



FRANCHISE DISCLOSURE DOCUMENT

CarePatrol Franchise Systems, LLC

900 Wilshire Drive, Suite 102

Troy, MI 48084-1600

(480) 626-2450

FDD@CarePatrol.com – www.CarePatrol.com/franchising

CarePatrol Franchise Systems, LLC (“CarePatrol”) offers franchises for the operation of a business that provide senior living placement, referral and consulting services for families in need of independent living community, assisted living community, memory care, nursing home, or similar facility for the seniors in their lives.

The total investment necessary to begin operation of a ~~single~~ CarePatrol franchise ~~ranges from \$51 to \$60,120~~ is \$60,120 to \$130,970. This includes ~~a payment of \$30,595 to \$67,595 to us that must be paid to the franchisor or an affiliate for our Standard Offering.~~ (s).

The total investment necessary to develop two (2) or three (3) CarePatrol franchises is \$93,520 to \$251,820. This includes \$51,190 to \$158,785 that must be paid to the franchisor or its affiliate(s).

At our discretion, we may offer to qualified candidates the right to purchase more than one, single unit franchise. Qualified candidates that are allowed to purchase additional franchises will be required to sign a separate franchise agreement for each franchise they purchase.

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

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact David Tarr at 900 Wilshire Dr., Suite 102, Troy, MI 48084-1600, (480) 626-2450, dtarr@bestlifebrands.com.

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.

TABLE OF CONTENTS

ITEM

1	THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES	1
2	BUSINESS EXPERIENCE	6
3	LITIGATION	8
4	BANKRUPTCY	9
5	INITIAL FEES	10
6	OTHER FEES	13
7	ESTIMATED INITIAL INVESTMENT	21
8	RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	24
9	FRANCHISEE'S OBLIGATIONS	27
10	FINANCING	28
11	FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING	29
12	TERRITORY	38
13	TRADEMARKS	40
14	PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	41
15	OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	42
16	RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	43
17	RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION	43
18	PUBLIC FIGURES	46
19	FINANCIAL PERFORMANCE REPRESENTATIONS	46
20	OUTLETS AND FRANCHISEE INFORMATION	51
21	FINANCIAL STATEMENTS	56
22	CONTRACTS	56
23	RECEIPTS	56

EXHIBIT A FINANCIAL STATEMENTS

EXHIBIT B FRANCHISE AGREEMENT

EXHIBIT C STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

EXHIBIT D POWER OF ATTORNEY

EXHIBIT E SAMPLE DEPOSIT AGREEMENT

EXHIBIT F SAMPLE RELEASE AGREEMENT

EXHIBIT G LIST OF FRANCHISE LOCATIONS

EXHIBIT H CONTACT INFORMATION FOR FORMER FRANCHISEES

EXHIBIT I STATE ADDENDA

EXHIBIT J STATE EFFECTIVE DATES

EXHIBIT K RECEIPTS

Market and Competition

The target market for CarePatrol clients includes individuals who are elderly and need assistance with their daily living activities. The average assisted living resident is 84 years old. Based on current statistics and projections, the market for assisted living placement services is growing due to the increasing number of seniors in need of assisted living accommodations and in-home care.

The market for referral and senior placement services is newly developed and moderately competitive. Franchisees compete primarily with other businesses that offer referral and senior placement services, some of which operate through franchise systems.

Your competitive advantage in the marketplace will be based on your adherence to our standards and guidelines, as well as your entrepreneurial and managerial abilities and focus on customer service in the operation of your Franchise Business.

Laws and Regulations

You must comply with all federal and state licensing and other regulatory requirements relating to the operation of your Business. Nevada has laws that prohibit assisted living facilities from paying individuals or agencies for placing individual residents at their facility. However, Nevada does not prohibit the individuals in need of placement services or their families from paying for these services. Texas and Oklahoma have laws that prohibit charging a percentage fee and arranging for transportation to see a facility. We will alter our system in these states to comply with state and local laws. You should only seek to place clients in state licensed, certified or accredited facilities (if applicable.) You should verify that the appropriate insurance is in place for each facility with which you do business. There may be other local, state and/or federal laws or regulations pertaining to your Business with which you must comply. We strongly suggest that you investigate these laws before buying this franchise. You alone are responsible for compliance despite any advice or information that we may give you. We have not researched any of these laws or regulations to determine the specific applicability to your business.

ITEM 2

BUSINESS EXPERIENCE

Chief Executive Officer:

J.J. Sorrenti

J.J. Sorrenti has served as the Chief Executive Officer (CEO) of our parent, Best Life Brands, LLC, as well as the Manager/CEO of Best Life Brands, LLC parent, CFC Holding Company, LLC, since March 2020 (both companies are based in Troy, MI). Prior to joining Best Life Brands, J.J. was the President and Director of Safeguard Business Systems, Inc. ("Safeguard") (Dallas, TX) since its formation in September 2014 through February 2020. In addition, from January 2009 through February 2020, J.J. served as the: President and Director of Safeguard's two franchising arms (also based in Dallas, TX), SBS and SF Systems; the Vice President of Strategic Channels for Deluxe Small Business Sales, Inc., including the DFS Group; and the President of Safeguard Business Systems Limited, which was Safeguard's Canadian affiliate. J.J. also serves as a Director and Secretary of Snappy Casual Corporation and has held that position since February 2004 and has been a member of Snappy Casual Texas, LLC since June 2013 (both companies are based in Sewickley, PA). ~~He is also a board member for the Gals Scholarship Foundation, a 501(C)(3) public charity that awards scholarships to women in golf. J.J. is also a trustee for the Board of the International Franchise Association's Education Foundation.~~

Chief Financial Officer:

Kevin Vesely

Kevin Vesely has served as Director and Secretary of the Franchisor since September 2023. Kevin has also served as the Chief Financial Officer of our parent company, Best Life Brands, LLC, since September 2023. Prior to joining Best Life Brands, LLC, Kevin was the Vice President of Finance for Sonova, Inc. (Chicago,

IL) from March 2022 to September 2023. Kevin was the CFO of Alpaca Audiology from October 2019 to March 2022 when it was acquired by Sonova, Inc. Previously Kevin was a director with PwC's National Office (Florham Park NJ) from June 2017 to October 2019. ~~Kevin is a Certified Public Accountant (CPA) licensed in the State of Arkansas.~~

Chief Marketing Officer

Jennifer LoBianco

Jennifer LoBianco (aka Jennifer LoBianco Gregersen) has served as the Chief Marketing Officer (CMO) since December 2022 (Troy, MI). Jennifer was Senior Vice President of Marketing from June 2021 to December 2022. Prior to joining Best Life Brands, LLC, Jennifer was the CMO at Huntington Learning Center (Oradell, NJ) from February 2018 to May 2020. ~~Jennifer also serves in a voluntary capacity as an advisory council member and mentor with the Buccino Leadership Institute at Seton Hall University (South Orange, NJ).~~

Brand President:

Becky Bongiovanni, CSA*

Becky Bongiovanni is our co-founder and has been our Brand President since January 1, 2019. Prior to this, Becky was our Chief Operating Officer since May 2011. -

Director of Operations:

Colleen Sieber

Colleen Sieber has served as our Director of Operations since September 2020. Prior to joining CarePatrol, Colleen served as the Director of Operations for Fitness Together from July 2018 until April 2020.

Vice President of Franchise Development:

David Tarr

David Tarr has served as the Vice President of Franchise Development since November 2022. Prior to that, David had been Director of Franchise Development with The Rep'm Group based in Charlotte, NC from February 2020 to October 2022. David was Director of Franchise Development for St. Gregory Development Group based in Cincinnati, OH from May of 2018 to Jan of 2020.

Director of Resales:

Branden Worback

Branden Worback has served as the Director of Resales for our parent company, Best Life Brands, LLC since February 2020. Prior to this, Branden served as the Director of Operations for our affiliate, ComForCare Franchise Systems, LLC (Troy, MI), from January 2019 to February 2020.

