ~~147TH ST~~	~~STE 1~~	Orland Park	Illinois	60462	(708) 873-9007
Amy Marsico, Nabon Marsico	1118 - NR	400 W Lake St	STE 112-C	Roselle	Illinois	60172	(630) 529-4000
Amy Marsico, Nabon Marsico	1022	400 W Lake St	STE 112-C	Roselle	Illinois	60172	(630) 529-4000
Heather Lantry	1006	8424 Skokie Blvd	STE 212	Skokie	Illinois	60077	(847) 675-7945
Jeanette Palmer	1048	513 W Main St		West Dundee	Illinois	60118	(847) 396-9000

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Brian Braggs, Kari Burg	1662	4507 N Sterling Ave	STE 303	Peoria	Illinois	61615	(309) 364-6500
Van Andrews	1239	921 E 86th ST	STE 108	Indianapolis	Indiana	46240	(317) 995-4379
Van Andrews	1245 - NR	921 E 86th ST	STE 108	Indianapolis	Indiana	46240	(317) 995-4379
Van Andrews	1036 - NR	5602 Madison Ave		Indianapolis	Indiana	46227	(317) 536-0231
Troy Turner	1461	500 W Lincoln Hwy	STE E-2	Merrillville	Indiana	46410	(219) 682-1977
Troy Turner	1462 - NR	500 W Lincoln Hwy	STE E-2	Merrillville	Indiana	46410	(219) 682-1977
Stephanie Humphries	1420	2616 1st Ave NE		Cedar Rapids	Iowa	52402	(319) 826-6608
Stephanie Humphries	1674 - NR	6301 University Ave	#1125	Cedar Falls	Iowa	50613	(319) 826-6608
Raouf Agrignan	1039	2600 University Ave	STE 210	West Des Moines	Iowa	50266	(515) 222-1550
Scott Sjoberg, Kami Sjoberg	1161	5750 W 95th St	STE 122	Overland Park	Kansas	66207	(913) 338-1919
Scott Sjoberg, Kami Sjoberg	1336 - NR	4800 Rainbow Blvd	STE 200C	Westwood	Kansas	66205	(913) 336-1419
Carla Shepherd, Jacque Herdzina	1002	7348 W 21st	STE 101	Wichita	Kansas	67205	(316) 721-6001
Eric Hudson, Rebecca Hudson	1343	1050 Chinoe Rd	STE 101	Lexington	Kentucky	40502	(859) 264-0270
Eric Hudson, Rebecca Hudson	1512 - NR	1050 Chinoe Rd	STE 101	Lexington	Kentucky	40502	(859) 264-0270
Terri Fenno, Tony Fenno	1113	1522 Dixie Hwy	STE 30	Park Hills	Kentucky	41011	(859) 442-5111
Bruce Isenberg, Jennifer Eisler	1562	850 Kaliste Saloom Rd	STE 107	Lafayette	Louisiana	70508	(337) 806-9171
Loren Berot, Harry Spring	1170	209 Canal St	STE A	Metairie	Louisiana	70005	(504) 780-8128
Loren Berot, Harry Spring	1372	1301 Brownsitch Rd	STE E	Slidell	Louisiana	70461	(985) 288-5940
Debby Corgan, James Corgan	1661	2540 US 202		Winthrop	Maine	04364	(207) 573-3999
Jay Kenney, Rosaleen Doherty	1669	51 US Route 1	STE R-1	Scarborough	Maine	04070	(207) 707-6011
~~Mimi Myers, Lew Myers~~ <u>Melanie Lawary</u>	1146	801 Compass Way	STE 4	Annapolis	Maryland	21401	(410) 846-0142

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Omari Swinton, Phyllis Swinton	1052 - NR	3455 Wilkens Ave	STE 200	Baltimore	Maryland	21229	(443) 835-4413
Omari Swinton, Phyllis Swinton	1367	3455 Wilkens Ave	STE 200	Baltimore	Maryland	21229	(443) 835-4413
Don Orlando, Peggy Orlando	1281	350 Granary Rd	STE 1	Forest Hill	Maryland	21050	(443) 371-7145
Don Orlando, Peggy Orlando	1369 - NR	260 Gateway Dr	STE 3-4C	Bel Air	Maryland	21014	(443) 371-7145
Sandy Chester, Rob Chester	1499	155 E Main St		Elkton	Maryland	21921	(717) 407-5142
Steve Luber	1040	340 E Patrick St	STE 103	Frederick	Maryland	21701	(866) 696-2211
Jean Long, Eileen McLaughlin, Steve Luber	1306 - NR	222 East Oak Ridge Dr	STE 800	Hagerstown	Maryland	21740	(301) 739-2900
Omari Swinton, Phyllis Swinton	1086	1450 Mercantile Ln	STE 127	Largo	Maryland	20774	(301) 255-0066
Omari Swinton, Phyllis Swinton	1051	11821 Parklawn Dr	STE 302	Rockville	Maryland	20852	(301) 255-0066
Brian Turner	1179	3200 Crain Hwy	STE 101	Waldorf	Maryland	20603	(301) 645-0040
Ted Bernhardt	1061	60 Great Rd		Bedford	Massachusetts	01730	(781) 275-1400
Jim Pellegrine, Sandy Pellegrine	1151	56 Leonard St	Unit 6	Foxboro	Massachusetts	02035	(508) 668-8001
Jim Pellegrine, Sandy Pellegrine	1373 - NR	56 Leonard St	Unit 6	Foxboro	Massachusetts	02035	(508) 668-8001
Jim Pellegrine, Sandy Pellegrine	1374 - NR	56 Leonard St	Unit 6	Foxboro	Massachusetts	02035	(508) 668-8001
Lanette Duggan	1503	325 Ayer Rd	STE 120B	Harvard	Massachusetts	01451	(978) 391-1700
Rosaleen Doherty, Jay Kenney	1265 - NR	350 Main St		Haverhill	Massachusetts	01830	(978) 373-8010
Helen Valko, Vladimir Zarkhin	1032	1191 Chestnut St	STE 2-4	Newton	Massachusetts	02464	(617) 597-1500
Andrew Schneeloch	1155	800 Hingham St	STE 203S	Rockland	Massachusetts	02370	(781) 681-3545

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Andrew Schneeloch	1287 - NR	800 Hingham St	STE 203S	Rockland	Massachusetts	02370	(781) 681-3545
Rosaleen Doherty, Jay Kenney	1025	6 Lynde St		Salem	Massachusetts	01970	(978) 744-5151
Rosaleen Doherty, Jay Kenney	1473 - NR	2 Florence St		Malden	Massachusetts	02148	(617) 623-9300
Amar Patel	1158	8 Church St		Westborough	Massachusetts	01581	(508) 599-1122
Amar Patel	1282 - NR	8 Church St		Westborough	Massachusetts	01581	(508) 599-1122
Brian Kelley	1101	2355 E Stadium Blvd	STE 2	Ann Arbor	Michigan	48230	(734) 971-5000
Jeff Welsh, Robert Welsh	1027	10 W Square Lake Rd	STE 102	Bloomfield Hills	Michigan	48302	(248) 629-1330
Jeff Welsh, Robert Welsh	1093 - NR	10 W Square Lake Rd	STE 102	Bloomfield Hills	Michigan	48302	(248) 629-1330
Jeff Welsh, Robert Welsh	1173 - NR	10 W Square Lake Rd	STE 102	Bloomfield Hills	Michigan	48302	(248) 629-1330
Jeff Welsh, Robert Welsh	1417 - NR	10 W Square Lake Rd	STE 102	Bloomfield Hills	Michigan	48230	(248) 629-1330
Jeff Welsh, Robert Welsh, Beverly Welsh, Marcus Pahl, Stephanie Pahl	1182 - NR	10 W Square Lake Rd	STE 102	Bloomfield Hills	Michigan	48302	(248) 629-1330
Barry Paxton, Sandra Paxton	1351	734 W Grand River Ave		Brighton	Michigan	48116	(810) 225-4724
Claudine Marosi	1431	22226 Garrison St	STE 250	Dearborn	Michigan	48124	(313) 203-3076
Claudine Marosi	1153 - NR	22226 Garrison St	STE 250	Dearborn	Michigan	48124	(313) 203-3076
Claudine Marosi	1432 - NR	22226 Garrison St	STE 250	Dearborn	Michigan	48124	(313) 203-3076
Barry Paxton, Sandra Paxton	1352 - NR	325 E Grand River Ave	STE 317	East Lansing	Michigan	48823	(810) 225-4724
Scott Hill	1058	2240 E Hill Rd	STE A	Grand Blanc	Michigan	48439	(810) 232-2433
Chris Hedberg, Matt Hedberg	1216	1035 Charlevoix Dr	STE 300	Grand Ledge	Michigan	48837	(517) 622-1472

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Jeff Welsh, Robert Welsh, Belinda Grunewald	1240 - NR	18000 Mack Ave	STE B	Grosse Pointe	Michigan	48230	(586) 777-7993
Kay Mykala, John Mykala	1178	744 W Michigan Ave	STE 301B	Jackson	Michigan	49201	(517) 768-0900
John Mykala, Mark Mykala, Kay Mykala	1144	2990 Business One Drive		Kalamazoo	Michigan	49048	(269) 762-6110
Jim Gall, Melinda Gall	1339	5103 Eastman Ave	STE 147	Midland	Michigan	48640	(989) 486-9557
~~Jim Gall, Melinda Gall~~	~~1466 - NR~~	~~5103 Eastman Ave~~	~~STE 147~~	~~Midland~~	~~Michigan~~	~~48640~~	~~(989) 486-9557~~
Kim Sexton	1230	930 S Telegraph Rd		Monroe	Michigan	48161	(734) 240-4974
Barry Paxton, Sandra Paxton	1416 - NR	42705 Grand River Ave	STE 16	Novi	Michigan	48375	(810) 225-4724
Barry Nabozny	1134	1111 Main St	STE A	St. Joseph	Michigan	49085	(269) 428-9100
Hestle Yang, Andrew Yang	1656	3737 Lake Eastbrook Blvd SE	STE 208	Grand Rapids	Michigan	49546	(616) 315-2200
Paul Blom, Bob White	1003	2626 E 82nd St	STE 150	Bloomington	Minnesota	55425	(952) 854-6122
Barry Maring, Russell Maring	1599	103 Graystone Plaza		Detroit Lakes	Minnesota	56501	(218) 235-2366
Kristin Canny	1635	4205 Lancaster Ln	Ste 104	Plymouth	Minnesota	55441	(763) 231-5720
Will Bradham	1307	3670 Highway 61 N		Cleveland	Mississippi	38732	(662) 621-9898
Marvin Bush, Rachel Howell	1364	1989 Bush Dairy Rd		Laurel	Mississippi	39443	(601) 426-6333
Cindy Picard, Don Doran	1484	8400A Ocean Springs Rd		Ocean Springs	Mississippi	39564	(228) 334-5304
Don Doran, Liberty Fontana	1294	6340 Kiln Delisle Rd	STE A	Pass Christian	Mississippi	39571	(228) 255-9225
Karla Strickland	1434	113 Town Creek Dr	STE A	Saltillo	Mississippi	38866	(662) 260-4102
Jeff Guinn, Kim Guinn	1318	2000 Forum Blvd	STE 2	Columbia	Missouri	65203	(573) 777-8770
Ashley Hanf, Linda Hanf, Mark Hanf	1260	5545 N Oak TrFy	STE 19	Kansas City	Missouri	64118	(816) 453-2000
Amanda Modayil, Ashwin Modayil	1597	1927 S National Ave	STE C	Springfield	Missouri	65804	(417) 350-1004
John Arnott, Rowena Arnott	1525	1645 Parkhill Dr	STE 6	Billings	Montana	59102	(406) 894-2400

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Kadie Agrignan, Raouf Agrignan	1195	3883 Normal Blvd	STE 206	Lincoln	Nebraska	68506	(402) 488-4421
Kristin Starkel, Jeremy Starkel	1611	100 N 34th St	STE D	Norfolk	Nebraska	68701	(402) 316-4689
Kristi Benning	1000	13304 W Center Rd	STE 225	Omaha	Nebraska	68144	(402) 697-7536
Kristi Benning	1099 - NR	13304 W Center Rd	STE 225	Omaha	Nebraska	68144	(402) 697-7536
Kristin Starkel, Jeremy Starkel	1644 - NR	100 N 34th St	STE D	Norfolk	Nebraska	68701	(402) 316-4689
Adam Bliss, Kola Bliss	1253	50 S Stephanie St	STE 203	Henderson	Nevada	89012	(702) 434-8700
Stacy Slatter, Shawn Slatter	1243	2911 N Tenaya Way	STE 106	Las Vegas	Nevada	89128	(702) 367-3400
Stacy Slatter, Shawn Slatter	1694-NR	2911 N Tenaya Way	STE 106	Las Vegas	Nevada	89128	(702) 367-3400
Pete Kuzmich, Elizabeth Brown	1109	10635 Double R Blvd	STE 100	Reno	Nevada	89521	(775) 826-7999
Maria Gruning	1184	150 Nashua Rd	Unit C	Londonderry	New Hampshire	03053	(603) 216-9296
Maria Gruning	1302	170 Commerce Way	STE 256	Portsmouth	New Hampshire	03801	(603) 247-6188
Darlene Bosco, Nick Bosco	1261 - NR	902 Main St	STE 205	Belmar	New Jersey	07719	(732) 775-3003
Darlene Bosco, Nick Bosco	1066	1989 Route 88	Unit A	Brick	New Jersey	08724	(732) 451-0120
Darlene Bosco, Nick Bosco	1175 - NR	1989 Route 88	Unit A	Brick	New Jersey	08724	(732) 451-0120
John Major, Jacqueline Doris Major	1031	10 Fairmount Ave	STE A	Chatham	New Jersey	07928	(973) 701-9833
Kevin Knapp	1012	1415 Marlton Pike E	STE 505	Cherry Hill	New Jersey	08034	(856) 795-9707
Kevin Knapp	1116 - NR	1415 Marlton Pike E	STE 505	Cherry Hill	New Jersey	08034	(856) 795-9707
Jafar Ismail, Lubna Ismail	1293	273 Palisade Ave		Cliffside Park	New Jersey	07010	(973) 949-5444
Beth Sholom, Jamie Sholom	1047	1405 NJ-18	STE 203	East Brunswick	New Jersey	08857	(732) 967-0900
Beth Sholom, Jamie Sholom	1008 - NR	1405 NJ-18	STE 203	East Brunswick	New Jersey	08857	(732) 967-0900

