FRANCHISE DISCLOSURE DOCUMENT

HTHM Franchising, LLC
(a Delaware limited liability company)
289 Elm Street, Suite 102
Marlborough, Massachusetts 01752
www.hearttohomemeals.com
chris.webb@hearttohomemeals.com
(508) 658-3600

HTHM Franchising, LLC offers franchises for delivery of frozen, prepared meals for in-home consumption operating under the name Heart to Home Meals. The total investment necessary to begin operation of a Heart to Home Meals delivery service franchise (a "Program Meals Business") ranges from ~~$129,350 to $339,950~~134,750 to $345,850. This includes ~~$51,250~~56,650 that must be paid to us or our affiliate.

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, us or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Christopher Webb at 289 Elm Street, Suite 102, Marlborough, Massachusetts 01752, via email at chris.webb@hearttohomemeals.com or by phone at 617 990-6783.

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

Buying a franchise is a complex investment. The information in this Disclosure Document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this Disclosure Document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

The Issuance Date of this Disclosure Document is April ~~28~~20, ~~2025.~~2026.

4921-1227-8154v3

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The Franchise Agreement requires you to resolve disputes with us by mediation, arbitration and/or litigation only in the district where our home office is located, which is currently Middlesex County, Massachusetts. Out-of-state mediation, arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to mediate. Arbitrate or litigate with us in Middlesex County, Massachusetts than in your own state.

2. ~~**Short Operating History**. The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.~~

~~3.~~ **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

~~4~~3. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

~~5~~4. **Sales Performance Required**. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

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

TABLE OF CONTENTS

		Page
ITEM 1	THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES	~~8~~1
ITEM 2	BUSINESS EXPERIENCE	~~11~~4
ITEM 3	LITIGATION	~~11~~4
ITEM 4	BANKRUPTCY	~~11~~4
ITEM 5	INITIAL FEES	~~11~~4
ITEM 6	OTHER FEES	~~12~~5
ITEM 7	ESTIMATED INITIAL INVESTMENT	~~16~~10
ITEM 8	RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	~~20~~13
ITEM 9	FRANCHISEE'S OBLIGATIONS	~~23~~16
ITEM 10	FINANCING	~~24~~17
ITEM 11	FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING	~~25~~ 17
ITEM 12	TERRITORY	~~34~~27
ITEM 13	TRADEMARKS	~~35~~28
ITEM 14	PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	~~36~~29
ITEM 15	OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	~~37~~ 30
ITEM 16	RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	~~38~~31
ITEM 17	RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION	~~39~~32
ITEM 18	PUBLIC FIGURES	~~49~~42
ITEM 19	FINANCIAL PERFORMANCE REPRESENTATIONS	~~49~~42
ITEM 20	OUTLETS AND FRANCHISEE INFORMATION	~~51~~45
ITEM 21	FINANCIAL STATEMENTS	~~53~~47
ITEM 22	CONTRACTS	~~53~~48
ITEM 23	RECEIPT	~~53~~48

Exhibits

A. Franchise Agreement including forms of Automated Clearing House Payment Authorization; ~~Guaranty and Restriction~~ Security Agreement; Management Confidentiality and Non-Competition Agreement; Lease Rider; ~~Guaranty;~~ Franchise Agreement Addenda Required by Certain States~~; and Receipt of Operations Manual and Confidentiality Agreement~~

B. State Addenda to Disclosure Document

C. Financial Statements

D. State Administrators and Agents for Service of Process

E. Table of Contents of Operations Manual

F. Names and Addresses of Franchisees

G. Closing Acknowledgement

ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this Disclosure Document, we will use the words "we," "us" and "our" when referring to HTHM Franchising, LLC and the words "you" and "your" when referring to the individual or business entity which buys a Franchised Business franchise. The words "you" and "your" do not include any individual or business entity which owns an interest in you. We will require all individuals and business entities that own an interest in you to guarantee your obligations to us. We refer to each distinct business operated under our Franchise Agreement as a "Program Meals Business" or "Franchised Business" and each distinct Franchised Business operated by an Affiliate of the Franchisor as a "Company Program Meals Business". We refer to the frozen, prepared meals branded as Heart to Home Meals delivered by a Program Meals Business as "Products."