In-House Counsel:

Stephen D. Greenwald

Stephen D. Greenwald, Esq. has served as our in-house counsel since our inception as well as the in-house counsel of our affiliates: Troy, MI based Boost Franchise Systems, LLC (since July 2021, Troy), MI based ComForCare Franchise Systems, LLC (since December 2018), and Troy, MI based CarePatrol Franchise Systems, LLC (since January 2019). In addition, Stephen is the general counsel of our parent, Troy, MI based Best Life Brands, LLC (since January 2019). ~~Stephen serves on the board of the Home Care Association of America and is a member of the State Bar of Michigan.~~

Minority Owner:

Steven Siegel

Steve has been a minority owner of our parent, CFC Holding Company, LLC, since January 2017. In addition, Steve is the: Managing Partner of Brookside Consulting, a franchise and retail consulting firm based in Thornton, New Hampshire (since 2001), a senior advisor to the Riverside Company, a private equity firm based in Cleveland, Ohio, (since 2011), a director of AIA (Adventures in Advertising), It's Just Lunch (a franchisor of professional dating services), Clintar (a commercial property services provider), and the New Hampshire Music Festival (all since 2011). ~~*CSA stands for Certified Senior Advisor, a designation granted by the Society of Certified Senior Advisors.~~

ITEM 3

LITIGATION

CarePatrol Administrative Actions

Federal Trade Commission Docket No C-4379

On December 3, 2012, the Federal Trade Commission (“FTC”) issued an administrative complaint against CAREPATROL, Inc. (which is not an existing entity but was incorrectly named), alleging issues with certain wording on CarePatrol’s website. The FTC objected to wording that seemed to imply that CarePatrol “monitors or grades the care history and violations of all or a substantial majority, of assisted living facilities in a consumer’s desired location,” that it was incorrect to list every state under a “Click Below to Meet our Consultants” heading, in states in which CarePatrol does not have franchises, as CarePatrol does not have consultants in every state, and that CarePatrol “does not monitor or grade assisted living facilities based on most recent state inspections” in non-franchised areas. There was no intent to mislead, and the wording was for marketing and internet search engine optimization purposes only. The FTC sought to have CarePatrol change the website. In compliance, CarePatrol modified the wording on its website pursuant to FTC instructions. No consumer was involved nor made any complaint. There was no fine or penalty imposed.

Common Controlled Affiliate Litigation

Applicable to Blue Moon Franchise Systems, LLC

Vezeto Enterprises, Inc., et. al., v. Blue Moon Franchise Systems, LLC, Case No. 23CV-008200; In the Court of Common Pleas, Franklin County, Ohio

On or about November 20, 2023. Blue Moon noticed Plaintiff that it was in material default of its Franchise Agreement because it had failed to make timely royalty payments and had apparently ceased operations without notice. On or about November 21, 2023, Plaintiffs filed suit against Blue Moon alleging Blue Moon violated certain sections of Chapter 1334 of the Ohio Revised Code regarding the sale of business opportunity plans. Blue Moon denies any such violations. On or about January 16, 2024 the parties agreed to settle the matter and release Plaintiff from the Franchise Agreement in exchange for Plaintiff paying its past due balances of \$2,500.

Blue Moon Franchise Systems, LLC v. Dawn and Mark Martin, Case No. 2024-205720-CB; State of Michigan; Circuit Court for The County of Oakland

On or about February 16, 2024, Blue Moon filed suit against Defendant for failing to pay its initial franchise fee and abandoning the business in breach of the Franchise Agreement.

Applicable to ComForCare Franchise Systems, LLC

Deborah Podolak v. ComForCare Health Care Holdings, Inc, et. al., Case No. GD-19-2022; In the Court of Common Pleas, Allegheny County, Pennsylvania Civil Division

The plaintiff alleges a violation of Pennsylvania Wage Payment as well as the Pennsylvania Minimum Wage Act in a class action against one of ComForCare’s independently owned and operated franchisees and included ComForCare (the Franchisor) as a defendant under a vicarious liability

ITEM 7

ESTIMATED INITIAL INVESTMENT

TABLE A.
YOUR ESTIMATED INITIAL INVESTMENT – SINGLE UNIT FRANCHISE

TYPE OF EXPENDITURE	REDUCED INITIAL FEE TERRITORY	STANDARD TERRITORY	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
Initial Franchise Fee (Note 1)	\$20,000	\$57,000	Lump sum	Upon execution of Franchise Agreement	CarePatrol
Training Fee	\$10,000		Lump sum	Upon execution of Franchise Agreement	CarePatrol
Travel Expenses for Training (Note 2)	\$2,500 - \$5,200		As incurred	As incurred	Vendors
Real Estate & Related Expenses (Note 3)	\$150 - \$200		As incurred	As incurred	Vendors
Office Equipment (Note 4)	\$1,100 - \$2,250		Lump sum	Before opening	Vendors
Computer Systems (Note 5)	\$2,500 - \$3,750		As incurred	Before opening	Vendors
Signs (Note 6)	\$0 - \$550		Lump sum	Before opening	Vendors
Certified Senior Advisor Certification	\$1,495 - \$1,795		Lump sum	When you enroll	Society of Certified Senior Advisors
Professional Fees & Business Licenses (Note 67)	\$1,725 - \$2,725		As incurred	As incurred	Vendors
Vehicle – Deposit & 3 Lease Payments (Note 78)	\$0 - \$5,000		Installments	As incurred	Suppliers
Insurance – 3-6 months (Note 89)	\$650 - \$2,500		As incurred	As incurred	Vendors
Additional Funds – 3 – 6 Months (Note 910)	\$20,000 - \$40,000		As incurred	As incurred	Various
Total (Notes ((a) & (b))	\$60,120	\$130,970			

TABLE B.
YOUR ESTIMATED INITIAL INVESTMENT – MULTIPLE UNIT FRANCHISE

TYPE OF EXPENDITURE	REDUCED INITIAL FEE TERRITORY	STANDARD TERRITORY	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
---------------------	-------------------------------	--------------------	-------------------	----------	-------------------------

TABLE B.
YOUR ESTIMATED INITIAL INVESTMENT – MULTIPLE UNIT FRANCHISE

Initial Franchise Fee (Note 1)	\$40,000	\$147,000	Lump sum	Upon execution of Franchise Agreement	CarePatrol
Training Fee	\$10,000		Lump sum	Upon execution of Franchise Agreement	CarePatrol
Travel Expenses for Training (Note 2)	\$5,000 - \$8,000		As incurred	As incurred	Vendors
Real Estate & Related Expenses – 3 months (Note 3)	\$150 - \$2,400		As incurred	As incurred	Vendors
Office Equipment (Note 4)	\$1,500 - \$2,600		Lump sum	Before opening	Vendors
Computer Systems (Note 5)	\$3,000 - \$4,250		As incurred	Before opening	Vendors
Signs (Note 6)	\$0 - \$550		Lump sum	Before opening	Vendors
Certified Senior Advisor Certification	\$1,495 - \$1,795		Lump sum	When you enroll	Society of Certified Senior Advisors
Professional Fees & Business Licenses (Note 67)	\$1,725 - \$2,725		As incurred	As incurred	Vendors
Vehicle - Deposit & 3 Lease Payments (Note 78)	\$0 - \$10,000		Installments	As incurred	Suppliers
Insurance – 3 - 6 months (Note 89)	\$650 - \$2,500		As incurred	As incurred	Vendors
Additional Funds – 3 -6 Months (Note 910)	\$30,000 - \$60,000		As incurred	As incurred	Various
Total (Notes ((a) & (b))	\$93,520	\$251,820			

(a) These figures are based on estimates from our experience in this industry since 2006. The range has been provided because expenses may vary based on local market conditions. Additional funds for working capital needs may be required.

(b) All of the fees paid to us are not refundable. The fees that are paid to vendors, landlords, and other service providers may not be refundable.

Notes to Tables A & B:

1. The Initial Franchise Fee for a:

- a. Standard Offering: a single-unit Franchise is \$57,000; a two-pack, multi-unit franchise is \$104,500 (\$57,000 for the first unit and \$47,500 for the second unit); for a three-pack, multi-

unit franchise is \$147,000 (\$57,000 for the first unit, \$47,500 for the second unit, and \$42,500 for the third unit.)