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Beth Sholom, Jamie Sholom	1147 - NR	1405 NJ-18	STE 203	East Brunswick	New Jersey	08857	(732) 967-0900
Erika Ackerman, Jeffrey Ackerman	1546	121 Shelley Dr	STE 2A	Hackettstown	New Jersey	07840	(908) 651-5408
Beth Sholom, Jamie Sholom	1301	1405 NJ-18	STE 203	East Brunswick	New Jersey	08857	(732) 967-0900
Jafar Ismail, Lubna Ismail	1421	1107 Goffle Rd		Hawthorne	New Jersey	07506	(973) 949-5444
Carla Kuebler, Janet Kuebler	1074	105 Omni Dr		Hillsborough	New Jersey	08844	(908) 281-7961
Brian Maroney	1206	222 New Rd, Central Park E	STE 108	Linwood	New Jersey	08221	(609) 788-8236
Brian Maroney	1354 - NR	222 New Rd, Central Park E	STE 108	Linwood	New Jersey	08221	(609) 788-8236
~~Ray Giordano, Robyn Giordano~~ Yabo Alfred, Maria Gruning	1504	~~150 River Rd~~ 104 Broadway	~~STE F1~~	~~Montville~~ Den ville	New Jersey	~~07045~~ 07834	(973) 400-4170
~~Ray Giordano, Robyn Giordano~~ Yabo Alfred, Maria Gruning	1505 - NR	~~150 River Rd~~ 104 Broadway	~~STE F1~~	~~Montville~~ Den ville	New Jersey	~~07045~~ 07834	(973) 400-4170
Maria Dalupang, Lew Dalupang	1163	320 Kinderkamack Rd		Oradell	New Jersey	07649	(201) 489-3399
Maria Dalupang, Lew Dalupang	1227 - NR	320 Kinderkamack Rd		Oradell	New Jersey	07649	(201) 489-3399
Maeghan Scott, Melodie Toby	1064	47 Park Ave	STE 203	West Orange	New Jersey	07052	(973) 669-1822
Deborah Kenny, Timothy Shultz	1046	6721 Academy Rd NE	STE C	Albuquerque	New Mexico	87109	(505) 266-5888
Zubin Kapadia	1371 - NR	58-47 Francis Lewis Blvd	STE 102	Bayside	New York	11364	(718) 423-1930
Enrie Morales	1312	3265 Johnson Ave	STE 305	Bronx	New York	10463	(718) 884-4663
Walter Ochoa	1280	355 Ovington Avenue	Ste 103	Brooklyn	New York	11209	(347) 554-8400
Tony Gagliano	1279	1111 Route 110	STE 207	Farmingdale	New York	11735	(516) 307-8070
Tony Gagliano	1547 - NR	1111 Route 110	STE 207	Farmingdale	New York	11735	(631) 815-5717

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Tony Gagliano	1474	1111 Route 110	STE 207	Farmingdale	New York	11735	(631) 815-5717
Tony Gagliano	1475 - NR	1111 Route 110	STE 207	Farmingdale	New York	11735	(631) 815-5717
Tony Gagliano	1524 - NR	1111 Route 110	STE 207	Farmingdale	New York	11735	(631) 815-5717
Zubin Kapadia	1219	400 Post Ave	STE 302	Westbury	New York	11590	(516) 513-1070
Zubin Kapadia	1667 - NR	400 Post Ave	STE 302	Westbury	New York	11590	(516) 513-1070
Zubin Kapadia	1668 - NR	400 Post Ave	STE 302	Westbury	New York	11590	(516) 513-1070
Stacey Ellis, James Davis	1527 - NR	640 New Loudon Rd	STE 103	Latham	New York	12110	(518) 757-4040
Stacey Ellis, James Davis	1528	640 New Loudon Rd	STE 103	Latham	New York	12110	(518) 757-4040
Jamie Robinson	1491	85 Echo Ave	STE 5	Miller Place	New York	11764	(631) 509-1409
Regi Mathews, Geetha Mathews, Nathan Mathews	1447	185 Kisco Ave	STE 403	Mount Kisco	New York	10549	(914) 864-0588
Regi Mathews, Geetha Mathews, Nathan Mathews	1448 - NR	185 Kisco Ave	STE 403	Mount Kisco	New York	10549	(914) 864-0588
~~Regi Mathews, Geetha Mathews, Nathan Mathews~~ Vishal Patel	1565 - NR	~~185 Kisco Ave~~ 1368 Route 9W	~~STE 403~~ 1	~~Mount Kisco~~ Highland Falls	New York	~~10549~~ 10928	~~(914) 864-0588~~ (845) 859-4148
Joyce Barocas, Albert Eshoo	1454	30 Broad St	14th Floor, STE 1415	New York	New York	10004	(646) 480-4930
Gregg Simons	1519	180 W 80th St, Chesterfield Suites	STE 203	New York	New York	10024	(212) 877-2273
Gregg Simons	1520 - NR	180 W 80th St, Chesterfield Suites	STE 203	New York	New York	10024	(212) 877-2273
Scott Teresi	1582	53 State Route 17K	STE 7	Newburgh	New York	12550	(845) 762-5557
Scott Teresi	1583 - NR	53 State Route 17K	STE 7	Newburgh	New York	12550	(845) 762-5557
Lilethe Acevedo	1148	212 Medford Ave	RR 112	Patchogue	New York	11772	(631) 207-2626
Gregg Balbera, Eileen Balbera	1390	754 Old Country Rd		Plainview	New York	11803	(516) 719-5999
Gregg Balbera, Eileen Balbera	1436 - NR	732 Smithtown Bypass	STE 102B	Smithtown	New York	11787	(516) 719-5999
Jamie Robinson	1602 - NR	53 Hill St	STE 5366	Southampton	New York	11968	(631) 509-1409

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Walter Ochoa	1566	800 Manor Rd	STE 2	Staten Island	New York	10314	(347) 554-8400
Lou Giampa	1424	172 S Broadway	STE 2A	White Plains	New York	10605	(914) 468-1944
Lou Giampa	1425 - NR	172 S Broadway	STE 2A	White Plains	New York	10605	(914) 468-1944
Lou Giampa	1516 - NR	172 S Broadway	STE 2A	White Plains	New York	10605	(914) 468-1944
Vishal Patel	1647	1368 Route 9W	STE 1	Highland Falls	New York	10928	(845) 859-4148
Walter Ochoa	1675 - NR	800 Manor Rd	STE 2	Staten Island	New York	10314	(347) 554-8400
Walter Ochoa	1676 - NR	355 Ovington Avenue	Ste 103	Brooklyn	New York	11209	(347) 554-8400
Barry Maring, Russell Maring	1600	2534 University Dr S	STE 604	Fargo	North Dakota	58103	(701) 997-0400
Karanda Osborne, William Osborne	1570	100 N Main St	STE 107	Belmont	North Carolina	28012	(704) 412-3366
Karanda Osborne, William Osborne	1623 - NR	100 N Main St	STE 107	Belmont	North Carolina	28012	(704) 412-3366
Ken Helmuth	1559 - NR	301 McCullough Dr	STE 431	Charlotte	North Carolina	28262	(980) 475-1849
Ken Helmuth	1192	4905 Pine Cone Dr	STE 2	Durham	North Carolina	27707	(919) 237-2333
Ken Helmuth	1554	107 Kilson Dr	STE 106	Mooresville	North Carolina	28117	(704) 230-1305
Ken Helmuth	1186 - NR	4905 Pine Cone Dr	STE 2	Durham	North Carolina	27707	(919) 237-2333
~~Ken Helmuth~~	~~1573 - NR~~	~~4905 Pine Cone Dr~~	~~STE 2~~	~~Durham~~	~~North Carolina~~	~~27707~~	~~(919) 237-2333~~
~~Ken Helmuth~~	~~1574 - NR~~	~~4905 Pine Cone Dr~~	~~STE 2~~	~~Durham~~	~~North Carolina~~	~~27707~~	~~(919) 237-2333~~
Jennifer Selden	1552	2202 Wrightsville Ave	STE 112	Wilmington	North Carolina	28403	(910) 765-0755
Greg Brewer, Jackie Brewer	1075	3314 Healy Dr	STE 105	Winston-Salem	North Carolina	27103	(336) 760-7131
Greg Brewer, Jackie Brewer	1641 - NR	3314 Healy Dr	STE 105	Winston-Salem	North Carolina	27103	(336) 760-7131
Ken Helmuth	1679 - NR	7520 E Independence Blvd	Ste 280	Charlotte	North Carolina	28227	(980) 475-1849

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Elise Braverman-Plotkin, Shalom Plotkin	1450	21403 Chagrin Blvd	STE 220	Beachwood	Ohio	44122	(216) 752-2222
Lynn Daugherty	1150	3329 Dayton-Xenia RD		Beavercreek	Ohio	45432	(937) 429-9465
Terri Fenno, Tony Fenno	1128 - NR	10999 Reed Hartman Highway	STE 229	Cincinnati	Ohio	45242	(513) 321-4444
Tony Fenno, Terri Fenno	1065	11162 Luschek Dr		Cincinnati	Ohio	45241	(513) 321-4444
~~J.P. Valiulis~~ Michael and Teena Wier	1007	8828 Commerce Loop Dr		Columbus	Ohio	43240	(614) 734-1110
~~J.P. Valiulis~~ Michael and Teena Wier	1439 - NR	8828 Commerce Loop Dr		Columbus	Ohio	43240	(614) 734-1110
Sherrie Baldwin	1593 - NR	416 N Main St		Findlay	Ohio	45840	(567) 525-5775
Elise Braverman-Plotkin, Shalom Plotkin	1567 - NR	675 Alpha Dr	STE G	Highland Heights	Ohio	44143	(440) 490-8777
Sandra Bullock, Michael Bullock	1555	1045 Mackenzie Dr		Lima	Ohio	45805	(419) 228-4663
John Baldwin	1272	133 E John St		Maumee	Ohio	43537	(567) 336-6062
Lalitha Reddy	1073	620 E Smith Rd	STE W-4	Medina	Ohio	44256	(330) 721-7590
Donn Kramer	1517	7123 Pearl Rd	STE 106	Middleburg Heights	Ohio	44130	(440) 842-2787
Donn Kramer	1518 - NR	7123 Pearl Rd	STE 106	Middleburg Heights	Ohio	44130	(440) 842-2787
Trina Slatinsky	1577	5800 Monroe St	Bldg H, STE 3	Sylvania	Ohio	43560	(419) 882-1111
Trina Slatinsky	1595 - NR	5800 Monroe St	Bldg H, STE 3	Sylvania	Ohio	43560	(419) 882-1111
~~J.P. Valiulis~~ Michael and Teena Wier	1658 - NR	8828 Commerce Loop Dr		Columbus	Ohio	43240	(614) 734-1110
Holly Holton	1659	12927 Stonecreek Dr	STE B	Pickerington	Ohio	43147	(614) 452-4045
Chrisy Heiss	1660	219 Scammel St		Marietta	Ohio	45750	(740) 538-5301
April Wintermoyer	1209	630 Market St	STE F	Steubenville	Ohio	43952	(304) 277-3236
Albano Mahilaj	1689	20575 Center Ridge Rd	Ste 312	Rocky River	Ohio	44116	(216) 350-3530
Holly Holton	1705-NR	12927 Stonecreek Dr	STE B	Pickerington	Ohio	43147	(614) 452-4045

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Jacque Herdzina, Joel Herdzina, Dee Horne, Carla Shepherd	1231	2948 Via Esperanza		Edmond	Oklahoma	73013	(405) 471-6201
Jacque Herdzina, Joel Herdzina, Dee Horne, Carla Shepherd	1389 - NR	3750 W Main St	STE AA	Norman	Oklahoma	73072	(405) 471-6201
Crystal Self, Greg Self	1283	4430 NW 50th St	STE N	Oklahoma City	Oklahoma	73112	(405) 605-6064
Crystal Self, Greg Self	1479 - NR	4430 NW 50th St	STE N	Oklahoma City	Oklahoma	73112	(405) 605-6064
Greg Jennings	1169	9717 E 42nd St	STE 101	Tulsa	Oklahoma	74146	(918) 289-0000
Greg Jennings	1194 - NR	9717 E 42nd St	STE 101	Tulsa	Oklahoma	74146	(918) 289-0000
Jacque Herdzina, Joel Herdzina, Dee Horne, Carla Shepherd	1648 - NR	2324 N Perkins Rd		Stillwater	Oklahoma	74075	(405) 571-0080
Julie Burket	1237	2195 NE Professional Ct	STE 15	Bend	Oregon	97701	(541) 633-7436
Edward Mosman, Carol Mosman	1333	1639 Oak St	STE E-G	Eugene	Oregon	97401	(541) 833-5051
Brooke Fredericks, James Fredericks	1284	749 Golf View Dr	STE B	Medford	Oregon	97504	(541) 414-0800
~~Keith Zimmerman~~	~~1361 - NR~~	~~3705 Trindle Rd~~	~~STE 108~~	~~Camp Hill~~	~~Pennsylvania~~	~~17011~~	~~(717) 506-0325~~
James Hutchinson, Charles Lisa, Janice Martino	1412 - NR	352 Main St	STE 102	Denver	Pennsylvania	17517	(610) 208-0661
Tom Domke, Jennifer Leake	1119 - NR	1514 Electric Ave		East Pittsburgh	Pennsylvania	15112	(412) 824-0700
Ron Brodsky	1098	101 S 3rd St	STE 201	Easton	Pennsylvania	18042	(610) 253-9605
Sandy Chester, Rob Chester	1317	5406 Lincoln Hwy	STE 5	Gap	Pennsylvania	17527	(717) 407-5142
Stacy Hepinger	1268	100 Perry Hwy	STE 109	Harmony	Pennsylvania	16037	(724) 473-8080
Stacy Hepinger	1435 - NR	100 Perry Hwy	STE 109	Harmony	Pennsylvania	16037	(724) 473-8080
Chris Campbell, Maria Campbell	1083	501 Washington Ln	STE 301	Jenkintown	Pennsylvania	19046	(215) 995-2674

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Chris Campbell, Maria Campbell	1108 - NR	501 Washington Ln	STE 301	Jenkintown	Pennsylvania	19046	(215) 995-2674
~~Keith Zimmerman~~	~~1360 - NR~~	~~911 State St~~	~~-~~	~~Lancaster~~	~~Pennsylvania~~	~~17603~~	~~(717) 293-7148~~
Denise Bernstein	1263	340 E Maple Ave	STE 209	Langhorne	Pennsylvania	19047	(267) 568-2638
Denise Bernstein	1335 - NR	340 E Maple Ave	STE 209	Langhorne	Pennsylvania	19047	(267) 773-8525
Steve Gettins, Christina Gettins	1299	100 W Main St	STE 511	Lansdale	Pennsylvania	19446	(215) 368-2199
~~Susan Stevens, Jim Stevens~~ Subhash (Sam) Gupta	1292	1346 Silver Ln	STE 103	Coraopolis	Pennsylvania	15108	(412) 788-6226
Douglas Ashe, Susie Ashe	1476	3637 Washington Rd	STE 4	McMurray	Pennsylvania	15317	(724) 350-8800
Douglas Ashe, Susie Ashe	1563 - NR	3637 Washington Rd	STE 4	McMurray	Pennsylvania	15317	(412) 828-6686
~~Alison Bakey, Joe Bakey~~ Theodore Pease	1120 - NR	111 Carlton Pl		Media	Pennsylvania	19063	(610) 566-6650
~~Alison Bakey, Joe Bakey~~ Theodore Pease	1050	111 Carlton Pl		Media	Pennsylvania	19063	(610) 566-6650
Tom Domke, Jennifer Leake	1013	4099 William Penn Hwy	STE 808	Monroeville	Pennsylvania	15146	(412) 294-0490
Douglas Ashe, Susie Ashe	1606	1201 Hulton Rd		Oakmont	Pennsylvania	15139	(412) 828-6686
Shawla Clark	1458	2047 Locust St	4th Floor	Philadelphia	Pennsylvania	19103	(267) 773-8525
Veronica Fraser	1433	7047 Germantown Ave	STE 103	Philadelphia	Pennsylvania	19119	(267) 437-4017
Steve Gettins, Christina Gettins	1274	2103 E High St	STE 100	Pottstown	Pennsylvania	19464	(610) 458-5050
Steve Gettins, Christina Gettins	1514 - NR	2103 E High St	STE 100	Pottstown	Pennsylvania	19464	(610) 458-5050
Ashley Creedon, Steve Gettins	1605	501 S Washington St	STE 2200	Scranton	Pennsylvania	18505	(570) 562-3000
James Hutchinson, Charles Lisa, Janice Martino	1249	529 Reading Ave	V-1	West Reading	Pennsylvania	19611	(610) 208-0661
Ben Aydin	1488	1541 Alta Dr	STE 304	Whitehall	Pennsylvania	18052	(484) 350-3075