Franchisor, and any Parents, Predecessors, and Affiliates

We are a Delaware limited liability company formed on August 23, 2018. Our principal business address is 289 Elm Street, Suite 102, Marlborough, Massachusetts 01752. Our direct parent corporation is US Food Holdings, LLC, a Delaware limited liability company ("Parent"). The principal business address for Parent is 289 Elm Street, Suite 102, Marlborough, Massachusetts 01752. We have no predecessors.

We are wholly owned indirect subsidiary of Ultimate Food Holdings, Inc., a Delaware corporation ("UFH") incorporated on August 23, 2018. UFH is the sole member of Food International Holdings LLC ("FIH") and Parent, both Delaware limited liability companies formed on August 23, 2018. Parent is the sole member of Franchisor and HTHM Operations LLC, a Delaware limited liability company ("HTHMO") formed on August 23, 2018. The principal business address of these entities is 289 Elm Street, Suite 102, Marlborough, Massachusetts 01752.

UFH is a wholly owned subsidiary of apetito group of companies which is based in Germany ("apetito AG") which manufactures and sells frozen prepared meals to long-term care facilities, retirement homes, "Meals on Wheels" home delivery services, schools and nurseries. apetito AG, has subsidiary companies in Germany, United Kingdom, Republic of Ireland, the Netherlands, Austria, France, Spain, Denmark, the United States and Canada. apetito AG was founded on April 1, 1958, in Rheine, Westphalia, Germany, when it began selling frozen prepared meals. Its principal address is Bonifatiusstraße 305, D-48432 Rheine, Germany.

Heart to Home Meals, Inc., an Ontario corporation ("HTHM Canada") formed on June 25, 2008. Its principal business address is 1010 Dairy Drive, Ottawa, ON K4A 3N3. It has been engaged in franchising the Program Meals Business in Canada since 2008 and has offered franchises for Heart to Home Meals businesses (formerly called Copper County Foods) since June 2009. HTHM Canada had ~~20~~21 franchises operating on December 31, ~~2022~~2025.

apetito HFS Limited, an Ontario corporation ("apetito HFS"), has its principal business address at 1010 Dairy Drive, Ottawa, ON K4A 3N3, provides frozen, prepared meals to Meals on Wheels programs as well as to hospitals and long-term care facilities serving customers throughout Canada. It is also the designated supplier of Products to Heart to Home Meals franchisees in Canada. apetito HFS is the designated supplier of Products to Heart to Home Meals franchisees in Canada and the Ottawa address is the principal business address of the Franchisor. apetito HFS had ~~20~~21 outlets in Canada on December 31, ~~2024~~2025 with ~~18~~20 Franchised outlets and ~~2~~1 ~~outlets corporately owned~~outlet owned by an affiliate.

customer accessible facility at the Location or elsewhere. The Territory is defined by population density of ~~persons~~people aged 75 and older, and other persons whose mobility constraints, physical disabilities or time commitments may prevent or inhibit them from meal preparation and shopping for ingredients who are living in their own homes. We also consider factors affecting the ability to deliver Products to customers efficiently in freezer-equipped delivery trucks. All your marketing must target the Territory.

Market and Competition

The market for Products home delivered by a service is an emerging market that includes providers of prepared frozen meals delivered to a customer who cannot or prefers not to shop for or prepare at-home meals. You will face competition from other home meal delivery services offering planned delivery programs and ad hoc delivery services of restaurant meals. In most markets, demand is generally consistent throughout the year and not influenced by seasons. However, in cold weather markets, demand has the potential to rise during winter as travel is more difficult.

Regulation

Your Franchised Business must comply with the food safety standards and regulations of the United States Department of Agriculture and the Food and Drug Administration for the transportation of frozen food, particularly the FDA Food Safety Modernization Act rule on Sanitary Transportation of Human and Animal Food, 21 CFR Part 1, Subpart O. These mainly apply to storage and transportation temperatures of frozen Products. Since a Franchised Business is the seller of the Products, regulations applicable to third party food delivery service should not apply but need to be reviewed by you and your counsel. Some localities may require compliance with local codes and licensing as a seller of prepared food products and may require inspections of your facilities for sanitation and proper storage temperatures in your freezers and delivery vehicles.