- i. Qualifying franchisees may be eligible to finance part of this fee either via a Deposit Agreement as identified in Item 5 or through the financing program as identified in Item 10 – Financing.
 - b. Reduced Initial Fee Offering: a single-unit Franchise is \$20,000; a two-pack, multi-unit franchise is \$40,000 (\$20,000 for the first unit and \$20,000 for the second unit); for a three-pack, multi-unit franchise is \$60,000 (\$20,000 for the first unit, \$20,000 for the second unit, and \$20,000 for the third unit.)
2. Your Managing Owner or your Managing Employee are required to attend the entire initial training program including the in-person training conducted at our Designated Location (See Item 11).
3. CarePatrol is a home-based business, however, unless you obtain a commercial office, you must obtain a P.O. Box for formal CarePatrol correspondence. A typical new CarePatrol office would require 300-500 square feet of space. Rent is estimated to be \$9,000 annually depending on size, condition and location of leased premises.
4. This estimates your costs to purchase a smart phone, digital camera, and other basic office supplies. If you are a multi-unit franchisee, we recommend you purchase a smart phone and digital camera for each territory. You must obtain and use a phone number that is used exclusively for CarePatrol business purposes.
5. This amount is necessary to purchase and/or license your computer hardware, software, data storage, and access fees. This amount also includes a \$595 initial license fee (for each territory purchased) for our proprietary client data and management software, your Technology Fee, and Google Workspace Fee.
6. This estimate represents your initial costs for signage in building out your business. The low end of this estimate anticipates operating from a home office where signage may not be necessary.
- 6.7. This fee includes any legal, accounting, licensing, and business consulting services you may need.
- 7.8. Due to the nature of this business, you must have a vehicle. We do not have any standards or specifications for your vehicle other than it must be well maintained (clean and damage free). For purposes of this estimate, we assume that if you purchase a single-unit franchise, you will lease one vehicle while if you purchase a multi-pack, you will lease one additional vehicle. The low estimate assumes you already own or lease a vehicle, in which case you will not incur any additional expense.
- 8.9. The estimated cost for all insurance during the first year of operation is \$2,500 - \$5,000 exclusive of commercial property insurance and workers' compensation insurance because those vary by location and whether you have leased commercial office space. We may reasonably increase the minimum liability protection requirement annually and require, at any time on reasonable prior notice to you, different or additional kinds of insurance to reflect inflation, changes in standards of liability or higher damage awards in public, product or motor vehicle liability litigation or other relevant changes in circumstances. You are required to obtain your insurance from our designated insurance broker. Additional information regarding your insurance requirement can be found in Item 8 Restrictions on Sources of Products and Services; Current Source Restricted Items; Insurance Policies.
- 9.10. We require that you begin your Franchised Business with at least 3 months of additional working capital funds but recommend you have at least 6 months in reserve. Included in these expenses is \$1,500 which we suggest should go toward local marketing/branding efforts to "introduce" your CarePatrol to the community. The higher expense level includes payroll/payroll

costs for at least one other full-time employee for a single-unit franchise and at least one other full - time employee and a part time employee for a multi-unit franchise (either a marketer or administrator, depending on your role in your Franchised Business) but do not include an owner's salary. We relied upon the experience of our existing franchised outlets in compiling these figures. These figures are estimates and we cannot guarantee that you will not incur additional expenses starting the business.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Standards and Specifications

To ensure that the highest degree of quality and service is maintained, you must operate the Franchised Business in strict conformity with the methods, standards, and specifications that we list in our proprietary and confidential Manual, which may exist in various parts, locations, and formats, and may include a combination of audio, video, written material, electronic media, website content, and/or software components. You must not: (i) deviate from these methods, standards, and specifications without our prior written consent, or (ii) otherwise operate in any manner which reflects adversely on our Proprietary Marks or the System. Our Manual states our standards, specifications, and guidelines for all goods and services that we require you to obtain in establishing and operating your Franchised Business.

We may, from time to time, notify you of new or modified standards, specifications, and guidelines through periodic amendments, or supplements to the Manual or through written communication (including electronic communication).

You must purchase, install, maintain in sufficient supply, and use, only those items that conform to the standards and specifications described in the Manual or otherwise in writing; you must not use nonconforming items. In addition, you must sell or offer for sale only those products and services that we have expressly approved for sale in the Manual or otherwise in writing, and discontinue selling any products or services that we, at our discretion, determine may adversely affect the System. You must not offer any unapproved products or services.

Purchases from Approved Suppliers

As described below in more detail, we currently require that you purchase or lease the following source restricted goods and services: computer equipment; marketing materials; certain operating supplies; and insurance policies. We estimate that nearly 5% of the total purchases and leases that will be required to establish your Business and 3% of your ongoing operating expenses will consist of source restricted goods or services. . Information about the supplier approval process criteria is available to you upon request.

Senior Advisor Certification

We require that you obtain and maintain through the term of the Franchise Agreement certification as a Certified Senior Advisor (“CSA”) as granted through the Society of Certified Senior Advisors. CSA certification is offered through online and live classroom settings. It consists of approximately 60 hours of home study. We explicitly reserve the right to change the underlying senior certification provider or to require additional certifications from our existing senior certification vendors.

Software

You must license our proprietary client data and management software as well license, from Intuit, the latest version of QuickBooks Online Plus (“QBOE”) Business Package.

Marketing Materials

All of your marketing materials (brochures, business cards, etc.) must comply with our standards, requirements and specifications as stated in the Manual, that may be changed from time to time. We must approve all of your marketing materials and/or advertisements before you use them. You are not currently required to purchase these materials from any specific vendor however we reserve the right to require that

continue your personal auto insurance policies, a “Business Use Endorsement” is required to be added to the policy along with a \$1,000,000 personal umbrella policy.

Extended Reporting Policy (Tail Coverage)

You are required to carry occurrence form insurance coverage but if your then coverage upon the termination or expiration of your Franchise Agreement is written on a claim made basis, you must obtain a three-year extended reporting policy (also known as tail coverage).

Additional Insurance Requirements

You must also purchase any other limits and coverage that we periodically require. The required coverage and policies are subject to change. All insurance policies must be endorsed to: (i) name us (CarePatrol Franchise Systems, LLC) as additional insureds; (ii) contain a waiver by the insurance carrier of all subrogation rights against us; and (iii) provide that we receive 10 days’ prior written notice of the termination, expiration, cancellation or modification of the policy. Proof of all coverages must be provided to us annually.

Purchase Agreements

In the future, we may try to negotiate relationships with suppliers to enable our affiliates and franchisees to purchase certain items at discounted prices (we do not have any purchase agreements in place at this time). If we succeed, you will be able to purchase these items at the discounted prices that we negotiate (less any rebates or other consideration paid to us). Alternatively, we reserve the right to purchase the items in bulk and resell them to you at our cost plus a reasonable markup (your total cost to purchase the items from us will not exceed your total cost to purchase the items directly from the supplier without the benefit of our group purchasing power). There are no purchasing cooperatives, although we reserve the right to establish one or more purchasing cooperatives in the future. You do not receive any material benefits for using designated or approved suppliers other than having access to any discounted pricing that we negotiate.

Franchisor Revenues from Source Restricted Purchases

We are currently the designated supplier for some of your marketing materials. We derive revenue from these purchases. We may designate ourselves as an approved or designated supplier for other items in the future. No persons affiliated with us are currently approved suppliers. You are required to obtain and maintain membership in The National Placement and Referral Alliance. Other than The National Placement and Referral Alliance, there are no approved or designated suppliers in which any of our officers owns an interest.

We may receive rebates, payments or other material benefits from suppliers based on franchisee purchases and we have no obligation to pass them on to our franchisees or use them in any particular manner. However, we do not currently receive any rebates, payments or other material benefits from suppliers.

For the year ending December 31, 2023, our revenue from the license of Google Workspace® to our franchisees was \$76,296.00 or 1.5% of our total revenue of \$4,992,607.

Approval of New Suppliers

If you would like to use any product or service in establishing or operating your business that we have not approved (for products and services that require supplier approval), you must request approval by providing us with a sample of the item you would like us to approve. We do not charge a fee for this approval. Unless we provide you written approval within 30 days of your request, your request will be deemed unapproved. We may revoke the approval of a supplier if it fails to continue to meet our standards. We will notify you if we revoke our approval of a product, service or supplier and you must immediately stop purchasing said products or services or utilizing that supplier.