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Ben Aydin	1489 - NR	1541 Alta Dr	STE 304	Whitehall	Pennsylvania	18052	(484) 350-3075
Keith Zimmerman	1235	2550 Kingston Rd	STE 106	York	Pennsylvania	17402	(717) 757-7148
Naomi Cotrone, Asher Fink	1467	730 Warwick Avenue		Warwick	Rhode Island	02888	(401) 383-1950
Matthew Minotti	1326	658 Rutledge Ave	STE B	Charleston	South Carolina	29403	(843) 580-5120
Matthew Minotti	1327 - NR	658 Rutledge Ave	STE B	Charleston	South Carolina	29403	(843) 580-5120
Renee Pfister, Mike Pfister	1501	101 Fendley St	STE B	Clemson	South Carolina	29631	(864) 653-5875
Stephan Swafford	1085	2130 Woodside Executive Ct		Aiken	South Carolina	29803	(803) 278-0250
Renee Pfister, Mike Pfister	1362	3401 Hwy 153	STE D	Piedmont	South Carolina	29673	(864) 609-1656
Renee Pfister, Mike Pfister	1363 - NR	3401 Hwy 153	STE D	Piedmont	South Carolina	29673	(864) 653-5875
James Ryan	1594	1125 N Anderson Rd	STE 102	Rock Hill	South Carolina	29730	(803) 227-3087
Bre Willoughby, Harry Willoughby	1185	1500 Hwy 17 N, The Courtyard	STE 106	Surfside Beach	South Carolina	29575	(843) 651-4848
Charles Brown, Ada Brown, Alexandria, Mike Brown	1107	1904 Sunset Blvd	STE D	West Columbia	South Carolina	29169	(803) 551-4004
Tony Mau, Kayla McInerney	1395	1400 W Russell St		Sioux Falls	South Dakota	57104	(605) 275-0071
Tony Mau, Kayla McInerney	1672	550 N 5th St	STE 205	Rapid City	South Dakota	57701	(605) 275-0071
~~Deborah Hellums~~ Beau Green, Bradford Meythaler	1415	130 Hillcrest Dr	STE 106	Clarksville	Tennessee	37043	(931) 896-2681
Bryan Hensley, Ryan Naegele	1560	5138 Preschool Ln	STE 106	Hixson	Tennessee	37343	(423) 803-2898
Rick Wilson, Joy Wilson	1241	9050 Executive Park Dr	STE A-201	Knoxville	Tennessee	37923	(865) 766-5718
Kimberley Hogan, Peter Hogan	1585	1020 William Blount Dr		Maryville	Tennessee	37801	(865) 351-4437

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Bill Love, Christy Love	1136	7225 Riverdale Bend Rd	STE 105	Memphis	Tennessee	38125	(901) 309-7933
Bill Love, Christy Love	1310 - NR	7225 Riverdale Bend Rd	STE 105	Memphis	Tennessee	38125	(901) 309-7933
~~Bhavani Muvvala~~ Beau Green, Bradford Meythaler	1400	519 Uptown Sq		Murfreesboro	Tennessee	37129	(615) 809-2283
Beau Green, Rachel Green & Bradford Meythaler	1030	1321 Murfreesboro Pike	STE 520	Nashville	Tennessee	37217-2648	(615) 360-0006
Beau Green, Rachel Green & Bradford Meythaler	1342 - NR	1321 Murfreesboro Pike	STE 520	Nashville	Tennessee	37217-2648	(615) 360-0006
Bryan Hensley, Ryan Naegle	1650 - NR	141 Inman St E		Cleveland	Tennessee	37311	(423) 599-3659
~~Tim Morgan~~	~~1663~~	~~315 West Main Street~~	~~STE 32-~~	~~Hendersonville~~	~~Tennessee~~	~~37075~~	~~(615) 431-2362~~
Courtney Hochhalter	1285	830 Julie Rivers Dr	STE 604	Sugar Land	Texas	77478	(713) 581-8160
Courtney Hochhalter	1411 - NR	830 Julie Rivers Dr	STE 604	Sugar Land	Texas	77478	(713) 581-8160
Edwin Young	1202	5555 N Lamar Blvd	STE C111	Austin	Texas	78751	(512) 465-9900
Edwin Young	1410 - NR	348 Stone Hill Dr	STE 110	Brenham	Texas	77833	(979) 221-6685
Dale Christian, Jennifer Christian	1449	3644 Coppercrest Dr	STE 102	Bryan	Texas	77802	(979) 422-2284
Harley Cohen	1102	11551 Forest Central Dr	STE 116	Dallas	Texas	75243	(214) 340-9900
Michelle Rankine	1208 - NR	650 S Edmonds Ln	Ste 108	Lewisville	Texas	75067	(214) 383-0555
Quentas Jones, Felicia Jones	1218	8851 Camp Bowie W Blvd	STE 220	Fort Worth	Texas	76116	(817) 560-2727
Kristen Carlson	1303 - NR	1623 Broadway		Galveston	Texas	77550	(409) 740-7400
Kristen Carlson	1139	1409 39th St		Galveston	Texas	77550	(409) 740-7400
Sandra Heintz, Dan Heintz	1383	9538 Huffmeister Rd		Houston	Texas	77095	(832) 924-3160
Sandra Heintz, Dan Heintz	1384 - NR	9538 Huffmeister Rd		Houston	Texas	77095	(832) 924-3160
Greg Carson	1407	1148 W Pioneer Pkwy		Arlington	Texas	76013	(972) 790-2699
Greg Carson	1408 - NR	1148 W Pioneer Pkwy		Arlington	Texas	76013	(972) 790-2699

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Darlene Williams	1564	474 N Broadway	STE B	Joshua	Texas	76058	(817) 506-4016
Jeffrey Clark	1618	451 Guadalupe St	Ste 204	Kerrville	Texas	78028	(830) 315-3131
Jim Royal	1130	1214 Stonehollow Dr	STE A	Kingwood	Texas	77339	(281) 358-9922
Michelle Rankine	1226	650 S Edmonds Ln	Ste 108	Lewisville	Texas	75067	(214) 383-0555
Michelle Rankine	1149 - NR	650 S Edmonds Ln	Ste 108	Lewisville	Texas	75067	(214) 383-0555
Randy Price, Susan Price	1456 - NR	2010 Gilmer Rd	STE 101	Longview	Texas	75604	(903) 714-2872
Darlene Williams	1486	1006 Legacy Ranch Rd	STE 102	Waxahachie	Texas	75165	(469) 672-4880
Randy Price, Susan Price	1455 - NR	507 E Hospital St	STE 103	Nacogdoches	Texas	75965	(936) 253-6744
Dario Lara, Darryl Shelton, Nancy Shelton, Pilar Suarez	1506	800 US Hwy 287		Rhome	Texas	76078	(817) 636-6100
Rachel Reynolds, Mark Reynolds	1619	1101 Ridge Rd	STE 203	Rockwall	Texas	75087	(469) 314-1774
TJ Darilek, Sydney Greenwalt	1213	2681 Gattis School Rd	STE 250	Round Rock	Texas	78664	(512) 531-9453
~~Sloane Wendell, James Wendell~~ Paul Mery, April Mery	1009	8700 Crownhill Blvd	STE 706	San Antonio	Texas	78209	(210) 308-9346
~~Sloane Wendell, James Wendell~~ Paul Mery, April Mery	1045 - NR	8700 Crownhill Blvd	STE 706	San Antonio	Texas	78209	(210) 308-9346
Edwin Young	1355	174 S Guadalupe St	STE 207	San Marcos	Texas	78666	(512) 291-9495
Bruce Lewis, Tracey Banks	1610	1800 N Teague Dr	STE 210	Sherman	Texas	75090	(833) 923-2273
Tate Wilder, Mindy Wilder	1477	2219 Sawdust Rd	Ste 601	The Woodlands	Texas	77380	(281) 402-8859
Randy Price, Susan Price	1212	420 E Fifth St		Tyler	Texas	75701	(903) 253-0778
Trung Giang	1323	605 Towne Oaks Dr	STE B	Waco	Texas	76710	(254) 399-0788
Sandra Heintz, Dan Heintz	1649 - NR	9538 Huffmeister Rd		Houston	Texas	77095	(832) 924-3160

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Tate Wilder, Mindy Wilder	1653 - NR	2219 Sawdust Rd	Ste 601	The Woodlands	Texas	77380	(281) 402-8859
Spencer Robinson, Trung Giang	1646	1005 Marlandwood Rd	Ste 107	Temple	Texas	76502	(254) 326-4461
Spencer Robinson, Trung Giang	1176	6300 W Loop S	STE 430	Bellaire	Texas	77401	713.838.0100
Randy Price, Susan Price	#1654 - NR	4626 Summerhill Rd		Texarkana	Texas	75503	(903) 253-0778
Randy Price, Susan Price	#1655 - NR	217 N Palestine St	Unit H	Athens	Texas	75751	(903) 705-7196
~~Brian Maguire~~ Randy & Susan Price	~~1651~~ 1680- NR	~~1601 Main St~~ 1610 Posey Ln	STE ~~404~~ 4	~~Richmond~~ Sulphur Springs	Texas	~~77469~~ 75482	~~(346) 521-2060~~ (903) 689-7060
Jobin Mathai	1685 - NR	1111 W Mockingbird Ln	Ste 1330	Dallas	Texas	75247	(325) 387-8373
Jobin Mathai	1686	1111 W Mockingbird Ln	Ste 1330	Dallas	Texas	75247	(325) 387-8373
Sandra Chiles	1690	3305 Altamesa Blvd		Fort Worth	Texas	76133	(817) 264-6999
Randy & Susan Price	1706-NR	2626 Calder St	Unit 203	Beaumont	Texas	77702	(409) 288-1121
Frank Barton	1295	5965 S 900 E	STE 225	Murray	Utah	84107	(801) 758-0630
Frank Barton	1386 - NR	535 E 4500 S	STE D210	Salt Lake City	Utah	84107	(801) 758-0630
JD Woolsey, Nicole Woolsey	1233	1496 E 5600 S	STE 6	South Ogden	Utah	84403	(801) 479-7026
Mark Willder, Erin Willder	1652	2230 N University Pkwy	STE 4A	Provo	Utah	84604	(801) 373-1373
Cassy Paminiano	1464	3825 W Hundred Rd		Chester	Virginia	23831	(804) 715-4607
Phill Turner	1019	8260 Willow Oaks Corporate Dr	STE 320	Fairfax	Virginia	22031	(703) 538-4584
Phill Turner	1180 - NR	8260 Willow Oaks Corporate Dr	STE 320	Fairfax	Virginia	22031	(703) 538-4584
Katherine Keith	1576	87 N Main St		Kilmarnock	Virginia	22482	(804) 480-2151
Michael Lawrence	1511	2124 Jefferson Davis Hwy	STE 101	Stafford	Virginia	22554	(540) 720-0734
Peter Lawrence	1513	~~1844 Valley Ave~~ 918 Amherst St		Winchester	Virginia	22601	(540) 686-7882

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Cassy Paminiano	1643 - NR	3825 W Hundred Rd		Chester	Virginia	23831	(804) 715-4607
Steve Morris, Sharon Morris	1313	114 W Magnolia St	STE 503	Bellingham	Washington	98225	(360) 982-2743
Mark Johnston, Victoria Johnston	1255	909 SE Everett Mall Way	STE C319	Everett	Washington	98208	(425) 290-1714
Ben Solomon, Jay Solomon	1460	6010 20th St E	STE 7	Fife	Washington	98424	(253) 904-8215
Ili Johnson, Tyson Johnson	1275	8805 N Harborview Dr	STE 202	Gig Harbor	Washington	98332	(253) 509-0729
Steve Morris, Sharon Morris	1388 - NR	317 S 2nd St	STE 149	Mount Vernon	Washington	98273	(360) 982-2743
Ben Solomon, Jay Solomon	1070	11222 Roosevelt Way NE		Seattle	Washington	98125	(206) 774-1100
Ben Solomon, Jay Solomon	1126 - NR	11222 Roosevelt Way NE		Seattle	Washington	98125	(206) 774-1100
Nick Paul	1640	104 S Freya St., Suite 226B	Tapio Center, Turquoise Flag Bldg	Spokane	Washington	99202	(509) 315-5787
Eric Hicks	1215	5185 US Route 60	STE 29	Huntington	West Virginia	25705	(304) 453-4663
Eric Hicks	1081	1599 2nd Ave		Charleston	West Virginia	25387	(304) 344-0586
April Wintermoyer	1181	3174 Earl L Core Rd	Ste 7	Morgantown	West Virginia	26508	(304) 296-6600
Andrea Brown, Chris Brown	1250	4311 N Lightning Dr	STE 3	Appleton	Wisconsin	54913	(920) 257-4667
~~Mike Forest~~ <u>Peter Gahagan</u>	1256	W177 N9886 Rivercrest Dr	STE 262	Germantown	Wisconsin	53022	(262) 255-2222
Michael Callaghan	1042	6044 8th Ave		Kenosha	Wisconsin	53143	(262) 654-5410
Lisa McComb, Shawn McComb	1545	131 W Layton Ave	STE 307	Milwaukee	Wisconsin	53207	(414) 877-1796
Anna Lezotte	1502	315 E Main St	Unit 2	Waukegan	Wisconsin	53597	(608) 850-7335
Jon Bain	1254	9600 W Greenfield Ave		West Allis	Wisconsin	53214	(262) 347-3005
Lisa McComb, Shawn McComb	1365 - NR	316 E Silver Spring Dr	Ste 213	Whitefish Bay	Wisconsin	53217	(414) 877-1795

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	OfficeCenter Phone
Jon Bain	1366 - NR	9600 W Greenfield Ave		West Allis	Wisconsin	53214	(262) 347-3005
~~Mike Forest~~ <u>Peter</u> <u>Gahagan</u>	1480 - NR	~~215 N Spring St~~ <u>W177</u> <u>N9886 Rivercrest Dr</u>	STE ~~2~~ <u>262</u>	~~Beaver Dam~~ <u>Germantown</u>	Wisconsin	~~53916~~ <u>53</u> <u>022</u>	~~(920) 631-7094~~ <u>(262)</u> <u>255-2222</u>