You will have to comply with all federal, state and local laws and regulations which apply generally to all businesses, and food sales and delivery that apply to Program Meals Business generally. Additionally, you will be required to comply with all federal, state and local laws and regulations that generally apply to private businesses. These include, but are not limited to, the Americans with Disabilities Act (the "ADA"); the Fair Labor Standards Act (the "FLSA"); the rules and regulations of the Equal Employment Opportunity Commission (the "EEOC"); the Occupation Safety and Health Administration ("OSHA"); Gramm-Leach-Bliley Act; the USA PATRIOT Act; Federal Truth in Lending and other laws dealing with credit transactions and collections; Digital Millennium Copyright Act; regulations governing MMS, SMS, emails and telemarketing; the payment of license fees; general location rules and regulations; and, any advertising or content related rules and regulations.

Your Franchised Business must accept credit cards and will be obligated to comply with the Payment Card Industry Data Security Standard. The Standard includes 12 requirements for any business that stores, processes or transmits payment cardholder data. For more information see https://www.pcicomplianceguide.org/.

We encourage you to make additional inquiries into those laws and regulations and obtain the assistance of your own legal counsel in that regard. It is your responsibility to independently determine if there are any legal requirements with which you must comply and business issues that might impact your Franchised Business and/or your possibility of generating a profit or loss. Neither we, nor our Affiliates, will be responsible for ascertaining your initial and continuing legal responsibilities. It is your responsibility, on an on-going basis, to investigate and satisfy all local, state, and federal laws and regulations since these can vary from place to place and can change over time.

Prior Business Experience

We have no prior business experience and have not operated in any other lines of business.

ITEM 2

BUSINESS EXPERIENCE

Parent is our sole member. The ~~members~~member of Parent's Board of Directors who ~~are~~is most involved in decisions affecting us is Christopher Webb.

President: **Christopher Webb**

Mr. Webb has been our President since August 2021. He was Director of Business Operations for Parent from February 2019 until his election as our President. Mr. Webb joined apetito UK in September 2014 and had overseen Franchise Recruitment, Franchise Support and Operations for Wiltshire Farm Foods from that date until January 2019. He is based in our Marlborough, Massachusetts office.

Senior Director of Franchise Development: Richard Peroe

Mr. Peroe joined us in February 2025 and is based in Virginia Beach, Virginia. He previously held positions in Operations and Franchise Development with Jackson Hewitt Tax Service in Virginia Beach, Virginia and Jersey City, New Jersey from December 1989 until May 2024.

ITEM 3

LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5

INITIAL FEES

When you sign a Franchise Agreement for a Franchised Business, you must pay a non-refundable initial franchise fee of $40,000. The initial franchise fee is not refundable. You must also pay a $250 application fee to us for background and credit checks. The application fee is payable at the later date of when you submit a franchise application to us or 15 days after you sign the Item 23 Receipt of this Disclosure Document. You must also purchase $~~11,000~~14,400 of opening inventory of Program Meals from us or HTHM Supply before opening the Franchised Business. If your Franchised Business does not commence operation or closes before you sell all of the initial inventory, we or our affiliate will repurchase the inventory in saleable condition less the Restocking Fees & Charges described in Item 6. You must destroy and discard any unsold inventory that we do not repurchase.

You must purchase a Marketing Launch Kit from us designed to support your initial local marketing, community outreach, and product demonstration activities. The Marketing Launch Kit must be purchased from us or an approved supplier within 60 days of the date you sign the Franchise Agreement. The kit includes the following items, which may be updated periodically based on system standards: Avantco 120-volt countertop convection oven; Digital Pocke Probe Thermometer; Kitchen utensils; Tablecloth/table skirt; retractable banner; and additional marketing collateral. The price varies between $2,000 and $2,500 depending on certain options you may select, and is payable within 15 days after we or the vendor invoices you.