Site Development

CarePatrol is a home-based business. We do not impose any standards or have any requirements for your home office other than requiring that you utilize a P.O. for official CarePatrol business. You have the unrestricted right to relocate your home office at any time; however, you must notify us of this move, in writing, at least thirty (30) days prior. You may, if you choose to do so, establish a separate office in a commercial facility. If you elect to lease commercial office space, it must be centrally located within your territory and you must seek our approval prior to executing a lease and/or relocating. You are responsible for all costs, liability, and expenses and for locating, selecting, procuring, obtaining and developing this space. We currently do not require that you purchase or lease from us or our affiliates, any other goods, services or supplies, for the establishment or operation of the Franchised Business. However, you may not have access to any discounted pricing we negotiate if you choose not to utilize our designated or approved suppliers. We do not select nor do we own or lease to you your office location nor will we reject your selected office location unless it is not within your Protected Territory.

Many of your business activities will be conducted from your vehicle. Because safety is of the utmost importance to our brand, we may require that you attend a driver's safety course of our choosing at your cost if we receive complaints regarding unsafe driving by you or your employees.

Time to Open

You may not open your Franchised Business before: (i) successful completion of the initial training program (including all Phases of Franchisor, on-site and E-Learning training) with us being the sole determinate regarding your readiness; (ii) you purchase all required insurance; and (iii) you obtain all required licenses, permits and other governmental approvals. We anticipate that a typical CarePatrol franchisee will open his or her CarePatrol business within 12 weeks after signing the Franchise Agreement. Some of the factors that may affect this time are financing, completion of training, obtaining insurance, and complying with local laws and regulations. Unless we agree to the contrary, your Business must be open the sooner of 30 days from your completion of Phase Two Training or 120 days from the time of signing your franchise agreement. Your failure to open within this period constitutes an event of default under your Franchise Agreement, and can lead up to and include termination of your Franchise Agreement.

Obligations After Opening

During the operation of your Franchised Business we:

1. Will provide you access to the Manuals.
2. Will conduct, at our discretion, additional training that you are required to attend. (Section 4, Franchise Agreement).
3. Will provide ongoing guidance and recommendations on ways to improve the marketing and operation of your Franchised Business by telephone during normal business hours or through visits by our field representatives.
4. Will refer leads we receive (if any) that relate to placements in your territory (Section 4. Franchise Agreement.)
5. Will research and develop new marketing procedures and lead sources as deemed necessary, and communicate this information to you.

Advertising

The Fund

We have created a national marketing fund (the “Fund”) and require you to pay a monthly National Marketing Fee of the greater of 1% of your Gross Sales or \$300 per month (see Item 6.) All franchisees contribute to The Fund at 1% of gross sales, but the minimum may differ based on when their Franchise Agreement originated. Currently, we do not have any Franchisor owned outlets, so there is no contribution to The Fund. If we did open a Franchisor owned outlets, it would contribute at the same rate as other franchisees. The Fund will be administered by us, or our affiliates or designees, at our discretion, and we may use a professional advertising agency or media buyer to assist us. The Fund will be in a separate bank account, commercial account, or savings account. We may use the Fund for marketing, advertising, research, sales promotion, collateral material development, public and consumer relations, recruitment efforts, website development and search engine optimization, the development of marketing-technology for the System, content and social media development, and any other purpose to promote the franchised brand. In addition, the Fund may be applied toward: franchisor specific (not franchisee) internet and/or e-commerce programs, Franchisor SEO efforts, client and referral lead management, and the reasonable salaries, benefits, and expenses of personnel who create, manage and administer recruiting and branding programs, may include but not limited to, marketing department personnel, external agencies and consultants. We will not use the Fund to defray any of our expenses except for our costs and overhead that we incur in activities related to the administration of the Fund, including costs of personnel for creating, implementing, and managing advertising and marketing programs. We will not use the Fund contributions for advertising that is principally a solicitation for the sale of Franchises, but we reserve the right to include a notation in any advertisement indicating “Franchises Available” or similar phrasing.

The Fund is not a trust fund, and we do not have any fiduciary duty to you with respect to the Fund’s administration, activities, or expenditures. We will direct all advertising and promotional programs, with sole discretion over the creative concepts, materials, and media used in such programs, and the placement and allocation thereof. We are not required to spend any amount on advertising in the area or territory in which you are located. The Fund’s objectives are to maximize general public recognition and acceptance of the Proprietary Marks for the benefit of the System; and that we are not obligated, in administering the Fund, to make expenditures for you that are equivalent or proportionate to your contribution, or to ensure that any particular franchisee or geographic region benefits directly or pro rata from the advertising or promotion conducted under the Fund. We have established a Marketing Advisory Council (“MAC”) with representatives from a group of franchisees and CarePatrol management personnel. The MAC serves in an advisory capacity and does not have the authority to establish or modify the policies of CarePatrol. The MAC will have input into formulating advertising and marketing plans, programs and policies that affect franchisees. The MAC will initially have four franchisee members and four management members. As the system grows, the MAC will have the authority to expand the representation. The MAC may be dissolved at any time by CarePatrol by issuing notice to all members of the MAC and the MAC will determine the proper method for handling any remaining balances in the Fund.

An unaudited statement of the operations of the Fund, as shown on the book of the Fund, will be prepared annually by us. Upon thirty (30) days of a written request by you, we will provide you an unaudited statement of the expenditures from the account. During our last fiscal year ending December 31, 2023, we spent \$600,623 Fund contributions as follows: (i) 59% on marketing and advertising programs; (ii) 16% on podcast content creation; (iii) 15% on administrative expenses; and (iv) 10% on website SEO and hosting. (See Sections 3 & 11 of the Franchise Agreement for additional information.)

Local Advertising

You must spend, on a monthly basis, the greater of 2% of your monthly Gross Sales or \$1,000 on local marketing activities. To that end, we have developed advertising and communications materials that you may use in your marketing program. We will also continue to test and develop, through active franchisees, new advertising techniques and tools for you to use in your market (Section 4 & 10 of the Franchise Agreement).

At your own expense, you may develop advertising materials for use in your local market. However, you

Topic	No of Pages
Invoice/Reports	295
Resources	307



Training Program

Our Training Program has two phases and takes approximately 12 weeks to complete and must be completed contiguously. Training occurs in our Designated Location (currently Gilbert, Arizona) and within your Approved Location/Protected Territory and is a combination of self-study, eLearning, virtual classes, in person, and field training. However, we expressly reserve the right: to modify the training program, the frequency of training, and the location of your training at any time.

You, the owners, must attend and complete all three phases of our Training Program. Any attendee of yours that is not an owner must be accompanied by an owner during their training. You must pay all travel and lodging expenses incurred by you or your other approved attendees in connection with any training conducted regardless of location.

Our training program is conducted under the supervision of Becky Bongiovanni, our President, and our designated training team. Becky has 20 years' experience in senior placement services and the training of franchisees. The training team includes departmental experts, franchise business consultants and our Franchise trainer. In addition, certain current or former franchisees who have mastery of our System may provide training to new franchisees.

PHASE ONE TRAINING

Phase One Training begins once you have signed your Franchise Agreement and can take approximately 6 to 8 weeks to complete. It occurs at our Designated Location and your Approved Location and/or Protected Territory via a combination of self-study, eLearning, virtual classes and field training. However, we expressly reserve the right to conduct any training scheduled at our Designated Location, or conducted in-person within your Approved Location/Protected Territory by a member of our team, remotely via a mix of eLearning and Virtual Classes. All assignments must be completed and you must pass all Phase One tests, with a score of 85% or higher, to be eligible to begin your Phase Two Training.