AFFILIATE OWNED LOCATIONS

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	Center Phone
RAHCOKT*	3101	500 Executive Park		Louisville	Kentucky	40207	(502) 897-0580
RAHCOKT*	3102	1400 Main St	STE 168	Clarksville	Indiana	47129	(812)285-9100
RAHCOVB	3103	~~1300 Diamond Springs Rd~~ <u>184 Business Park Dr</u>	~~Northampton Executive Center Ste 301~~ <u>STE 205</u>	Virginia Beach	Virginia	~~23455~~ <u>234</u> <u>62</u>	(757) 985-2057
RAHCOP	3104	4455 Bayou Blvd	STE B	Pensacola	Florida	32503	(850) 530-0058
~~RAHCOAT~~	~~3105~~	~~1731 Meriweather Dr~~	~~STE 101~~	~~Watkinsville~~	~~Georgia~~	~~30677~~	~~(706) 769-7277~~
~~RAHCOM~~	~~3106~~	~~6420 Hillcrest Park Ct~~	~~STE A~~	~~Mobile~~	~~Alabama~~	~~36695~~	~~(251) 459-8671~~
~~RAHCOPORTRA~~ <u>HCOPD*</u>	3107	6600 SW 105th Ave	STE 140	Beaverton	Oregon	97008	(503) 574-3674
~~RAHCOPORTRA~~ <u>HCOPD*</u>	3108 - NR	10373 NE Hancock St	STE 126	Portland	Oregon	97220	(503)764-9836
~~RAHCOPORTRA~~ <u>HCOPD</u>	3109 - NR	6600 SW 105th Ave	STE 140	Beaverton	Oregon	97008	(503) 574-3674
~~RAHCOPORTRA~~ <u>HCOPD</u>	3110 - NR	6600 SW 105th Ave.	STE 140	Beaverton	Oregon	97008	(503) 574-3674
~~RAHCOHOU*~~	~~3111~~	~~6300 W Loop S~~	~~STE 430~~	~~Bellaire~~	~~TX~~	~~77401~~	~~713.838.0100~~
~~RAHCOHOU~~	~~3112 NR~~	~~6300 W Loop S~~	~~STE 430~~	~~Bellaire~~	~~TX~~	~~77401~~	~~713.838.0100~~
RAHCOKT	3113 - NR	500 Executive Park		Louisville	Kentucky	40207	(502) 897-0580
RAHCOKT	3114 - NR	500 Executive Park		Louisville	Kentucky	40207	(502) 897-0580
RAHCOKT	3115 - NR	500 Executive Park		Louisville	Kentucky	40207	(502) 897-0580
~~RAHCOM~~	~~3116 - NR~~	~~6420 Hillcrest Park Ct~~	~~STE A~~	~~Mobile~~	~~Alabama~~	~~36695~~	~~(251) 459-8671~~
RAHCOP	3117 - NR	4455 Bayou Blvd	STE B	Pensacola	Florida	32503	(850) 530-0058
RAHCOVB	3118 - NR	~~1300 Diamond Springs Rd~~ <u>184 Business Park Dr</u>	~~Northampton Executive Center Ste 301~~ <u>STE 205</u>	Virginia Beach	Virginia	~~23455~~ <u>234</u> <u>62</u>	(757) 985-2057
RAHCOVB	3119 - NR	~~1300 Diamond Springs Rd~~ <u>184 Business Park Dr</u>	~~Northampton Executive Center Ste 301~~ <u>STE 205</u>	Virginia Beach	Virginia	~~23455~~ <u>234</u> <u>62</u>	(757) 985-2057
RAHCOVB	3120 - NR	~~1300 Diamond Springs Rd~~ <u>184 Business Park Dr</u>	~~Northampton Executive Center Ste 301~~ <u>STE 205</u>	Virginia Beach	Virginia	~~23455~~ <u>234</u> <u>62</u>	(757) 985-2057
RAHCOVB	3121 - NR	~~1300 Diamond Springs Rd~~ <u>184 Business Park Dr</u>	~~Northampton Executive Center Ste 301~~ <u>STE 205</u>	Virginia Beach	Virginia	~~23455~~ <u>234</u> <u>62</u>	(757) 985-2057
RAHCOVB	3122 - NR	~~1300 Diamond Springs Rd~~ <u>184 Business Park Dr</u>	~~Northampton Executive Center Ste 301~~ <u>STE 205</u>	Virginia Beach	Virginia	~~23455~~ <u>234</u> <u>62</u>	(757) 985-2057
RAHCOHHS*	3123	29 Plantation Park Dr	STE 704	Bluffton	South Carolina	29910	(843) 815-7890

Owner Name	Territory ID	Address 1	Address 2	City	State	Zip	Center Phone
RAHCOHHS*	3124	114 Canal St	STE ~~402~~ <u>401</u>	Pooler	Georgia	31322	(912) 691-8752
RAHCOSTL*	3125	1514 Caulks Hill Rd		St Charles	Missouri	63304	(636) 379-9955
RAHCOSTL*	3126	121 Hunter Ave	STE 202	St. Louis	Missouri	63124	(314) 567-5545
RAHCOSTL*	3127 - NR	121 Hunter Ave	STE 202	St. Louis	Missouri	63124	(314) 567-5545
~~RAHCOCO~~ <u>OCOS</u> *	3128	135 Winters Dr		Colorado Springs	Colorado	80907	(719) 634-4999

* Acquired from a franchisee

~~LIST OF RIGHT AT HOME CURRENT FRANCHISEES~~

FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPENED

~~None~~ As of December 31, 2023

<u>Owner Name</u>	<u>Territory ID</u>	<u>Address 1</u>	<u>Address 2</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Center Phone</u>
<u>Peter Carrillo</u>	<u>1696</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>CA</u>	<u>TBD</u>	<u>TBD</u>
<u>Sagar and Seema Patel</u>	<u>1697</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>CA</u>	<u>TBD</u>	<u>TBD</u>
<u>Regina Le-Grand-Sawyer</u>	<u>1695</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>CA</u>	<u>TBD</u>	<u>TBD</u>
<u>Nikhil Chauhan</u>	<u>1703</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>CA</u>	<u>TBD</u>	<u>TBD</u>
<u>Nikhil Chauhan</u>	<u>1704</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>CA</u>	<u>TBD</u>	<u>TBD</u>
<u>Jon Lawson</u>	<u>1699</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>IN</u>	<u>TBD</u>	<u>TBD</u>

EXHIBIT G TO THE FRANCHISE DISCLOSURE DOCUMENT

**LIST OF RIGHT AT HOME FRANCHISES TRANSFERRED, TERMINATED,
NOT RENEWED OR OTHERWISE CEASED TO DO BUSINESS**

EXHIBIT G

LIST OF RIGHT AT HOME FRANCHISES TRANSFERRED, TERMINATED, CANCELLED, NOT RENEWED OR OTHERWISE CEASED TO DO BUSINESS (Dated January 1, ~~2022~~2023 to December 31, ~~2022~~2023)

List of Transferred Franchises:

NAME OF TRANSFEROR	CONTACT INFORMATION
~~Jeff Ezell (1199)~~ <u>Lew & Mimi Myers (1146)</u>	~~2260 E Old Hayneville Rd. Montgomery, AL 36105 (334) 590-6535~~ <u>942 Schooner Circle, Annapolis, MD 21401 240-401-3356</u>
~~Drew Fuller (1452)~~ <u>Tracy and Ken Mikes (1154)</u>	~~4609 Glen Valley Little Rock AR, 72223 (501) 213-8392~~ <u>155 S Oakhurst Dr., Aurora, IL. 60504 Tracy, 630-886-1215 Ken, 630-991-8689</u>
<u>Tim Morgan (1663)</u>	<u>103 Kimberly Court Hendersonville, TN 37075 (615) 822-9490</u>
<u>Jim and Susan Stevens (1292)</u>	<u>418 Poplar CT, Coraopolis, PA 15108 (724) 683-5231</u>
<u>Deborah Hellums (1415)</u>	<u>3441 Port Royal Rd., Adams TN 37010 (832) 372-6521</u>
~~Doug & Leanna Dickstein (1174)~~ <u>Ryan Curnow & Chad Dollarhide (1087)</u>	~~Ryan Curnow23890 Copperhill Dr, #674 Valencia 24902 Canyon Rim Pl, Lake Forest, CA 9135492630 (310) 500-0578~~ <u>Chad Dollarhide(661) 670-9731 401 Coyote Pass, Lake Forest, CA 92610 (323) 387-0000</u>
~~Doug & Leanna Dickstein (1315)~~ <u>Ryan Curnow & Chad Dollarhide (1305)</u>	~~23890 Copperhill Dr, #674 Valencia~~ <u>Ryan Curnow 24902 Canyon Rim Pl, Lake Forest, CA 9135492630 (661) 670-9731(310) 500-0578</u> <u>Chad Dollarhide 401 Coyote Pass, Lake Forest, CA 92610 (323) 387-0000</u>

NAME OF TRANSFEROR	CONTACT INFORMATION
~~Carol Gonzalez Sheak and Richard Sheak (1478)~~ <u>Joe and Alison Bakey (1050 PA franchise location)</u>	~~2058 Foxhall Loop San Jose, CA 95125 650-787-9591~~ <u>301 Darwin Court, Mullica Hill, NJ, 08062 (610) 656-0851</u>
~~Doug Campbell (1642)~~ <u>Joe and Alison Bakey (1120 PA franchise location)</u>	~~1000 Homestead Drive Unit 25, Edwards, CO, 81632 (857) 272-2801~~ <u>301 Darwin Court, Mullica Hill, NJ, 08062 (610) 656-0851</u>
~~Dave & Kim Babeock (1264)~~ <u>Ray and Robyn Giordano (1504 NJ franchise location)</u>	~~63 Sherwood Dr Easton, CT 06612 (203) 209-0464~~ <u>172 Konner Ave North, Montville, NJ 07045 (201) 401-2266</u>
~~Prabhu Ramkumar (1554 NC territory)~~	~~11726 Winding Woods Way Lakewood Ranch FL 34202 (980) 475-4340~~
~~Prabhu Ramkumar (1559 NC territory)~~	~~11726 Winding Woods Way Lakewood Ranch FL 34202 (980) 475-4340~~
~~Kim & Keith Schafer (1586)~~	~~180 Pelican Pointe Road Ponte Vedra, Florida 32081 (917) 913-1373~~
~~Kim & Keith Schafer (1587)~~	~~180 Pelican Pointe Road Ponte Vedra, Florida 32081 (917) 913-1373~~
~~Gail Hanson (1158)~~	~~7 Charles Street Westborough, MA 01581 (508) 736-9548~~
~~Gail Hanson (1282)~~	~~7 Charles Street Westborough, MA 01581 (508) 736-9548~~
~~Lisa & Dean Sukin and Laurie & Rob Gagnon (1525)~~ <u>Ray and Robyn Giordano (1505 NJ franchise location)</u>	~~2623 Huckleberry Ln. Billings, MT 59106 (406) 794-4869~~ ~~2315 Stone Creek Trl. Billings, MT 59016~~ <u>172 Konner Ave North, Montville, NJ 07045 (201) 401-2266</u>
~~Mark Wimbush (1109)~~ <u>JP Valiulis (1007)</u>	~~605 Rose Peak Ct. Reno, NV 89511 (775) 313-4885~~ <u>7904 Norma Ct, Lewis Center, OH 43035 (614) 420-0697</u>
~~Will & Kelley Ferrence (1253)~~	~~1525 Sunrise Circle Boulder City, NV 89005 (702) 816-1047~~

NAME OF TRANSFEROR	CONTACT INFORMATION
~~Shelley Reed (1256 WI territory)~~ JP Valiulis (1439)	~~6277 Melrose Drive~~ ~~7904 Norma CT,~~ ~~Lewis Center, Ohio~~ OH 43035 ~~(262) 416-8646~~ (614) 420-0697
~~Shelley Reed (1480 WI territory)~~ JP Valiulis (1658)	~~6277 Melrose Drive~~ ~~7904 Norma CT,~~ ~~Lewis Center, Ohio~~ OH 43035 ~~(262) 416-8646~~ (614) 420-0697
~~James Duchak (1268)~~ Lucia Navarro & Luis Baquedano (1630)	~~425 Sheldon Rd.~~ ~~Valencia, PA 16059~~ ~~(724) 991-1341~~ 6054 Newport Village Way, Lake Worth, FL, 33463 (561) 323-1017 / (561) 323-3087
Bhavani Muvvala (1400)	510 Elk Hollow CT Franklin TN 37069 (408) 373-2829
Mike Forest (1256)	N115W16135 Saxony Sq #3103, Germantown, WI, 53022 (480) 326-1911
Mike Forest (1480)	N115W16135 Saxony Sq #3103, Germantown, WI, 53022 (480) 326-1911
Robert Stelletello (1242)	705 Lynwood Ln, Wheaton, IL 60189 (630) 336-3250
Robert Stelletello (1350)	705 Lynwood Ln, Wheaton, IL 60189 (630) 336-3250
~~James Duchak (1435)~~ Regi, Geetha and Nathan Mathews (1565, NY franchise location)	~~425 Sheldon~~ 7 Golden Heights Rd., ~~Valencia, PA 16059~~ ~~(724) 991-1341~~ Danbury, CT 06811 (914) 606-1038
~~Lorri Pratt (1208)~~ Robert & Carol Brohmer (1262)	~~2521 Huntwick St~~ ~~Grand Prairie, TX 75050~~ ~~(214) 998-4610~~ 440 Oak St. PO Box 111, Penngrove, CA 94951 (707) 480-5552
Robert & Carol Brohmer (1353)	440 Oak St. PO Box 111, Penngrove, CA 94951 (707) 480-5552
Michael Juceam (1063)	5732 Aaron Ct, Sarasota, FL 34232 (941) 400-7031
Okechukwu & Kathleen Azie (1509)	10544 Martinique Isle Dr, Tampa, FL 33647 (267) 255-5137
~~Whitney Krupala (1486)~~ Jim & Sloane Wendell (1009)	~~5811 Castle Way~~ ~~Midlothian, TX 76065~~ ~~(214) 726-6719~~ 2707 Albin Drive, San Antonio, TX 78209 (210) 382-0748

NAME OF TRANSFEROR	CONTACT INFORMATION
~~Whitney Krupala (1564)~~ Jim & Sloane Wendell (1045)	~~5811 Castle Way~~ ~~Midlothian, TX 76065~~ ~~(214) 726-6719~~ 2707 Albin Drive, San Antonio, TX 78209 (210) 382-0748
~~Patty & Tref Hietpas (1250)~~	~~3912 Rosin Rd.~~ ~~DePere, WI 54115~~ ~~(920) 540-4976~~

List of Terminated Franchises:

Name of Franchisee	Address, Phone Number and Email Address of Franchisee
~~Steve & Wendy Nowak (1190)~~ Brian Maguire (1651)	~~1397 Danbury Road, North Canton, OH 44720~~ ~~(330) 361-4561~~ 2030 Briarview Dr, Houston, TX 77077 (832) 659-5913
~~Geoff Myers (1596)~~ Ken Helmuth (1573)	~~688 Redstone Circle, Brunswick, OH 44212~~ ~~(440) 263-2175~~ 9200 Tawny Chase Drive, Raleigh, NC 27617 (919) 500-0130
Ken Helmuth (1574)	9200 Tawny Chase Drive, Raleigh, NC 27617 (919) 500-0130
Joe & Alison Bakey (1122 DE franchise location)	301 Darwin Court, Mullica Hill, NJ 08062 (610) 656-0851
~~Pam Lang (1359)~~ Beau Green (1663 TN franchise location)	~~2285 Roselawn 4895 Reynolds Lane, Oshkosh, WI 54904~~ ~~(262) 422-2667~~ Vestavia Hills, AL 35242 (205) 746-0000
~~Jeff Gray (1297)~~ James A. Gall (1466)	~~61 Reading Street, Fillmore, CA 93015~~ ~~(805) 832-9118~~ 2101 Brookfield Drive Midland, MI 48642 (989) 980-0122
~~Eric Hicks (1543)~~	~~103 Wild Turkey Rd, Charleston, WV 25304~~ ~~(304) 444-2773~~

List of Franchises that were not Renewed:

Name of Franchisee	Address, Phone Number and Email Address of Franchisee
~~Phil Chandler (1346)~~ Tim Petlin (1376)	~~1639 Oakcottage Court, Westlake Village, CA 91361~~ ~~(805) 501-6298~~ 2114 Barry Avenue, Los Angeles, CA 90025 (310) 403-9129
Keith Zimmerman (1360-NR)	3783 Green Valley Road Seven Valleys, PA 17360 (717) 542-1099
Keith Zimmerman (1361-NR)	3783 Green Valley Road Seven Valleys, PA 17360 (717) 542-1099

List of Franchises that were Reacquired by Franchisor: None

Name of Franchisee	Address, Phone Number and Email Address of Franchisee
~~Barb Madison (1055)~~	~~200 South Brentwood Boulevard, Unit 4C, St. Louis, MO 63105 (314) 220-4972~~
~~Barb Madison (1076)~~	~~200 South Brentwood Boulevard, Unit 4C, St. Louis, MO 63105 (314) 220-4972~~
~~Gregg Fulton (1069)~~	~~5 Marchmont Ave., Bluffton, SC 29910 (843) 757-9162~~
~~Bruce and Kirsten Pahde (1145)~~	~~802 Bridlespur Ln Lake, Saint Louis, MO 63367 (314) 566-9990~~
~~Peter Vanderbrouk (1004)~~	~~9970 Pleasanton Dr, Colorado Springs, CO 80920 (719) 310-8700~~

List of Franchises that Ceased Operating for Other Reasons: None

Name of Franchisee	Address, Phone Number and Email Address of Franchisee

EXHIBIT H TO THE FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE ORGANIZATIONS WE HAVE CREATED, SPONSORED OR ENDORSED

H-1 FRANCHISE ORGANIZATIONS WE HAVE CREATED, SPONSORED OR ENDORSED

We are deemed to be a “sponsor” of the Home Care Association of America (“HCAOA”), formerly the National Private Duty Association. We require each of our franchisees to join the HCAOA promptly after becoming a franchisee. We currently pay your dues for a ~~nonvoting membership in the HCAOA. We also recommend, but do not require, that you have a~~ voting membership in the HCAOA. ~~any~~ You are required to pay your ~~dues for a voting membership and~~ dues for membership in a local chapter of the HCAOA. Contact information for the HCAOA is as follows: 412 First Street, SE Suite 3, Washington, DC 20003; Phone: (202) 480-2972; Fax: (202) 347-0037; Email: info@homecareaoa.org.

H-2 INDEPENDENT FRANCHISE ASSOCIATIONS

None

EXHIBIT I
AGREEMENT AND CONDITIONAL CONSENT TO TRANSFER

AGREEMENT AND CONDITIONAL CONSENT TO TRANSFER

THIS AGREEMENT AND CONDITIONAL CONSENT TO TRANSFER ("**Agreement**") is made among Right at Home, LLC, a Delaware limited liability company ("**Franchisor**"), [INSERT SELLER NAME], an [INDIVIDUAL/ENTITY (INCLUDE STATE IF ENTITY)] ("**Seller**"), [INSERT NAME OF SELLER GUARANTOR(S) IF ENTITY] ("**Seller Guarantor(s)**"), [INSERT NAME OF PURCHASER], an [INDIVIDUAL/ENTITY (INCLUDE STATE IF ENTITY)] ("**Purchaser**"), and [INSERT NAME OF PURCHASER GUARANTOR(S)] ("**Purchaser Guarantor(s)**"), effective as of the Effective Date*.

RECITALS

A. Seller and Franchisor have entered into the franchise agreement dated [Insert date of franchise agreement] (known as Franchise # [Insert Franchise Number]), as may have been amended from time to time ("**Seller Franchise Agreement**") pursuant to which Seller operates a Right at Home franchised business within the Designated Area defined in the Seller Franchise Agreement ("**Franchised Business**");

B. Seller Guarantor(s) entered into the Guaranty and Assumption of Obligations on [insert date] ("**Seller Guaranty**");

C. Seller and Purchaser entered into the Asset Purchase Agreement, dated [insert date] in the form attached to this Agreement as **Exhibit A** ("**Purchase Agreement**"), pursuant to which Seller has agreed to sell and Purchaser has agreed to purchase all or substantially all of the assets used in the operation of the Franchised Business ("**Business Interests**") excluding Franchisor Property (as defined below). Such purchase and sale transaction is referred to as the "**Transfer**";

D. Subject to the terms and conditions in this Agreement, Purchaser and Franchisor will enter into Franchisor's then-current franchise agreement, together with all exhibits thereto (collectively, "**Purchaser Franchise Agreement**");

E. Subject to the terms and conditions in this Agreement, Purchaser Guarantor(s) will enter into Franchisor's then-current Guaranty and Assumption of Obligations ("**Purchaser Guaranty**"):

~~E.F.~~ Seller and Seller Guarantor(s) have requested that Franchisor consent to the Transfer and release Seller and Seller Guarantor(s) from all obligations to operate the Franchised Business arising after the date of the Closing (as defined below) under the Seller Franchise Agreement and Seller Guaranty, respectively, (except as provided otherwise in this Agreement); and

~~E.G.~~ The parties to this Agreement desire to set forth the terms and conditions under which Franchisor will consent to the Transfer.

AGREEMENT

FOR AND IN CONSIDERATION of the foregoing Recitals, which are incorporated into this Agreement, the mutual covenants expressed in this Agreement, and other valuable consideration, the parties agree as follows:

1. Effective Date. Franchisor's conditional consent to the Transfer is effective as of the date Franchisor signs this Agreement ("**Effective Date**").*

2. Conditional Consent. Franchisor conditionally consents to the Transfer upon the terms and conditions in this Agreement including the compliance with, and, where appropriate, the completion of the following terms, conditions and obligations ("**Contingencies**") ~~on or~~ before or after the date and time of the closing of the Purchase Agreement ("**Closing**"). Franchisor may terminate its conditional consent to the Transfer if the Contingencies are not met ~~on or~~ before or after the Closing.

a. Purchaser Qualifications. Franchisor pre-approves Purchaser to be a Right at Home franchisee ~~prior to Closing.~~ Purchaser has provided, or will provide prior to Closing, satisfactory evidence to Franchisor, in the form and content required by Franchisor, that Purchaser meets Franchisor's then-current qualifications for Right at Home franchisees;

b. Obligations of Seller and Seller Guarantor(s) under Seller Franchise Agreement ~~and Seller Guaranty.~~ Seller and Seller Guarantor(s) will comply with all obligations under the Seller Franchise Agreement and Seller Guaranty through the Closing. If requested, Seller and Seller Guarantor(s) will provide documentation requested by Franchisor to evidence such compliance;

c. Purchase Agreement. Franchisor approves the ~~final~~ Purchase Agreement, subject to Seller and Purchaser fully performing all obligations in the ~~form attached to this~~ Purchase Agreement ~~as Exhibit A.~~ Seller and Purchaser will not amend the ~~final, approved~~ Purchase Agreement without Franchisor's prior written consent. Seller and Purchaser will submit to Franchisor a fully executed Purchase Agreement, in the form approved by Franchisor, no later than days before Closing;

d. Purchaser Franchise Agreement. Purchaser and Purchaser Guarantor(s) execute and deliver to Franchisor at the time required by Franchisor, the ~~then-current~~ Purchaser Franchise Agreement and all exhibits thereto, in form and substance required by Franchisor;

~~e. Permits and Licenses. If required by the applicable laws, ordinances and regulations governing the operation of the Franchised Business, Purchaser will have all permits and licenses required to operate the Franchised Business and to become a Right at Home franchisee;~~

~~f~~.e. Compliance with Section 3 of the Purchaser Franchise Agreement. Purchaser and Purchaser Guarantor(s) will comply with (1) the entity or trust requirements set out in ~~Sections 3.3 and 3.4~~Section 10.2 of the Purchaser Franchise Agreement; (2) the Operating Principal requirements set out in Section 3.510.1 of the Purchaser Franchise Agreement; and (3) Section 5 of this Agreement. Purchaser and Seller will provide satisfactory evidence to Franchisor of such compliance;

~~g~~.f. Office Location. Purchaser provides to Franchisor (1) a fully executed assignment, sublease or assumption agreement between Seller, Purchaser and Seller's landlord ("**Landlord**") authorizing Purchaser to operate the Franchised Business from Seller's Office; (2) Landlord's written consent approving the assignment, sublease or assumption of Seller's lease to Purchaser authorizing Purchaser to operate the Franchised Business from Seller's Office; or (3) a copy of a fully executed lease for a new site for Purchaser's Office that complies with ~~Sections 3.1 and 3.2~~Section 10.4 of the ~~Purchaser's~~Purchaser Franchise Agreement.;

~~h~~.g. Purchaser's Operating Principal. Franchisor approves Purchaser's Operating Principal prior to Purchaser's Operating Principal attending the RightStart Training Program;

~~i~~.h. Training. The Purchaser's Operating Principal completes The RightStart Training Program as described in the Purchaser Franchise Agreement, or as otherwise required by Franchisor, to Franchisor's satisfaction;

~~j~~.i. Insurance. Purchaser provides satisfactory evidence to Franchisor that Purchaser is in compliance with the insurance requirements in the Purchaser Franchise Agreement. Seller provides satisfactory evidence to Franchisor that Seller has secured, and will maintain, at least one (1) additional year of Extended Reporting Period coverage for claims made policies;

~~k~~.j. Transfer Fee. The transfer fee in the amount of \$**[INSERT AMOUNT OF TRANSFER FEE]** is paid to Franchisor at or before the Closing ("**Transfer Fee**");

~~l~~.k. Entity Authority. Seller and Purchaser provide to Franchisor at Closing satisfactory evidence of their respective entity authorizations to (1) enter into this Agreement and the Purchase Agreement, (2) comply with the obligations in this Agreement and the Purchase Agreement, and (3) approve the Transfer;

~~m~~.l. Closing. The Closing takes place within sixty (60) days following the Effective Date of this Agreement or such other time approved by Franchisor in writing; and

n.m. Amendment No. 1 to Purchaser Franchise Agreement. Purchaser executes and delivers to Franchisor, at the time required by Franchisor,

Amendment No. 1 to the Purchaser Franchise Agreement in the form and substance required by Franchisor. ~~[DELETE PARAGRAPH IF NOT APPLICABLE]~~

3. Waiver of Right of First Refusal. For purposes of this Transfer only, Franchisor waives any right of first refusal to purchase the Business Interests or the Franchised Business it may have pursuant to the Seller Franchise Agreement.

4. Termination of Consent. Franchisor may revoke its consent and terminate this Agreement and/or the Purchaser Franchise Agreement, each with no obligation or liability on the part of Franchisor, if ~~(a) the Contingencies set out in **Section 2** of this Agreement are not met at or prior to the Closing; or (b) **Section 2.e** of this Agreement does not apply and Purchaser fails to obtain all permits and licenses required by applicable laws, ordinances and regulations to operate the Franchised Business and to become a Right at Home franchisee within 90 days of the Closing. In the event Franchisor's consent is revoked in accordance with this **Section 4**, then Franchisor's termination of the Seller Franchise Agreement and Seller Guaranty set out in **Section 6** will be void *ab initio* and Seller and Seller Guarantor(s) will be responsible for all obligations under the Seller Franchise Agreement, prior to or after the Closing as determined by Franchisor.~~

5. Lease for Office. Purchaser and Seller acknowledge that, irrespective of Franchisor's approval of the Transfer, (a) they are responsible for complying with any notice, consent, assignment, sublease, assumption and/or any other provisions or requirements under Seller's lease ("**Lease Transfer Requirements**") necessary to transfer, assign, or sublease the Seller's lease or rights to occupy the Seller's Office to Purchaser; and, (b) the failure to comply with the Lease Transfer Requirement provisions may be a default of Seller's lease. The Franchisor will have no liability for any obligations, payments, or other costs or expenses associated with any current leased or owned Office for the Franchised Business.

6. Termination of Seller Franchise Agreement and [Seller](#) Guaranty. Subject to the Contingencies in **Section 2**, as of the Closing, the Seller Franchise Agreement and the Seller Guaranty will automatically terminate. Except as provided in **Section 4**, upon termination, the Purchaser Franchise Agreement will govern the operation of the Franchised Business and neither Seller nor Seller Guarantor(s) will have any further rights or obligations to operate the Franchised Business in accordance with the Seller Franchise Agreement, subject to the following:

- a. Franchisor has executed the Purchaser's Franchise Agreement and related exhibits;
- b. Franchisor has not revoked its Consent in accordance with **Section 4**;
- c. any obligations to pay money to Franchisor owed under either the Seller Franchise Agreement or the [Seller](#) Guaranty prior to the Closing;

d. all covenants and obligations of Seller ~~or~~and Seller Guarantor(s) under the Seller Franchise Agreement ~~or~~and the Seller Guaranty which either expressly or by their nature are intended to survive the termination of the Seller Franchise Agreement ~~or~~and the Seller Guaranty, including, but not limited to, those covenants and obligations arising under Sections ~~5-Proprietary Marks, 6, 7.4-Confidential Manuals, 7-13-Proprietary Marks, 14-~~ Confidential Information, ~~14-Trade Secrets and Covenants 15-Insurance, 15-Covenants, 17~~ and Indemnification, 19 – Rights and Duties of Parties upon ~~Expiration or Termination, 22—Independent Contractor and Indemnification, 28—Applicable Law and Choice of Forum, 29a Terminating Event, 20-~~ Dispute Resolution, ~~30—“Franchisee” Defined and Guaranty, 34 Limitation on Damages; Waivers, Etc., 22.1 Relationship of the Parties, ..., 22.8 Survival;~~ and all other covenants against competition, disclosure of Confidential Information and Trade Secrets, use of the System, use of the trademarks, misappropriation of Trade Secrets, tail insurance coverage requirements, and any indemnification obligations set out therein, in the Confidentiality and Non-Compete Agreement or other agreements between Seller and Franchisor;

e. any and all obligations undertaken, liabilities incurred or to be incurred, and contracts entered into by Seller or Seller Guarantor(s) in connection with the Franchised Business, the Seller Franchise Agreement and/or the Seller Guaranty relating to Seller's operation of the Franchised Business prior to the Closing that are not assumed by Purchaser, which will remain the sole and absolute obligations and liabilities of Seller and Seller Guarantor(s), after the termination of the Seller Franchise Agreement and Seller Guaranty; and

f. any obligations or liabilities arising under this Agreement.

7. Release of Franchisor. Seller, Seller Guarantor(s), Purchaser and Purchaser Guarantor(s), for themselves and their affiliates, employees, officers, partners, members, shareholders, Operating Principal, Owners, managers, directors, principals, successors, heirs, agents, assigns and other representatives, fully and forever unconditionally release and discharge Franchisor, and its affiliates, subsidiaries, agents, and insurers and their respective employees, officers, directors, guarantors, shareholders, members, managers, successors, assigns, and other representatives (the “**Released Parties**”), from any and all claims, demands, obligations, actions, liabilities and damages of every kind or nature whatsoever, in law or in equity, whether known or unknown to them, which they may have against the Released Parties as of the Effective Date, or which may be discovered, accrued, or sustained after the Effective Date, in connection with, as a result of, or in any way arising from, any relations or transactions with the Released Parties through the date of Closing, however characterized or described, including but not limited to, any claims arising from the Seller Franchise Agreement, the Purchaser Franchise Agreement, the Purchase Agreement, the Transfer, the transactions described in this Agreement, the Franchised Business, the operation of the Franchised Business, the negotiation and entry into the Purchase Agreement, the relationship between the Seller, Seller Guarantor(s), Purchaser, Purchaser Guarantor(s) and the Released Parties, the parties negotiation of

and entry into the Seller Franchise Agreement, Seller Guaranty, Purchaser Franchise Agreement or Purchaser Guaranty, the failure to comply with the Lease Transfer Requirements or any obligations to otherwise obtain Seller's Landlord's approval, any obligations or liabilities incurred in connection with any SBA loan, PPP loan or other governmental assistance obtained by Seller, Seller Guarantor(s), Purchaser or Purchaser Guarantor(s), or this Agreement. **[NOTE; USE ONLY FOR CALIFORNIA FRANCHISEES:** This **Section 7,** including, without limitation, the release herein, will be effective as of the Effective Date.²

SELLER AND SELLER GUARANTOR[S] EACH ACKNOWLEDGE THAT THEY ARE FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH PROVIDES AS FOLLOWS:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO 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.