TRAINING PROGRAM			
SUBJECT	HOURS OF INTERACTIVE TRAINING	HOURS OF FIELD TRAINING	LOCATION
Establishing Your Business	4	N/A	Remote/Online within the Approved Location/Protected Territory
Outfitting Your Business	4	N/A	Remote/Online within the Approved Location/Protected Territory
Weekly Foundational Training Check-ins	4	N/A	Remote/Online within the Approved Location/Protected Territory
Communication	2	N/A	Remote/Online within the Approved Location/Protected Territory
Provider Development elearning	5	N/A	Designated Location and/or Remote/Online within the Approved Location/Protected Territory
Client Management elearning	5	N/A	Designated Location and/or Remote/Online within the Approved Location/Protected Territory

TRAINING PROGRAM			
Marketing elearning	5	N/A	Designated Location and/or Remote/On-line within the Approved Location/Protected Territory
Referral Development elearning	5	N/A	Designated Location and/or Remote/On-line within the Approved Location/Protected Territory
Certified Senior Advisor (CSA) Certification The Journey of Aging Health Transitions as People Grow Older Quality of Life Choices for Older Adults Financial and Estate Planning for Age 65 and Older Federal and State Programs for Retirement and Health Care Essentials Ethics for Working with Older Adults.	60	N/A	Remote/Online within the Approved Location/Protected Territory
Insurance	1	N/A	Remote/Online within the Approved Location/Protected Territory
TOTALS	95	0	

PHASE TWO TRAINING

Phase Two Training begins once you have completed your Phase One Training and can take approximately 6 to 8 weeks to complete. It occurs at our Designated Location and your Approved Location and/or Protected Territory via a combination of self-study, eLearning, virtual classes, in-person, and field training. However, we expressly reserve the right to conduct any training scheduled at our Designated Location, or conducted in-person within your Approved Location/Protected Territory by a member of our team, remotely via a mix of eLearning and Virtual Classes. All assignments must be completed and all tests passed, with 85% or higher, to be eligible to open your location. We typically conduct Phase Two training monthly, or as needed to meet the collective needs of new Franchisees. We reserve the right to modify the training program or the frequency of training at any time. You must pay all travel and lodging expenses incurred by you or your other approved attendees in connection with the Phase Two Class Room Training. Your training team reserves the right to delay opening if you have not satisfactorily completed the assigned tasks and provide additional training and support.

TRAINING PROGRAM			
SUBJECT	HOURS OF INTERACTIVE TRAINING	HOURS OF FIELD TRAINING	LOCATION

TRAINING PROGRAM			
Business Development Field Visit	N/A	4	Designated Location and/or Remote/On-line within the Approved Location/Protected Territory
TOTALS	52	16	

Resale Training

If you purchased your Franchised Business via a resale, your training may be adjusted to account for support and assistance provided to you from the transferring franchisee.

Supplemental Training

Upon your written request, we may provide additional assistance or training to you at a mutually convenient time. We will charge you the Supplemental Training Fee of \$500 per day, plus expenses, as further described in Item 6 (which includes the day of travel) for any such training that you request, and we provide. If we provide the training within your Territory, you must also reimburse us for all costs incurred by our representative for meals and lodging (including travel, meals and lodging costs we incur for trips that you need to cancel or reschedule).

Refresher Training

From time to time, and in our sole discretion, we may require that the Managing Owner or Managing Employee that operate the business attend refresher training courses. We may charge you the Refresher Training Fee of \$500 per day, plus expenses, as further described in Item 6. We may require this training as a result of our assessment of your performance. The refresher training is approximately three days for the Franchisees that operate the business. If we provide the training within your Territory, you must also pay the Supplemental Training Fees and reimburse us for all costs incurred by our representative for meals and lodging (including travel, meals and lodging costs we incur for trips that you need to cancel or reschedule).

Periodic Training

From time to time, and in our sole discretion, we may offer additional training courses for Managing Owners or Managing Employees that operate the business. We may designate these training courses as optional or mandatory. Managing Owners and Managing Employees that operate the business are required to attend all mandatory courses. You are responsible for any travel, meal, and lodging expenses related to this training.

New Managing Owner or New Managing Employee Training

If you appoint a new Managing Employee or a new Managing Owner after we conduct our pre-opening initial training program, you must pay us the New Managing Owner/New Managing Employee Training Fee of \$2,000 per person, plus expenses, as further as described in Item 6. In addition, the new Managing Employee must attend and successfully complete all two phases of our training program (or the then current, complete training program) prior to assuming responsibility for the management of your Business. You are responsible for all expenses related to this New Manager Training including those related to travel, meals, and lodging.

and license others, the right to establish and operate, businesses using the Proprietary Marks and System at any location outside of your Protected Territory; (iii) establish and operate, and grant others the right to establish and operate, businesses that offer similar products to those offered by us under any other mark other than the Proprietary Marks at any location; (iv) acquire, or be acquired by, any company, including a company operating one or more businesses offering products or services similar to those offered by us, in any location; and (v) use the Proprietary Marks and System, and license others to use the Proprietary Marks and System, to engage in any other activities not expressly prohibited by the Franchise Agreement.

We are not required to pay you any compensation if we exercise any of these rights.

You may not solicit clients or tour facilities within your Protected Territory until we have deemed your open. You may not solicit clients or tour facilities outside of your Protected Territory. However, you may service clients who reside outside of your Protected Territory if: (i) the client is solicited by you while inside your Protected Territory; or (ii) the client is specifically referred to you by one of your other clients or other referral sources. Under no circumstances may you tour facilities located outside of your Protected Territory unless: (i) you obtain our prior written approval if the facility is not located within an area serviced another franchisee; or (ii) you obtain prior written permission from us or the Franchisee who own the rights to the Protected Territory in which the facility is located. If we authorize you to operate in an area outside of your Protected Territory and that area is subsequently awarded to another Franchisee or operated by us, then you must immediately transition all clients, contracts and accounts to the new Owner or us (as applicable). You will not be entitled to any further compensation from the assigned clients, contracts and accounts beyond such time that the Protected Territory Area is awarded. You may enter into cooperative marketing agreements and sales activities with other franchise owners in your, or their, Protected Territory.

Non-Conforming Territories

We reserve the right to create non-conforming territories to develop new and unique programs and methods of delivering the Approved Services to members of the public.

Minimum Performance Requirements

In order to maintain your territorial rights, we require you meet the following Minimum Performance Requirements:

BY THE END OF YOUR...	YOU MUST ACHIEVE ...
12 th Month of Operation from your Open Date	Gross Sales of \$50,000 or 15 placements, whichever is greater.
24 th Month of Operation from your Open Date	Gross Sales of \$75,000 or 20 placements, whichever is greater.
36 th Month of Operation from your Open Date	Gross Sales of \$125,000 or 35 placements, whichever is greater.
48 th Month of Operation from your Open Date	Gross Sales of \$250,000 or 70 placements, whichever is greater.
49 th Month of Operations from your Open Date and each year thereafter through the Remaining Term	Gross Sales of \$350,000 or 85 placements, whichever is greater
Any Quarterly Interim Period	Gross Sales of \$87,500 or 25 placements, whichever is greater.

For any renewal term, you must attain and maintain the highest gross minimum sales indicated above for the operation of the Franchised Business by the first month of the renewal term.

The Minimum Performance Requirements for a transfer or Conversion Franchisee is determined at the time of the conversion.

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

If you are converting an existing business to a Conversion Franchised Business and have clients outside the Protected Territory, you may, as determined by us based on facts and circumstances, be prohibited from continuing to provide services to such clients if such clients are receiving such services in another franchisee's Protected Territory.

If the franchise agreement is the result of a transfer, the Minimum Performance Standard under the new franchise agreement (if applicable) will be based on Minimum Performance Requirements the transferring franchisee was required to obtain during the previous year of operation. For example, if the Transferor was in their third year of operation, the new franchisee's Minimum Performance Standard would be based on the requirements of a franchise operating under their second year of operation (Gross Sale of \$125,000 or 45 placements, whichever is greater.)

Your failure to meet these Minimum Performance Requirements constitutes a default under your Franchise Agreement, permitting us to terminate your franchise, refuse to enter into a renewal agreement with you, reduce the size of your Protected Territory, or limit your territorial rights. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

National Accounts

We, and our affiliates, have the right to enter into agreements with National Accounts, both inside and outside the Protected Territory. A "National Account" is a referral source that offers - on a local, statewide, national or regional basis - the opportunity for Franchisees in the applicable geographic area to provide any Approved Services and/or Approved Products to the referral source's members, affiliates, or, however designated, other persons who have a similar relationship with that referral source. In addition, we may remove you from participating in the National Accounts program if you are in default of your Franchise Agreement or any other agreement with us or you are not qualified to provide the services requested by the National Account(s). Thereafter we may: (i) provide the services requested by the National Account(s) inside the Protected Territory, or (ii) contract with a third-party, which may be another CarePatrol franchisee, to provide the services requested by the National Account(s) inside the Protected Territory. We are not required to pay you any consideration or compensation if we or a third-party provide services to a National Account(s) inside your Protected Territory. We make no guarantees or promises that you will receive any referrals or generate any revenue through your participation in our National Accounts Program.