SELLER AND SELLER GUARANTOR[S], EACH BEING AWARE OF THIS CODE SECTION, HEREBY EXPRESSLY WAIVE ALL OF THEIR RIGHTS THEREUNDER AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT OF ANY APPLICABLE JURISDICTION, INCLUDING, WITHOUT LIMITATION, CALIFORNIA.

8. Non-Disparagement. In consideration of the accommodations and concessions provided by Franchisor to Seller, Seller Guarantor(s), Purchaser and Purchaser Guarantor(s) under this Agreement, Seller, Seller Guarantor(s), Purchaser and Purchaser Guarantor(s) agree not to, and, if applicable, to use their best efforts to cause their current, former and future shareholders, Operating Principal(s), Owners, members, managers, officers, directors, principals, agents, partners, employees, affiliates, representatives, attorneys, spouses, heirs, successors and assigns not to, disparage or otherwise speak or write negatively, directly or indirectly, of Franchisor, the System, Franchised Business, other Right at Home franchisees, or the Released Parties so as to bring ridicule, scandal, reproach, scorn, or indignity upon them or that would negatively impact the goodwill of Franchisor or its brand.

9. Representations and Acknowledgements. Purchaser, Purchaser Guarantor(s), Seller and Seller Guarantor(s) each recognizes that Franchisor is relying on the following representations and acknowledgments in approving the Transfer:

a. Seller and Purchaser have provided a complete, final version of the Purchase Agreement to Franchisor which has been or will be executed by them.

² Note: Delete the following 3 paragraphs if the Seller is not based in California.

b. The sale of the Business Interests from Seller to Purchaser was originated, negotiated and concluded by Seller, Seller Guarantor(s), Purchaser and Purchaser Guarantor(s) without significant or material involvement from Franchisor or its affiliates, subsidiaries, agents or their respective employees, officers, directors, managers, members, shareholders, successors, assigns or other representatives;

c. Except as specifically set forth in this Agreement, no term or condition in the Purchase Agreement, oral or written communications or any other agreement regarding the purchase of the Business Interests or Franchised Business between Seller, Seller Guarantor(s), Purchaser and Purchaser Guarantor(s) has been negotiated by Franchisor;

d. Purchaser and Seller have assumed sole and full responsibility for making the final decision to purchase and sell the Business Interests. Each has consulted or have of his/her/its own accord, elected not to consult, with legal and financial advisors;

e. Purchaser and Purchaser Guarantor(s) understand that Franchisor does not provide information regarding Seller, Seller Guarantor(s), the Business Interests or the Franchised Business operated by Seller. Purchaser and Purchaser Guarantor(s) represent and warrant that they did not receive and are not relying on any financial statements, pro-forma, deposit information, or otherwise from Franchisor regarding past or projected, estimated or anticipated earnings, sales, deposit accounts or otherwise for the Seller's Franchised Business; and each of Purchaser and Purchaser Guarantor(s) recognizes that any such information furnished by other persons, including Seller and Seller Guarantor(s), are not approved or endorsed by Franchisor;

f. Purchaser and Purchaser Guarantor(s) further understand that as part of analyzing the purchase of the Business Interests from Seller, it is Purchaser's and Purchaser Guarantor(s) responsibility to meet with or otherwise gather necessary information from the appropriate parties which may or may not affect Purchaser's purchase of the Business Interests and Franchised Business from Seller;

g. Purchaser and Purchaser Guarantor(s) acknowledge that it is Purchaser's and Purchaser Guarantor(s)' responsibility to verify the information received from Seller, Seller Guarantor(s) or any third party. Purchaser will not hold Franchisor responsible for the accuracy of such information provided to Purchaser or take any action against Franchisor as a result of such information;

h. Purchaser and Purchaser Guarantor(s) have not granted a security interest, or any right, title or interest in and to any property or rights owned by Franchisor, including, but not limited to, any Proprietary Marks, trade secrets, Confidential Information, records, intellectual property or client lists as further

prohibited in the Purchaser Franchise Agreement ("**Franchisor Property**"). Any such security interest or purported transfer of any other right, title or interest in and to the Franchisor Property will be void and of no effect;

i. Purchaser, Purchaser Guarantor(s), Seller and Seller Guarantor(s) acknowledge and agree that Seller is not permitted to transfer to Purchaser any right, title or interest in any of the Franchisor Property;

j. Seller, Seller Guarantor(s), Purchaser, and Purchaser Guarantor(s) acknowledge and agree that Franchisor has not provided, and is not providing, any legal, financial or other advice regarding any of Seller's or Purchaser's SBA loans or PPP loans, and that it is the obligation of Seller, Seller Guarantor(s), Purchaser and Purchaser Guarantor(s) to make sure the Transfer complies with all applicable requirements concerning any SBA loan and/or PPP loan and to consult with their own legal and financial advisors in connection therewith; and

k. Purchaser, Purchaser's Operating Principal and Purchaser Guarantor(s) represent and warrant that none of them, nor their spouse(s), have an ownership interest in, or perform services for, any business that is the same as, or similar to the Core Services or Ancillary Services offered and/or sold in the System or Franchised Business as further set out in **Section 15.314.2** of the Purchaser's Franchise Agreement.

10. No Endorsement. Franchisor's consent under this Agreement does not constitute any agreement by Franchisor or any endorsement of the Transfer or its economic feasibility, the Purchase Agreement, the purchase price, Purchaser's due diligence, or any other transaction terms between Seller, Seller Guarantor(s), Purchaser and/or Purchaser Guarantor(s). Any terms or conditions of the purchase and sale of the Franchised Business and Business ~~Interest~~Interests between Purchaser and Seller that may purport to bind Franchisor will not be valid or binding on Franchisor unless agreed to by Franchisor in writing.

11. Indemnification. Seller, Seller Guarantor(s), Purchaser, and Purchaser Guarantor(s) for themselves and their successors, assigns, affiliates, subsidiaries, divisions, Operating Principal(s), Owners, shareholders, managers, employees and agents shall indemnify and hold Franchisor and the Released Parties (as defined in **Section 7** of this Agreement) harmless from any and all liabilities, losses, damages, deficiencies, claims, costs or expenses of any nature resulting, directly or indirectly, from (a) any misrepresentation or breach of warranty or covenant on the part of Seller, Seller Guarantor(s), Purchaser or Purchaser Guarantor(s) under this Agreement, the Purchase Agreement or in relation to the operation of or acquisition of the Franchised Business, Business Interests or negotiations relating to the Purchase Agreement, (b) any acts or omissions of Seller, Seller Guarantor(s), Purchaser or Purchaser Guarantor(s) in relation to the Purchase Agreement or otherwise, (c) the non-fulfillment of any conditions under this Agreement or the Purchase Agreement, (d) any failure to comply with all applicable SBA

and other requirements or otherwise in connection with any SBA loan, PPP loan or other governmental assistance obtained by or granted to Seller, Seller Guarantor(s), Purchaser or Purchaser Guarantor(s), (e) any failure to comply with **Section 9.i** of this Agreement; and (f) any and all actions, suits, proceedings, investigations, demands, assessments, judgments, costs and expenses incident to any of the foregoing, including but not limited to, reasonable legal and accounting fees.

12. Additional Documents. Purchaser, Purchaser Guarantor(s), Seller and Seller Guarantor(s) agree to execute such additional documents as may be necessary to complete the Transfer as contemplated by the Purchase Agreement, the Seller Franchise Agreement, and the Purchaser Franchise Agreement.

13. Dispute Resolution.

a. Any dispute, controversy or claim between Franchisor and Seller and/or Seller Guarantor(s), arising under, out of, in connection with or in relation to this Agreement or the scope or validity of the dispute resolution in the Seller Franchise Agreement will be settled in accordance with **Section 2920** of the Seller Franchise Agreement.

b. Except as provided in **Section 13.d** of this Agreement, any dispute, controversy or claim between Franchisor and Purchaser and/or Purchaser Guarantor(s) arising under, out of, in connection with or in relation to this Agreement or the scope or validity of the dispute resolution in this Agreement ("**Dispute**") will be settled as follows.

1. The parties will first attempt to resolve the Dispute through good faith negotiation in accordance with **Sections 13.b.2** and **13.b.3** of this Agreement. Failure of a party to adhere to **Sections 13.b.2** and **13.b.3** of this Agreement will constitute a waiver by such party of any right, remedy or relief claimed by ~~the other~~such party or provided for in this Agreement or by law that otherwise accrues as a result of such Dispute.

2. If a party claims that a Dispute exists, such party will notify the other party in writing that a Dispute exists, specifying the nature and extent of the Dispute (the "**Dispute Notice**"). The parties will meet within thirty (30) days after the date of delivery of such Dispute Notice in Omaha, Nebraska at the location directed by Franchisor ~~for such attempted resolution~~.

3. The persons representing Franchisor ~~and~~, Purchaser and/or Purchaser Guarantor(s) (as the case may be) ~~who are authorized to settle the Dispute must attend at~~ the meeting required by **Section 13.b.2** of this Agreement ~~must have authority to settle the Dispute.~~. The parties may also be represented by counsel ~~at such meeting~~. The parties will ~~then~~ make a good faith attempt to resolve the Dispute. If the Dispute is not resolved at such meeting or a party fails to appear at a scheduled meeting, the parties are free to pursue arbitration. Each party will bear its own costs in

connection with such meeting. The meeting and ~~any~~all negotiations and results thereof will be treated as a compromise settlement negotiation and the entire process is confidential.

c. Except as provided in **Section 13.d** of this Agreement, Franchisor, Purchaser and Purchaser Guarantor(s) agree that any Dispute not resolved pursuant to **Section 13.b** of this Agreement must be submitted to binding arbitration in accordance with the Federal Arbitration Act in accordance with the following procedures:

1. The American Arbitration Association ("**AAA**") will administer the arbitration pursuant to its then-current Commercial Arbitration Rules by one (1) arbitrator.

2. Franchisor, Purchaser and Purchaser Guarantor(s) will 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 will be barred.

3. Any arbitration must be on an individual basis ~~and~~. The parties, and the arbitrator will have no authority or power to proceed with any claim as a class action or otherwise to join or consolidate any claim with any claim or any other proceeding involving third parties. If a court or arbitrator determines that this limitation on joinder of or class action certification of claims is unenforceable, then the agreement to arbitrate the Dispute will be null and void and the parties must submit all claims to the jurisdiction of the courts, in accordance with **Section 14.b** of this Agreement.

4. The arbitration must take place in the city where Franchisor's ~~main office~~headquarters is located at the time of the Dispute.

5. The arbitrator must follow the law and not disregard the terms of this Agreement. The arbitrator ~~must have at least five (5) years of significant experience in franchise law. The arbitrator may not consider any settlement discussions or offers that might have been made by either Franchisor or Purchaser and Purchaser Guarantor(s). The arbitrator will also~~will have the right to make a determination as to any procedural matters as would a court of competent jurisdiction be permitted to make in the state in which the main office of Franchisor is located. The arbitrator will also decide any factual, procedural, or legal questions relating in any way to the Dispute between the parties, including, but not limited to: any decision as to whether forum and venues provision is applicable and enforceable as against the parties, subject matter, timeliness, scope, remedies, unconscionability, and any alleged fraud in the inducement.

6. The arbitrator may not consider any settlement discussions or offers that might have been made by either Franchisor or Purchaser and Purchaser Guarantor(s)

7. The arbitrator must have at least five (5) years of significant experience in franchise law.

~~5.8.~~ The arbitrator may issue summary orders disposing of all or part of a claim and provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships, and other equitable and/or interim/final relief. Each party consents to the enforcement of such orders, injunctions, etc., by any court having jurisdiction.

~~6.9.~~ The arbitrator will have subpoena powers limited only by the laws of the state in which the main office of Franchisor is located.

~~7.10.~~ The parties to the Dispute will have the same discovery rights as are available in civil actions under the laws of the state in which the main office of Franchisor is then located. All other procedural matters will be determined by applying the statutory, common laws, and rules of procedure that control a court of competent jurisdiction in which the main office of Franchisor is then located.

~~8.11.~~ Other than as may be required by law, the entire arbitration proceedings (including, but not limited to, any rulings, decisions or orders of the arbitrator~~).~~ will remain confidential and will not be disclosed to anyone other than the Franchisor, Purchaser and Purchaser Guarantor(s).

~~9.12.~~ The judgment of the arbitrator on any preliminary or final arbitration award will be final and binding and may be entered in any court having jurisdiction.

~~10.13.~~ Franchisor reserves the right, but has no obligation, to advance ~~Purchaser~~Purchaser's and Purchaser Guarantor(s) share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have waived or relinquished ~~our~~Franchisor's right to seek recovery of those costs in accordance with **Section 14.e** of this Agreement.

d. Notwithstanding **Sections 13.b** and **13.c** of this Agreement, the parties agree that the following claims will not be subject to arbitration or mediation:

1. any action for equitable relief, including, without limitation, seeking preliminary or permanent injunctive relief, specific performance, other relief in the nature of equity to enjoin any harm or threat of harm to such party's tangible or intangible property, brought at any time, including

without limitation, prior to or during the pendency of any arbitration proceedings initiated hereunder; or

2. any action in ejectment or for possession of any interest in real or personal property.

e. The provisions of this **Section 13** 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 Agreement. All applicable statutes of limitation and defenses based on the passage of time are tolled while the Dispute resolution procedures in this Section are pending. The parties will take such action, if any, required to effectuate such tolling. Each party must continue to perform its obligations under this Agreement pending final resolution of any Dispute pursuant to this Section, unless to do so would be impossible or impracticable under the circumstances.

f. Notwithstanding any choice of law provision of this Agreement, all issues relating to arbitration or the enforcement of the agreement to arbitrate contained in this Agreement are governed by the U.S. Federal Arbitration Act (9 U.S.C. § 1 et seq.) and the U.S. federal common law of arbitration. This federal act preempts any state rules on arbitration, including those relating to the site of arbitration. Judgment on an arbitration award, or on any award for interim relief, may be entered in any court having jurisdiction, and will be binding.

g. Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or arbitration proceeding brought or instituted with respect to any Dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of two (2) years from the date of discovery of the conduct or event that forms the basis of the legal action or proceeding.

h. The provisions of this **Section 13** will not bar, override, delay or in any way restrict the right of Franchisor to terminate this Agreement as provided for herein or to obtain any legal relief for a breach of this Agreement by Purchaser or Purchaser's Guarantor(s) including by way of temporary or permanent injunction.