ITEM 13

TRADEMARKS

The following table shows the status of federal trademark registrations and applications for federal registration on the Principal Register with the United States Patent and Trademark Office (“USPTO”) for registrations of these Marks licensed to you.

MARK	REGISTRATION NUMBER	REGISTRATION DATE
CAREPATROL	5835831	August 13, 2019

As of the Issue Date of this Disclosure Document, we have submitted all required affidavits and other filings necessary to maintain the registrations above.

We may establish new Marks in the future and you must use and display the Marks according to our specifications. You must modify or discontinue use of a trademark or trade dress if we modify or discontinue using it. You will bear all costs associated with changes to the Marks or introduction of new Marks. ~~You must follow our rules when you use these Marks. You cannot use a name or Mark as a part of a Franchisor name or with modifying works, designs, or symbols except for those which CarePatrol has licensed to you. You may not use the registered CarePatrol name in the sale of an unauthorized product or service or in any manner we do not authorize in writing. You may not use any other Mark, name, commercial symbol or logo in connection with the operation of your Franchised Business.~~

There is presently no effective determination of the U.S. Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of this state, or any state or federal court, of any pending infringement, opposition or cancellation proceeding or any pending material litigation involving the Marks which is relevant to the use of the Marks in accordance with the terms of the Franchise Agreement in this state, and no agreements exist which significantly limit in any manner material to you, the rights of CarePatrol to use or license the use of Marks, names, logos, or symbols.

~~You may not use the term “CarePatrol” in your business entity’s legal name. You must not contest, directly or indirectly, our use or, rights in and ownership of the Marks, trade secrets or methods and procedures are a part of the System. You must not register, seek to register or contest our sole right to register, use and license others to use the Marks, names, information, and symbols.~~

You must immediately notify us of the use of, or claim or rights to, a trademark identical to or confusingly similar to any Marks, and we have sole discretion to take the action it deems appropriate. If it deems such action necessary and appropriate, although we are not required to do so, we will protect the right to use the Marks and defend you against claims of infringement or unlawful competition arising out of the use of the Marks. We have the right to control any administrative proceedings or litigation involving a trademark license to you by us.

~~Any goodwill associated with the Marks, including any goodwill which might be deemed to have arisen through your activities, inures directly and exclusively to the benefit of CarePatrol.~~ There are no either superior prior rights or infringing uses known to CarePatrol that could materially affect your use of the Marks in this state or in any state where the business is to be located.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not currently own any rights to any patent that is material to the Franchised Business, nor are there any pending patent applications material to the Franchised Business.

in the franchised business.

If you are awarded multiple Franchised Businesses, in addition to the staffing above, you must also employ, on a full-time basis, a dedicated marketer for each additional territory.

All of your officers, employees, independent contractors and other agents or representatives who attend our training program and/or may have access to our confidential information must sign the Confidentiality Agreement which is attached to the Franchise Agreement.

All of the owners of the Franchise must sign a personal guaranty in the form attached to the Franchise Agreement.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only products and services that we have expressly approved for sale in the Manual or otherwise in writing. You must discontinue selling and offering for sale any products or services that we disapprove in writing at any time. You must not offer any unapproved products or services. You have the ability to set your own prices for products or services sold through your Franchised Business.

You may not solicit sales outside your Protected Territory (see Item 12 and Section 6 of the Franchise Agreement for more information on restrictions).

Except as described in the preceding paragraph, you are not restricted by the Franchise Agreement, or any of our practices or customs, regarding the products or services you offer for sale or to whom you may sell. You must comply with all reasonable requirements if we supplement, improve, or modify the System, including offering and selling new or different services and products that we specify. We have the right to change the types of authorized goods and services, and there are no limits on our right to make changes.

ITEM 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

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.

THE FRANCHISE RELATIONSHIP		
PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
a. Length of the franchise term	Section 2	10 years
b. Renewal or extension of the term	Section 2	If you are in good standing and you meet other requirements, you may add one (1) successor renewal terms. In addition, if you purchase your Franchised Business(es) under the Reduced Initial Fee Program, upon renewal, you may not switch your Royalty Fee to the then lower Standard Offering rate. Your renewal agreement, if so offered, will contain the fees

THE FRANCHISE RELATIONSHIP

		associated with the then Reduced Initial Fee Offering Program.
c. Requirements for franchisee to renew or extend	Section 2	Renewal means the right to sign a new franchise agreement. Give timely written notice; not be in default; be current in debt obligations; execute our then-current franchise and any ancillary documents (this new franchise agreement may have materially different terms and conditions than your original Franchise Agreement); at our option, execute with us a mutual general release of claims; pay renewal fee. In addition, if you purchased your Franchised Business(es) under the Reduced Initial Fee Program, upon renewal, you may not switch your Royalty Fee to the then lower Standard Offering rate. Your renewal agreement, if so offered, will contain the fees associated with the then Reduced Initial Fee Offering Program.
d. Termination by franchisee	Not applicable	Not applicable <u>(subject to state law)</u>
e. Termination by franchisor without cause	Not applicable	Not applicable
f. Termination by franchisor with cause	Section 14	We cannot terminate the Franchise Agreement without cause.
g. "Cause" defined – curable defaults	Section 14	You have 30 days to cure: nonpayment of fees, failure to obtain an office lease, failure to attend training, authorized use of Proprietary marks, failure on three or more occasions in any 12 months to submit financial statements, reports or other data, and any other breach of the agreement not listed.
h. "Cause" defined – non-curable defaults	Section 14	Bankruptcy, unsettled judgments, loss or right to conduct business, loss of home care license (if applicable), abandonment of Franchised Business.
i. Franchisee's obligation on termination/nonrenewal	Section 15	Termination of the Franchise Agreement will require removal of identification, payment of amounts due and return of Manual, operating software and confidential information.
j. Assignment of contract by franchisor	Section 13	No restrictions on our right to assign.
k. "Transfer" by franchisee – defined	Section 13	Includes transfer of contract or assets or ownership change.

THE FRANCHISE RELATIONSHIP

1. Franchisor approval of transfer by franchisee	Section 13	We have the right to approval all transfers, but will not unreasonably withhold approval. However, if you purchase your Franchised Business(es) under the Reduced Initial Fee Program, upon transfer, the transferee may not switch their Royalty Fee to the then lower Standard Offering rate. The transferee's franchise agreement, if so offered, will contain the fees associated with the then Reduced Initial Fee Offering Program.
m. Conditions for franchisor approval of transfer	Section 13	New Franchisee qualifies, business transfer fee paid, business transfer training reserve provided, purchase agreement approved, training arranged and current franchisee agreement signed by new franchisee. No transfer fee for transfer to immediate family member. However, if you purchase your Franchised Business(es) under the Reduced Initial Fee Program, upon transfer, the transferee may not switch their Royalty Fee to the then lower Standard Offering rate. The transferee's franchise agreement, if so offered, will contain the fees associated with the then Reduced Initial Fee Offering Program.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 13	We can match any offer for the franchisee's business.
o. Franchisor's option to purchase franchisee's business	Not applicable	Not applicable
p. Death or disability of franchisee	Section 13	Franchise must be assigned by estate to an approved buyer in six months.
q. Non-competition covenants during the term of the franchise	Section 16 – Addendum H – Multiple Unit Agreement	No involvement in competing business anywhere in U.S.
r. Non-competition covenants after the franchise is terminated or expires	Section 16 – Addendum H – Multiple Unit Agreement	No competing business for two years within 75 miles of your location or within 75 miles of another CarePatrol franchise.
s. Modification of the agreement	Section 21	No modification generally, except in writing. Manual may be modified. Only the terms of the franchise agreement and Disclosure Document are binding (subject to state law). Any representations or promises outside of the Disclosure document or franchise agreement may not be enforceable.

THE FRANCHISE RELATIONSHIP		
t. Integration/merger clause	Section 19	On the terms of the Franchise Agreement are binding (subject to federal law). Any other promises may not be enforceable, except as set forth in this Disclosure Document. Notwithstanding the foregoing, nothing in this or any related agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments. <u>(subject to state law)</u>
u. Dispute resolution by arbitration or mediation	Section 23	Except for certain claims, the parties must first mediate any dispute subject to applicable state law.
v. Choice of forum	Section 11	Arizona (subject to applicable state law)
w. Choice of law	Section 22	Arizona law applies (subject to applicable state law)

ITEM 18

PUBLIC FIGURES

We do not use any public figure to promote the franchise.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

This Item 19 contains historical financial performance data as provided by certain CarePatrol franchisees. The representations made in this Item 19 are based upon the franchise system's outlets existing for the period of time indicated below unless otherwise specifically excluded, as discussed below.

The financial performance information included in Tables A and B below reflect average gross sales by year in operation.

The financial performance information included in Tables C and D below reflect average gross sales by quartile.

Only franchises that were open and in operation during the entire period of January 1, 2023 through December 31, 2023 (the "Measurement Period") were included. We consider a franchisee to be "open and in operation" once they have completed their training and all assigned door opening tasks.

The financial performance information presented below has been extracted from revenue reports provided to

- (b) For purposes of this Item 19, the definition of Gross Sales can be found in “Additional Notes” at the end of this Item 19.
- (c) Of the 119 franchises listed in these tables, 20 of the included franchisees own 1 additional territory, 3 franchisees own 2 additional territories and 1 owns 3 additional territories.
- (d) 6 territories were excluded for not reporting correctly or had halted development during the calendar year.
- (e) For the distribution of start dates, please see Tables A & C; Note (b).

Table E. – 2023 Average and Median Placement Fees - Nationwide

The information contained in the table below is historical, based on unaudited reporting by individual franchisees via our Calculated Care software, and may not be relied upon as a projection or forecast of how many placements or the revenue per placement a new franchisee may experience. The 179 franchised offices that reported data for Table E below may not be the same as those reporting under Tables A - D above.

TABLE E 2023 AVERAGE AND MEDIAN PLACEMENT FEES - SYSTEMWIDE						
Owners	Average Placement Fee	Percent That Exceeded Average	Median Placement Fee	Percent That Exceeded Median	Highest and Second Highest Performer	Lowest and Second Lowest Performer
179	\$4,750	45%	\$4,500	51%	\$56,000 \$50,000	\$500 \$500

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

Table F. – 2022 Average and Median Placement Fees - Nationwide

The information contained in the table below is historical, based on unaudited reporting by individual franchisees via our ProfitKeeper Software, and may not be relied upon as a projection or forecast of how a new franchise may perform. The franchised offices that reported data for Table F below may not be the same as those reporting under Tables A – E, and includes all franchised locations that reported financials regardless of tenure or status. The reported location periods were 1,448, each period defined as one month.

1. “EBITDA” means Earnings Before Interest, Taxes, Depreciation, and Amortization.
2. CF” means Owner Discretionary Cash Flow

	2023 AVERAGE	
	Amount	% Sales
Income		
Revenue - Placement	\$ 384,410.93	99.99%
All Other Revenue	29.51	0.01%
Total Income	\$ 384,440.44	100.00%
Cost of Goods Sold		
Direct Costs	38,237.44	9.95%
Total Cost of Goods Sold	\$ 38,237.44	9.95%
Gross Profit	\$ 346,203.00	90.05%
Labor		
Admin Wages	66,451.84	17.29%
Operation Wages	18,862.76	4.91%
Marketing Wages	46,885.89	12.20%
Payroll Expenses	23,535.17	6.12%
Total Labor	\$ 155,735.66	40.51%
Expenses		
Admin	11,528.75	3.00%
Operations	24,443.58	6.36%
Marketing	25,899.14	6.74%
Franchise Fees (Royalty / NAF / Tech)	30,255.11	7.87%
Total Expenses	\$ 92,126.58	23.96%
Other Income		
Other Income	277.95	0.07%
EBITDA*	\$ 98,618.71	25.65%
Interest, Tax, Depreciation & Amortization		
Interest	1,517.67	0.39%
Income Tax	5,573.97	1.45%
Depreciation / Amortization Expense	3,164.43	0.82%
Net Income	\$ 88,362.64	22.98%
Owner Discretionary Cash Flow		
Interest	1,517.67	0.39%
Depreciation / Amortization Expense	3,164.43	0.24%
Owners-Officer Salary	34,274.29	8.92%

TABLE 5 - PROJECTED OPENINGS AS OF DECEMBER 31, 2023

Washington	2	1	0
Wisconsin	0	0	0
Total	13	34	0

A list of all current CarePatrol franchisees is attached to this Disclosure Document as EXHIBIT F, including their names and the addresses and telephone numbers of their outlets as of December 31, 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, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document. No franchisees have signed confidentiality clauses in the past three years restricting their ability to speak about their experience as a franchisee. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

ITEM 21

FINANCIAL STATEMENTS

Exhibit A includes the audited consolidated financial statement of CFC Holding Company, LLC, the parent of our parent, Best Life Brands, LLC for fiscal years 2021, 2022, and 2023. CFC Holding Company, LLC has guaranteed our performance with you. Our fiscal year end is December 31.

ITEM 22

CONTRACTS

The following contracts are attached as Exhibits:

Exhibit B	Franchise Agreement
Exhibit D	Power of Attorney
Exhibit E	Sample Deposit Agreement
Exhibit F	Sample Release Agreement
Exhibit I	State Addenda

ITEM 23

RECEIPTS

Exhibit K is a document to use for acknowledging receipt of the Franchise Disclosure Document, including all exhibits, of the CarePatrol Franchised Business.

STATE	STATE ADMINISTRATOR/AGENT	ADDRESS
Rhode Island	Director, Department of Business Regulation, Securities Division	1511 Pontiac Ave. John O. Pastore Complex Building 69-1 Cranston, RI 02920
South Dakota	Department of Labor and Regulation Division of Securities	124 S. Euclid Suite 104 Pierre, SD 57501
Virginia (State Administrator)	State Corporation Commission Division of Securities and Retail Franchising	1300 E. Main St. 9 th Floor Richmond, VA 23219 804-371-9051
Virginia (Agent)	Clerk of the State Corporation Commission	1300 E. Main St. 1 st Floor Richmond, VA 23219
Washington (Agent)	Department of Financial Institutions Securities Division	150 Israel Rd. SW Tumwater, WA 98501- 6456 360-902-8760
Washington (State Administrator)	Department of Financial Institutions Securities Division	P.O. Box 90334 <u>1200</u> Olympia, WA 98507 <u>98504-1200</u> 360-902-8760
Wisconsin	Commissioner of Securities	Department of Financial Institutions Division of Securities 201 W. Washington Ave. Suite 300 Madison, WI 53703

EXHIBIT I
STATE ADDENDUMS

ILLINOIS ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

Illinois law governs the Franchise Agreement.

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

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

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

No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the ~~fanchise~~franchise.

“National Accounts” exist in this franchise system. The Franchisor reserves the right to establish, identify, negotiate the terms form, and service National Accounts within your Territory. The Franchisor or a third party designated by the Franchisor may provide products and services to a National Account within your territory with no compensation paid to you.

The training program for this franchise has two phases and takes approximately **12 weeks** to complete. A typical franchisee commences business operations within **12 weeks** of signing the Franchise Agreement.

Financial Assurances. The Illinois Office of the Attorney General requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement, or, for certain ongoing fees including the Technology Fee and Google Workspace Fee, until the date that we begin providing such related services to you.

Acknowledgment Addendum:

The representations under this Franchise Acknowledgment Addendum are not intended, nor shall they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Disclosure Act.

ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Illinois Franchise Disclosure Act, Ill. Comp. Stat. §§705/1 – 705/44 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Illinois law governs the Franchise Agreement.

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

Your rights upon Termination and Non-Renewal of an agreement set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the ~~franchise~~franchise.

“National Accounts” exist in this franchise system. The Franchisor reserves the right to establish, identify, negotiate the terms form, and service National Accounts within your Territory. The Franchisor or a third party designated by the Franchisor may provide products and services to a National Account within your territory with no compensation paid to you.

The training program for this franchise has two phases and takes approximately **12 weeks** to complete. A typical franchisee commences business operations within **12 weeks** of signing the Franchise Agreement.