14. Miscellaneous Provisions.

a. This Agreement and the Seller Franchise Agreement, Seller Guaranty, Purchaser Franchise Agreement, Purchaser Guaranty and Purchase Agreement constitute the entire agreement among the parties concerning the subject matter of this Agreement. No other representation has induced any party to execute this Agreement or the Seller Franchise Agreement, Seller Guaranty, Purchaser Franchise Agreement, Purchaser Guaranty or Purchase Agreement and there are no representations, inducements, promises or agreements, oral or otherwise, among the parties not embodied in this Agreement, Seller [Franchise Agreement](#), [Seller](#) Guaranty, Purchaser Franchise Agreement, Purchaser Guaranty and Purchase Agreement. No amendment, change or variance from this Agreement

or the Seller Franchise Agreement, Seller Guaranty, Purchaser Franchise Agreement, Purchaser Guaranty or Purchase Agreement is binding on any party unless executed in writing by all applicable parties.

b. EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, FEDERAL LAW INCLUDING, WITHOUT LIMITATION, THE UNITED STATES TRADEMARK ACT OF 1946, AS AMENDED (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), FRANCHISOR, SELLER, SELLER GUARANTOR(S), PURCHASER AND PURCHASER GUARANTOR(S) IRREVOCABLY AGREE THAT THIS AGREEMENT SHALL BE INTERPRETED UNDER THE LAWS OF THE STATE OF NEBRASKA AND ANY DISPUTE BETWEEN THE PARTIES SHALL BE GOVERNED BY AND DETERMINED IN ACCORDANCE WITH THE SUBSTANTIVE LAWS OF THE STATE OF NEBRASKA, WHICH LAWS SHALL PREVAIL IN THE EVENT OF ANY CONFLICT OF LAW. THE PARTIES HAVE NEGOTIATED REGARDING A FORUM IN WHICH TO RESOLVE ANY DISPUTES THAT MAY ARISE BETWEEN THEM AND HAVE AGREED TO SELECT A FORUM IN ORDER TO PROMOTE STABILITY IN THEIR RELATIONSHIP. THEREFORE, IF A CLAIM REGARDING A DISPUTE IS ASSERTED IN ANY LEGAL PROCEEDING INVOLVING SELLER, SELLER GUARANTOR(S), PURCHASER, PURCHASER GUARANTOR(S), THEIR OFFICERS, DIRECTORS, MANAGERS OR PARTNERS AND FRANCHISOR, ITS PARENT, SUBSIDIARIES OR AFFILIATES AND THEIR RESPECTIVE OFFICERS, DIRECTORS AND SALES EMPLOYEES THE PARTIES AGREE THAT THE EXCLUSIVE VENUE FOR SUCH CLAIMS BETWEEN THEM SHALL BE IN THE STATE AND FEDERAL COURTS OF NEBRASKA OR THE OMAHA OFFICE OF THE AAA, INCLUDING ANY ACTION FOR INJUNCTIVE RELIEF AND FOR SPECIFIC PERFORMANCE AND OTHER EQUITABLE RELIEF. EACH PARTY IRREVOCABLY WAIVES ANY OBJECTION IT MAY HAVE TO THE PERSONAL JURISDICTION OF OR VENUE IN THE STATE AND FEDERAL COURTS OF NEBRASKA OR THE OMAHA, NEBRASKA OFFICE OF THE AAA. EACH PARTY AGREES NOT TO CLAIM THAT ANY SUCH FORUM IS INCONVENIENT OR AN INAPPROPRIATE FORUM. NOT ONLY MUST ANY SUCH ACTION BE BROUGHT IN SUCH FORUM BUT ANY SUCH ACTION MUST ALSO BE CONTINUALLY MAINTAINED IN SUCH FORUM. THE PARTIES AGREE THAT NEBRASKA IS A REASONABLY CONVENIENT PLACE FOR THE FORUM OF ANY SUCH ACTION, AND THAT THIS CHOICE OF FORUM WAS NOT OBTAINED BY MISREPRESENTATION, DURESS, THE ABUSE OF ECONOMIC POWER OR OTHER UNCONSCIONABLE MEANS. NOTHING CONTAINED IN THIS AGREEMENT WILL BAR FRANCHISOR'S RIGHT TO OBTAIN INJUNCTIVE RELIEF AGAINST THREATENED CONDUCT UNDER GENERAL PRINCIPLES OF EQUITY, INCLUDING THE APPLICABLE PRINCIPLES FOR OBTAINING RESTRAINING ORDERS OR PERMANENT AND PRELIMINARY INJUNCTIONS. THE PARTIES IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY BROUGHT BY EITHER OF THEM.

c. The headings of this Agreement are for convenience and reference only and will not limit or otherwise affect the meaning of this Agreement. In the event of any conflict between the terms of this Agreement and the terms of the Purchase Agreement, Seller Franchise Agreement, Seller Guaranty, the Purchaser

Franchise Agreement or the Purchaser Guaranty, the terms of this Agreement will control. This Agreement may be executed in any number of counterparts, each of which will be deemed an original but all of which taken together will constitute one and the same instrument. A signature received by facsimile or electronically shall be legally binding for all purposes as an original signature. All capitalized terms used but not defined in this Agreement will have the meanings set forth in the applicable franchise agreement or applicable guaranty as the case may be.

d. For purposes of this Agreement, those persons who comprise Seller and Seller Guarantor(s) are jointly and severally obligated whenever the term Seller is used and those persons who comprise Purchaser and Purchaser Guarantor(s) are jointly and severally obligated whenever the term Purchaser is used.

e. The prevailing party in any action or proceeding arising under, out of, in connection with, or in relation to this Agreement will be entitled to recover its reasonable costs and expenses (including attorneys' fees, arbitrators' fees and expert witness fees, costs of investigation and proof of facts, court costs, and other arbitration or litigation expenses) incurred in connection with the claims on which it prevailed. For the purposes of this Agreement, the "**Prevailing Party**" will be deemed to be that party which has obtained the greatest net judgment in terms of money or money equivalent. ~~If money or money equivalent has not been awarded, then the Prevailing Party will be that party which has prevailed on a majority of the material issues decided.~~—The "**net judgment**" is determined by subtracting the smallest award of money or money equivalent from the largest award. If there is a mixed decision involving an award of money or money equivalent and equitable relief, the arbitrator or judge (as the case may be) will award the above fees to the party that it deems has prevailed over the other party using reasonable business and the arbitrator's (or judges, as the case may be) judgment. If money or money equivalent has not been awarded, then the Prevailing Party will be that party which has prevailed on a majority of the material issues decided.

f. In no event, whether as a result of breach of contract, warranty, tort (including negligence), strict liability, indemnity or otherwise, will Franchisor be liable to Seller, Seller Guarantor(s), Purchaser or Purchaser Guarantor(s) for any special, consequential, incidental, indirect, punitive or exemplary damages, including without limitation damages for loss of revenue or loss of property, arising out of or related to this Agreement.

[Signatures on the following page]

The parties shown below have signed this Agreement and it is effective on the Effective Date.

SELLER:

[insert seller entity name]

By: _____

Name: _____

Title: _____

SELLER GUARANTOR(S):

By: _____

Print Name: _____

PURCHASER:

[insert purchaser entity name]

By: _____

Name: _____

Title: _____

PURCHASER GUARANTOR(S):

By: _____

Print Name: _____

ACCEPTED:

RIGHT AT HOME, LLC

By: _____

Title: _____

Date*: _____

*This date is the Effective Date

EXHIBIT A

PURCHASE AGREEMENT

Attach form of Purchase Agreement

**EXHIBIT J TO THE FRANCHISE DISCLOSURE DOCUMENT
CONFIDENTIALITY AGREEMENT FOR TRANSFERS**

CONFIDENTIALITY AGREEMENT FOR TRANSFER

THIS CONFIDENTIALITY AGREEMENT FOR TRANSFER ("**Agreement**") dated as of _____ ("**Effective Date**"), is made and entered into by and between Right at Home, LLC, a Delaware limited liability company ("**Franchisor**"), located at 6700 Mercy Road, Suite 400, Omaha, Nebraska 68106, and _____ ("**Prospective Franchisee**"), _____ ("**Operating Principal**") and _____ ("**Additional Attendee(s)**") [INSERT THE PROSPECTIVE FRANCHISEE], THE OPERATING PRINCIPAL AND ANY OTHER INDIVIDUAL ATTENDING TRAINING (individually and collectively, the "**Restricted Party(ies)**"). Each of the undersigned signing as Restricted Party(ies), if more than one, are jointly and severally bound as the Restricted Party(ies) under the terms of this Agreement.

RECITALS

WHEREAS, [Insert Seller Franchisee Name] ("**Seller**") operates a Right at Home franchised business (known as Franchise # [Insert Franchise Number]) in the Designated Area defined in the Seller's franchise agreement dated [Insert Date of Franchise Agreement] ("**Franchised Business**");

WHEREAS, Prospective Franchisee intends to enter into an Asset Purchase Agreement ("**Purchase Agreement**") with Seller pursuant to which Prospective Franchisee will purchase and Seller will sell all or substantially all of the assets (excluding Franchisor's property) used in the Seller's Franchised Business. Such purchase and sale transaction is referred to as the "**Transfer**";

WHEREAS, Franchisor, Prospective Franchisee and Seller have entered, or will enter, into an Agreement and Conditional Consent to Transfer ("**ACCT**") pursuant to which Franchisor conditionally approves the Transfer;

WHEREAS, Prospective Franchisee and Operating Principal will enter into the then-current version of Franchisor's Franchise Agreement (the "**Purchaser Franchise Agreement**") as required by the ACCT;

WHEREAS, as a condition to approving the Transfer, the Restricted Party(ies) desire(s) to enroll and participate in Franchisor's RightStart Training Program and to participate in other selected activities with Franchisor to learn to operate the Franchised Business;

WHEREAS, Franchisor is willing to permit Restricted Party(ies) to enroll and participate in the RightStart Training Program and selected activities to learn to operate the Franchised Business, subject to the terms and conditions of this Agreement and the ACCT; and

WHEREAS, for the RightStart Training Program and other selected activities to proceed, it is necessary for Franchisor to disclose to Receiving Party(ies) certain information about its business and System which the parties acknowledge and agree is the Franchisor's confidential and proprietary information.

AGREEMENT

NOW, THEREFORE, Franchisor and Restricted Party(ies) hereby agree as follows:

1. **Confidential Information Defined.** “**Confidential Information**” consists of, but is not limited to, all information, whether oral, written, recorded, visual, or otherwise, consisting of and relating to the System, System Standards, methods, techniques, ~~forecasts,~~ formats, specifications, forecasts, procedures, equipment, information, software ~~and,~~ systems; sales and marketing techniques and programs; ~~know-how, trade secrets, strategies,~~ and knowledge of and experience in the development, operation and franchising of ~~Right at Home franchises~~ Franchised Businesses and the System; know-how and Trade Secrets; advertising, marketing and promotional programs for Right at Home franchises; strategies,; training, including the RightStart Training Program; information regarding Franchisor and the System disclosed to Restricted Party(ies) while participating in activities contemplated in this Agreement; knowledge of, specifications for and suppliers of certain products, materials, equipment and supplies used to operate Right at Home franchises; knowledge of the operating results and financial performance of Right at Home franchises; Right at Home confidential brand standards manual (“**Brand Standards Manual**”), the digital resource library (“**Digital Resource Library**”), the HIPAA Manual, the Right at Home Personal Care Policy and Procedure Manual, directives, memoranda, bulletins, roll out guides, written and electronic materials, recordings, videos, training materials, other publications and documents, and communications in whatever form setting forth information, advice, standards, procedures, instructions, policies and/or requirements (collectively “**Manuals**”); passwords, codes and user names to access the Manuals in electronic format; client contracts, client lists and details of services; and information and/or data provided prior to the Effective Date.

2. **Exclusions to Confidential Information.** Confidential Information does not include information, knowledge or know-how which Restricted Party(ies) obtained (without the breach of a non-disclosure obligation) prior to receiving the Confidential Information in accordance with this Agreement. The Restricted Party(ies) have the burden of proving that such information, knowledge or know-how was obtained (without the breach of a non-disclosure obligation) prior to receiving the Confidential Information in accordance with this Agreement.

3. **Obligations.** Restricted Party(ies), on behalf of it/him/herself/themselves, and Restricted Party(ies) employees, officers, shareholders, partners, members, directors, owners, representatives, advisors, consultants and agents will:

a. hold the Confidential Information in strict confidence and not, directly or indirectly, disclose the Confidential Information to any third party without Franchisor's prior written consent and the prior written agreement by the third party to be bound by the terms of this Agreement;

b. only use the Confidential Information, Notes (as defined in **Section 5**), and other information that may be disclosed to Restricted Party(ies) regarding Franchisor, the System and the Franchised Business prior to the Closing as defined in the ACCT) to operate the Franchised Business in accordance with a fully executed Purchaser Franchise Agreement (as defined in the ACCT) and for no other purpose; and

- c. make no unauthorized copies of any Confidential Information.

Restricted Party(ies) is/are responsible for any unauthorized disclosure and use of Confidential Information by individuals or entities to which Restricted Party(ies) has disclosed such Confidential Information. Notwithstanding the foregoing, if Restricted Party(ies) and/or Restricted Party(ies) employees, officers, shareholders, partners, members, directors, owners, representatives, advisors, consultants and agents, are required by any court or legislative or administrative body (by oral questions, interrogatories, requests for information or documents, subpoena or similar process) to disclose any Confidential Information, in whole or in part, Restricted Party(ies) will provide Franchisor with prompt notice of such requirement to afford Franchisor an opportunity to seek an appropriate protective order.

4. **Ownership.** Franchisor retains all right, title and interest in and to the Confidential Information. The Restricted Party(ies) recognize and agree that the Confidential Information is owned by the Franchisor and constitutes Franchisor's valuable property. Nothing contained in this Agreement shall be construed as granting any rights, by license or otherwise, to any Confidential Information disclosed under this Agreement or any other tangible or intangible property of the Franchisor.

5. **Return of Confidential Information.** If the Operating Principal and Proposed Franchisee do not complete the RightStart Training to Franchisor's satisfaction, Franchisor does not enter into the Purchaser Franchise Agreement, or the Transfer is not consummated for any reason, upon Franchisor's request Restricted Party(ies) will immediately (a) return to Franchisor the Confidential Information, together with all copies thereof; (b) delete all electronic copies of the Confidential Information in Restricted Party(ies) possession or control; (c) cause Restricted Party(ies) employees, officers, shareholders, partners, members, directors, owners, representatives, advisors, consultants and agents to immediately return to Franchisor the Confidential Information, together with all copies thereof, and will cause such parties to delete all electronic copies in their possession or control; and, (d) supply to Franchisor all notes, memoranda, writing, recordings, and other tangible documents that Restricted Party(ies) and such employees, officers, shareholders, partners, members, directors, owners, representatives, advisors, consultants and agents created or otherwise produced using the Confidential Information or as a result of participation in the RightStart Training or such other activities contemplated by this Agreement (collectively, "**Notes**"). Within five (5) days of Franchisor's request, Restricted Party(ies) will submit written certification that the Confidential Information has either been returned or destroyed in accordance with this Section and that Restricted Party(ies) employees, officers, shareholders, partners, members, directors, owners, representatives, advisors, consultants and agents have complied with this **Section 5.**

6. **Transaction.** Unless and until the Transfer is closed in accordance with the ACCT and Purchase Agreement, the Franchisor will not be under any legal obligation to enter into the Purchaser Franchise Agreement by virtue of this Agreement.