Financial Assurances. The Illinois Office of the Attorney General requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement, or, for certain ongoing fees including the Technology Fee and Google Workspace Fee, until the date that we begin providing such related services to you.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

MARYLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§14-201 – 14-233 applies, the terms of this Addendum apply.

Item 5, Additional Disclosures:

The Maryland Securities Commissioner requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement, or, for certain ongoing fees including the Technology Fee and Google Workspace Fee, until the date that we begin providing such related services to you.

Item 17, Additional Disclosures:

Our termination of the Franchise Agreement because of your bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.).

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

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

The general release required as a condition of renewal, sale and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Acknowledgment Addendum:

The representations under this Acknowledgment Addendum are not intended, nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§14-201 – 14-233 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

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.

Nothing in the Franchise Agreement prevents the franchisee from bringing a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Nothing in the Franchise Agreement operates to reduce the 3-year statute of limitations afforded to a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Further, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

The Federal Bankruptcy laws may not allow the enforcement of the provisions for termination upon bankruptcy of the franchisee.

The Maryland Securities Commissioner requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement, or, for certain ongoing fees including the Technology Fee and Google Workspace Fee, until the date that we begin providing such related services to you.

2. No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

2.3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3.4. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
CarePatrol Franchise Systems, LLC
A Delaware Limited Liability Company

FRANCHISEE:

By: Stephen D. Greenwald
Title: In-house Counsel

By: _____
Title: _____

MINNESOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Minnesota Franchise Act, Minn. Stat. §§80C.01 – 80C.22 applies, the terms of this Addendum apply.

State Cover Page and Item 17, Additional Disclosures:

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota, requiring waiver of a jury trial or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document shall abrogate or reduce any of your rights as provided for in Minn. Stat. Sec. 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. A court will determine if a bond is required.

Items 5 and 7:

The Minnesota Department of Commerce has required us to defer payment of the initial franchise fee until the franchisor has completed its pre-opening obligations under the franchise agreement.

Item 13, Additional Disclosures:

The Minnesota Department of Commerce requires that a franchisor indemnify Minnesota Franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of the franchisor's trademark infringes upon the trademark rights of the third party. The franchisor does not indemnify against the consequences of a franchisee's use of a franchisor's trademark except in accordance with the requirements of the franchise agreement, and as the condition to an indemnification, the franchisee must provide notice to the franchisor of any such claim immediately and tender the defense of the claim to the franchisor. If the franchisor accepts tender of defense, the franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Item 17, Additional Disclosures:

Any condition, stipulation or provision, including any choice of law provision, purporting to bind any person who, at the time of acquiring a franchise is a resident of the State of Minnesota or in the case of a partnership or corporation, organized or incorporated under the laws of the State of Minnesota, or purporting to bind a person acquiring any franchise to be operated in the State of Minnesota to waive compliance or which has the effect of waiving compliance with any provision of the Minnesota Franchise Law is void.

We will comply with Minn. Stat. Sec. 80C.14, subds. 3, 4 and 5, which requires, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure), 180 days notice for nonrenewal of the Franchise Agreement, and that consent to the transfer of the franchise will not be unreasonably withheld.

Minnesota Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§80C.01 – 80C.22.

The limitations of claims section must comply with Minn. Stat. Sec. 80C.17, subd. 5.

No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Franchisee consents to the franchisor seeking injunctive relief without the necessity of showing actual or threatened harm. A court shall determine if a bond or other security is required.

The Franchise Agreement contains a liquidated damages provision. This provision may not be enforceable under Minnesota law.

Any action pursuant to Minnesota Statutes, Section 80C.17, Subd. 5 must be commenced no more than 3 years after the cause of action accrues.

2. The Minnesota Department of Commerce has required us to defer payment of the initial franchise fee until the franchisor has completed its pre-opening obligations under the franchise agreement.

3. No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

2.4. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3.5. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
CarePatrol Franchise Systems, LLC
A Delaware Limited Liability Company

By: Stephen D. Greenwald
Title: In-house Counsel

FRANCHISEE:

By: _____
Title: _____

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10 year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such at our discretion.

5. 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 nonwaiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. 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.

7. The following is added to the end of the “Summary” section of Item 17(j), titled “**Assignment of contract by franchisor**”:

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor’s obligations under the Franchise Agreement.

8. 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.

No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

NEW YORK ADDENDUM TO FRANCHISE AGREEMENT

To the extent the New York General Business Law, Article 33, §§680 - 695 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Any provision in the Franchise Agreement that is inconsistent with the New York General Business Law, Article 33, Section 680 - 695 may not be enforceable.

Any provision in the Franchise Agreement requiring franchisee to sign a general release of claims against franchisor does not release any claim franchisee may have under New York General Business Law, Article 33, Sections 680-695.

The New York Franchise Law shall govern any claim arising under that law.

2. No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

2.3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3.4. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
CarePatrol Franchise Systems, LLC
A Delaware Limited Liability Company

By: Stephen D. Greenwald
Title: In-house Counsel

FRANCHISEE:

By: _____
Title: _____

VIRGINIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Virginia Retail Franchising Act, Va. Code §§13.1-557 – 13.1-574 applies, the terms of this Addendum apply.

Item 5. Additional Disclosures

The Virginia State corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement, or, for certain ongoing fees including the Technology Fee and Google Workspace Fee, until the date we begin providing such related services to you.

Item 17, Additional Disclosures:

Any provision in any of the contracts that you sign with us which provides for termination of the franchise upon the bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. 101 et. seq.).

“According 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 statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

VIRGINIA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Virginia Retail Franchising Act, Va. Code §§13.1-557 – 13.1-574 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

“According 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 ground for default or termination stated in the franchise agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.”

“The Virginia State Corporation Commission’s Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement, or, for certain ongoing fees including the Technology Fee and Google Workspace Fee, until the date that we begin providing such related services to you.”

2. No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

2.3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

4. 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.

3.5. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
CarePatrol Franchise Systems, LLC
A Delaware Limited Liability Company

By: Stephen D. Greenwald
Title: In-house Counsel

FRANCHISEE:

By: _____
Title: _____

|

=====

=====

=====

~~WASHINGTON ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, MULTI UNIT AGREEMENT AND ACKNOWLEDGMENT ADDENDUM AND OTHER RELATED AGREEMENTS.~~

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

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

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

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

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

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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

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

The Washington Department of Financial Institutions requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement, or, for certain ongoing fees including the Technology Fee and Google Workspace Fee, until the date that we begin providing such related services to you.

No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement, or, for certain ongoing fees including the Technology Fee and Google Workspace Fee, until the date that we begin providing such related services to you.

2. Section 24 does not apply in Washington.

3. No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

2.4. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3.5. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
CarePatrol Franchise Systems, LLC
A Delaware Limited Liability Company

By: Stephen D. Greenwald
Title: In-house Counsel

FRANCHISEE:

By: _____
Title: _____

WISCONSIN ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Wisconsin Franchise Investment Law, Wis. Stat. §§553.01 – 553.78 or Wisconsin Fair Dealership Law, Wis. Stat. §§135.01 – 135.07 applies, the terms of this Addendum apply.

Item 17, Additional Disclosures:

For all franchisees residing in the State of Wisconsin, we will provide you at least 90 days' prior written notice of termination, cancellation or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation or substantial change in competitive circumstances and will provide that you have 60 days in which to cure any claimed deficiency. If this deficiency is cured within 60 days, the notice will be void. If the reason for termination, cancellation or substantial change in competitive circumstances is nonpayment of sums due under the franchise, you will have 10 days to cure the deficiency.

For Wisconsin franchisees, Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of the Franchise Agreement or a related contract which is inconsistent with the Law.

No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

WISCONSIN ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Wisconsin Franchise Investment Law, Wis. Stat. §§553.01 – 553.78 or Wisconsin Fair Dealership Law, Wis. Stat. §§135.01 – 135.07 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

To the extent any of the provisions regarding notice of termination or change in dealership are in conflict with Section 135.04 of the Wisconsin Fair Dealership Law, the Wisconsin law shall apply.

2. No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

2.3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3.4. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
CarePatrol Franchise Systems, LLC
A Delaware Limited Liability Company

By: Stephen D. Greenwald
Title: In-house Counsel

FRANCHISEE:

By: _____
Title: _____