7. **Notice of Wrongful Disclosure or Use.** Restricted Party(ies) will adopt and implement reasonable procedures prescribed by Franchisor to prevent unauthorized use or disclosure of Confidential Information. In the event the Restricted Party(ies) discloses Confidential Information in violation of this Agreement or otherwise become aware of the unauthorized possession or use of Franchisor's Confidential Information, the Restricted

Party(ies) shall immediately notify Franchisor, in writing, of the full details of such disclosure, unauthorized possession or use.

8. **Copyrights and Work Made for Hire.** Restricted Party(ies) acknowledge and agree that all Notes and other work product prepared by Restricted Party(ies) during the course of the RightStart Training, if any, are improvements, modifications or derivatives to the Confidential Information and, as applicable, Work Made for Hire as defined by 17. U.S.C.A. 201(d). As such, all rights, title and interest in said Notes and work product are vested in the Franchisor. Receiving Party(ies) hereby assigns to Franchisor, all such rights, title and interest in said Notes and work product, whether published or unpublished, conceived by Receiving Party(ies), either solely or in collaboration with others, during the RightStart Training or any other activities contemplated by this Agreement.

9. **Term.** The obligations in this Agreement will continue in full force and effect until the earlier of (a) the execution of the Purchaser Franchise Agreement by Prospective Franchisee and Franchisor, in which case the Purchaser Franchise Agreement, Confidentiality and Non-Compete Agreement and all other ancillary agreements between Prospective Franchisee and Franchisor will control, or (b) the day that is five (5) years after the Effective Date, unless the parties agree in writing to an early termination or further extension of this Agreement.

10. **Injunctive Relief.** The Franchisor's Confidential Information is a unique and irreplaceable asset, and if Receiving Party(ies) breaches this Agreement, the Franchisor will suffer immediate and irreparable injury, for which monetary damages will be inadequate or impossible to ascertain. Restricted Party(ies) agrees that Franchisor will be entitled to equitable relief, including without limitation, temporary restraining order, injunctive relief and specific performance, in the event of any breach or threatened breach of the provisions of this Agreement by Restricted Party(ies), in addition to all other remedies available at law or in equity. Restricted Party(ies) expressly waives the defense that a remedy in damages will be adequate, and Franchisor will not be required to post bond or prove actual damages, which may in any event be difficult to specify or establish. In any action brought to enforce any of the provisions of this Agreement, Franchisor will be entitled to reasonable attorneys' fees and costs.

11. **Governing Law; Jurisdiction.**

a. **THIS AGREEMENT IS GOVERNED BY AND MUST BE CONSTRUED ACCORDING TO THE LAWS OF THE STATE OF NEBRASKA EXCLUDING ANY CONFLICT OF LAW PROVISIONS THAT WOULD RESULT IN THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION, EXCEPT TO THE EXTENT GOVERNED BY FEDERAL LAW INCLUDING, WITHOUT LIMITATION, THE UNITED STATES TRADEMARK ACT OF 1946, AS AMENDED (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.).**

b. **FRANCHISOR AND RESTRICTED PARTY(IES) IRREVOCABLY AGREE THAT THE UNITED STATES DISTRICT COURT OF THE DISTRICT OF NEBRASKA AND THE COURTS OF NEBRASKA SITTING IN DOUGLAS COUNTY, NEBRASKA WILL HAVE EXCLUSIVE JURISDICTION TO HEAR AND DETERMINE ANY ACTION ON A CONTROVERSY ON OR UNDER THIS AGREEMENT, INCLUDING ANY ACTION FOR INJUNCTIVE RELIEF AND FOR SPECIFIC PERFORMANCE AND OTHER EQUITABLE RELIEF, IRREVOCABLY SUBMIT TO THE JURISDICTION OF SUCH COURTS AND IRREVOCABLY WAIVE ANY OBJECTION WHICH**

EITHER OF THEM MIGHT HAVE TO SUCH COURTS BEING NOMINATED AS THE FORUM TO HEAR AND DETERMINE ANY SUCH ACTION ON A CONTROVERSY RELATING TO THIS AGREEMENT AND AGREE NOT TO CLAIM THAT ANY SUCH COURT IS NOT A CONVENIENT OR APPROPRIATE FORUM. THE PARTIES IRREVOCABLY WAIVE ANY RIGHT TO A TRIAL BY JURY FOR ANY CLAIMS OR COUNTERCLAIMS ARISING HEREUNDER. NOT ONLY MUST ANY SUCH ACTION BE BROUGHT IN SUCH COURTS BUT ANY SUCH ACTION MUST ALSO BE CONTINUALLY MAINTAINED IN SUCH COURTS. THE PARTIES AGREE THAT SUCH COURTS HAVE POWER UNDER THE LAW OF NEBRASKA TO ENTERTAIN ANY SUCH ACTION, THAT NEBRASKA IS A REASONABLY CONVENIENT PLACE FOR THE TRIAL OF ANY SUCH ACTION, AND THAT THIS CHOICE OF FORUM AGREEMENT WAS NOT OBTAINED BY MISREPRESENTATION, DURESS, THE ABUSE OF ECONOMIC POWER OR OTHER UNCONSCIONABLE MEANS.

c. RESTRICTED PARTY(IES) ACKNOWLEDGES THAT THIS AGREEMENT IS ENTERED INTO IN DOUGLAS COUNTY, NEBRASKA.

12. **Miscellaneous.**

a. No failure or delay by Franchisor in exercising any right, power or privilege under this Agreement will be deemed a waiver of such right, power or privilege or preclude exercise of any other or further right, power or privilege under this Agreement.

b. Restricted Party(ies) will not assign his/her/its rights and obligations under this Agreement without the prior written consent of Franchisor and any attempted assignment without the prior written consent of Franchisor will be null and void.

c. This Agreement is binding upon and will inure to the benefit of the parties hereto and their respective successors and permitted assigns.

d. No right or remedy conferred upon or reserved to Franchisor by this Agreement is intended to be, nor will be deemed, exclusive of any other right or remedy in this Agreement or by law or equity provided or permitted, but each will be cumulative of every other right or remedy.

e. Nothing contained in this Agreement bars Franchisor's right to obtain injunctive relief against threatened conduct under general principles of equity, including the applicable principles for obtaining restraining orders or permanent or preliminary injunctions.

f. If a court of law finds any provisions of this Agreement void or unenforceable, such provision may be modified or limited in its effect to the extent necessary to cause it to be enforceable. If any provision cannot be so modified or limited, then such provision shall be severed and the remaining provisions of this Agreement will remain in full force and effect.

g. All notices permitted or required hereunder by either of the parties hereto must be in writing and, unless otherwise specifically provided, must be given by sending such notice properly addressed to the other party's last known address by prepaid certified mail return receipt requested, by a reputable and

established private courier or by facsimile or email. All such notices will be deemed given five (5) days after the date of mailing or at the time of delivery to the private courier or its agent for transmittal, or upon transmittal of a telex or facsimile or email, as the case may be.

h. This Agreement, the ACCT and Purchase Agreement (once signed) constitutes the entire agreement between the parties as to the subject matter of this Agreement and merges all prior discussions between them. None of the parties will be bound by any conditions, definitions, warranties, understandings, or representations with respect to such subject matter other than (1) as expressly provided in this Agreement, the ACCT and the Purchase Agreement (once signed) or (2) as duly set forth on or subsequent to the Effective Date in writing and signed by a proper and duly authorized representative of the party to be bound thereby.

i. This Agreement may be executed in counterparts and signature pages exchanged by facsimile or electronically, and each counterpart (sent by facsimile, electronically or otherwise) will be deemed to be an original, but both counterparts of which will constitute the same agreement.

j. All capitalized terms used but not defined in this Agreement will have the meanings set forth in the ACCT or Franchisor's then current Purchaser Franchise Agreement, as the case may be.

~~[Signatures On The Following Page]~~

IN WITNESS WHEREOF, Franchisor and Restricted Party(ies) have caused this Agreement to be executed as of the Effective Date.

FRANCHISOR:

RIGHT AT HOME, LLC

By: _____

Margaret Haynes

President and Chief Executive Officer

RESTRICTED PARTY(IES):

[PROSPECTIVE FRANCHISEE]

By: _____

Name: _____

Its: _____

[OPERATING PRINCIPAL], Individually

And,

[INCLUDE SIGNATURES FOR EACH
POTENTIAL ATTENDEE(S) PARTICIPATING
IN THE RIGHTSTART TRAINING PROGRAM
OR OTHER INDIVIDUALS RECEIVING
CONFIDENTIAL INFORMATION]

EXHIBIT K TO THE FRANCHISE DISCLOSURE DOCUMENT

STATE EFFECTIVE DATE

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
California	December ~~15, 2022~~ <u>27, 2023</u>
Florida	August 5, ~~2022~~ <u>2023</u>
Hawaii	
Illinois	Exempt*
Indiana	~~April 12, 2022~~ <u>Exempt*</u>
Maryland	
Michigan	June 5, ~~2022~~ <u>2023</u>
Minnesota	~~April 19, 2023~~
New York	Exempt*
North Dakota	~~March 31, 2023~~
Rhode Island	~~April 8, 2023~~
South Dakota	~~March 31, 2023~~
Utah	May ~~9, 2022~~ <u>8, 2023</u>
Virginia	~~April 15, 2023~~
Washington	~~May 16, 2023~~
Wisconsin	<u>March 28, 2024 as amended</u> <u>March 29, ~~2023~~ <u>2024</u></u>

*Self-Effecting Large Franchisor Exemption

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT L TO THE FRANCHISE DISCLOSURE DOCUMENT

RECEIPTS

RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all agreements carefully.

If we offer you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or our affiliate in connection with the proposed franchise sale or grant. If applicable: Under Iowa, Michigan, or Oklahoma law, we must provide this disclosure document to you at least 10 business days before you sign a binding agreement with, or make a payment to, us or our affiliate in connection with the proposed franchise sale or grant; under Maine or Nebraska law, we must provide this disclosure document to you at your first personal meeting to discuss the franchise; or under New York or Rhode Island law, we must provide this disclosure document to you at the earlier of your first personal meeting or at least 10 business days before you sign a binding agreement with, or make a payment to, us or our affiliate in connection with the proposed franchise sale or grant.

If we do not deliver this Franchise Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the State Administrator listed in **Exhibit A**.

The name, principal business address and telephone number of each Franchise Seller offering the franchise (attach additional pages if necessary): Jen Chaney, 6700 Mercy Road, Suite 400 Omaha, Nebraska 68106, (402) 697-7537 and _____.

Date of Issuance: March ~~29, 2023~~ 27, 2024

See **Exhibit A** for our registered agents authorized to receive service of process.

I (the undersigned) received a Franchise Disclosure Document dated March 29, 2023 27, 2024, that included the following exhibits:

- ~~A.~~ A. LIST OF STATE AGENTS FOR SERVICE OF PROCESS AND STATE ADMINISTRATORS
- ~~B.~~ B. FRANCHISE AGREEMENT AND RELATED MATERIALS
- Exhibits to Franchise Agreement:
 - ~~A-Franchise Fee, Designated Area and Owners~~
 - ~~B~~ A-Guaranty and Assumption of Obligations
 - ~~C~~ B-Confidentiality and Non-Compete Agreement
 - ~~D-Renewal Addendum~~
 - ~~E~~ C-Form of Business Associate Agreement
 - ~~F-Multiple Unit Amendment~~
 - ~~G-Specialized Nursing Services Amendment~~
 - ~~H-Conversion Addendum~~
 - ~~I~~ D-Conditional Assignment of Telephone Listing, Social Media and Directory Listing Agreement
 - ~~J-E~~ Franchisee Disclosure Questionnaire
 - ~~K-F~~ Renewal Addendum
 - Multiple Unit Amendment
 - H-State Addendum to Franchise Agreement
 - I-Specialized Nursing Services Amendment
 - J-Conversion Addendum
- ~~C.~~ C. TABLE OF CONTENTS OF CONFIDENTIAL BRAND STANDARDS MANUAL AND DIGITAL RESOURCE LIBRARY
- ~~D.~~ D. FINANCIAL STATEMENTS AND GUARANTY OF PERFORMANCE
- ~~E.~~ E. MULTI-STATE ADDENDUM
- ~~F.~~ F. LIST OF RIGHT AT HOME CURRENT FRANCHISEES
- ~~G.~~ G. LIST OF RIGHT AT HOME FRANCHISES TERMINATED, CANCELLED, NOT RENEWED OR OTHERWISE CEASED TO DO BUSINESS
- ~~H.~~ H. 1-FRANCHISEE ORGANIZATIONS WE HAVE CREATED, SPONSORED OR ENDORSED
2-INDEPENDENT FRANCHISEE ASSOCIATIONS
- ~~I.~~ I. AGREEMENT AND CONDITIONAL CONSENT TO TRANSFER
- ~~J.~~ J. CONFIDENTIALITY AGREEMENT FOR TRANSFER
- ~~K.~~ K. STATE EFFECTIVE DATES
- ~~L.~~ L. RECEIPTS

Date	Signature	Printed Name
_____	_____	_____
Date	Signature	Printed Name

Please date and sign this copy of the Receipt and keep for your records.

RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all agreements carefully.

If Right at Home, LLC offers you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or our affiliate in connection with the proposed franchise sale. If applicable: Under Iowa, Michigan, or Oklahoma law, we must provide this disclosure document to you at least 10 business days before you sign a binding agreement with, or make a payment to, us or our affiliate in connection with the proposed franchise sale or grant; under Maine or Nebraska law, we must provide this disclosure document to you at your first personal meeting to discuss the franchise; or under New York or Rhode Island law, we must provide this disclosure document to you at the earlier of your first personal meeting or at least 10 business days before you sign a binding agreement with, or make a payment to, us or our affiliate in connection with the proposed franchise sale or grant.

If Right at Home, LLC does not deliver this Franchise Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the State Administrator listed in **Exhibit A**.

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Exhibits to Franchise Agreement:

~~A-Franchise Fee, Designated Area and Owners~~

~~BA~~-Guaranty and Assumption of Obligations

~~CB~~-Confidentiality and Non-Compete Agreement

~~D-Renewal Addendum~~

~~EC~~-Form of Business Associate Agreement

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C. TABLE OF CONTENTS OF CONFIDENTIAL BRAND STANDARDS MANUAL AND DIGITAL RESOURCE LIBRARY

D. FINANCIAL STATEMENTS AND GUARANTY OF PERFORMANCE

E. MULTI-STATE ADDENDUM

F. LIST OF RIGHT AT HOME CURRENT FRANCHISEES

G. LIST OF RIGHT AT HOME FRANCHISES TERMINATED, CANCELLED, NOT RENEWED OR OTHERWISE CEASED TO DO BUSINESS

H. 1-FRANCHISEE ORGANIZATIONS WE HAVE CREATED, SPONSORED OR ENDORSED

2-INDEPENDENT FRANCHISEE ASSOCIATIONS

I. AGREEMENT AND CONDITIONAL CONSENT TO TRANSFER

J. CONFIDENTIALITY AGREEMENT FOR TRANSFER

K. STATE EFFECTIVE DATES

L. RECEIPTS

I (the undersigned) received a Franchise Disclosure Document dated March 27, 2024, that included the following:

Date

Signature

Printed Name

Date

Signature

Printed Name

Please date and sign this copy of the Receipt and return it to
Right at Home, LLC, 6700 Mercy Road, Suite 400 Omaha, Nebraska 68106.