ITEM 6

OTHER FEES

Type of fee	Amount	Due Date	Remarks
Wholesale Prices of Products	Prices currently range from $34.06 for an order of 16 smaller Program Meals in a single case to $87.77 for a case of 12 regular size meals. The median wholesale price is $71.52 per case. These prices are subject to change periodically when ingredient, labor, packaging and transportation costs change	Net 10 days after Invoice	You must pay us or our affiliate for the wholesale prices of Products you purchase. There is no royalty on Gross Sales of the Products to customers. You determine your order quantity depending on your projected needs and storage capacity. Cases can be ordered with 10-16 meals. A 12 meal case is the most frequently ordered size.
Delivery Fee	Currently $500.00 per month; subject to change once annually; begins with the month after the first anniversary of your opening of the Franchised Business. An annual change will not exceed 50% of the existing Delivery Fee.	When invoiced	Covers costs of delivery of Products to your Franchised Location; we may change the Delivery Fee amount and frequency once a year to cover changes in transportation and freezer storage costs
Local Marketing	3.00% of Gross Sales (Note 1)	Annually	You must advertise and market your Franchised Business in your market area and document your spending to us. (Note 2)

~~Marketing Fee (Note 2)~~	~~Between 2.00% - 5.00% of Gross Sales (Not currently assessed)~~	~~Weekly~~	~~Payable upon at least 30 days' prior written notice from us that we have established a Marketing Fund. Thereafter, payment must be made via electronic funds transfer weekly. (Note 2.)~~
~~Technology Fee~~	~~Currently $138 monthly for a software license; we may change after notice to you.~~	~~Weekly with Marketing Fee~~	~~We provide certain technology support services to franchisees to assist in using our designated technology systems for operating the Franchised~~
Type of fee	**Amount**	**Due Date**	**Remarks**
Marketing Fee (Note 2)	Between 2.00% - 5.00% of Gross Sales (Not currently assessed; An annual change will not exceed 2% of Gross Sales)	Weekly	Payable upon at least 30 days' prior written notice from us that we have established a Marketing Fund. Thereafter, payment must be made via electronic funds transfer weekly. We may change this Fee once annually when assessed. (Note 2.)

Technology Fee	Currently $180 monthly for a software license; we may change after notice to you. We may change once annually but this Fee will not exceed $500 per month.	Weekly with Marketing Fee	We provide certain technology support services to franchisees to assist in using our designated technology systems for operating the Franchised Business. We do not currently charge a fee for this service. We may elect to impose an additional fee to cover these support costs and related overhead in the future on at least 30 days prior written notice to all franchisees, and modify the fee once annually after its imposition
Manager Training Tuition	Currently $2,000, plus expenses incurred by the trainee to attend the training program. We may change once annually but tuition will not exceed $4,000 per attendee.	Within 15 days of Invoice Date	Payable for any replacement manager you send to attend our initial training program; you pay the trainee's compensation, benefits, travel, lodging and meal expenses
Additional Training Fee (Note 3)	Currently $150 per hour plus trainer's expenses for additional initial training requested by you. This Fee will not exceed $500 per hour.	As Incurred	We may provide additional employee training at your Franchised Business Location. We may change this rate at any time once annually.
Renewal Fee (Note 6)	50.00% of the then-current Initial Franchise Fee at the time of renewal	When you send your renewal notice at the end of the initial term	Paid if you renew when you give notice of renewal to us
Transfer Fees (Note 4)	50.00% of the then-current Initial Franchise Fee	Upon transfer	Payable if you transfer the Franchise Agreement or Franchised Business or on ownership change involving control of 50% or more of your equity interests
Audit Results and Accounting Fees (Note 5)	Cost of audit and accounting fees	Within 15 days of receipt of audit report	Payable if you understate Gross Sales by 2% or more

~~Interest on Late Payments~~	~~Lesser of Prime Bank Rate plus 4.00% per month or highest rate allowed by law~~	~~Within 15 days of invoice date~~	~~Accrues from due date; Prime Bank Rate is published in *The Wall Street Journal* or another publication we deem reliable adjusted~~
Type of fee	**Amount**	**Due Date**	**Remarks**
	Fee at the time of renewal	end of the initial term	renewal to us
Transfer Fees (Note 4)	50.00% of the then-current Initial Franchise Fee	Upon transfer	Payable if you transfer the Franchise Agreement or Franchised Business or on ownership change involving control of 50% or more of your equity interests
Audit Results and Accounting Fees (Note 5)	Cost of audit and accounting fees	Within 15 days of receipt of audit report	Payable if you understate Gross Sales by 2% or more
Interest on Late Payments	Lesser of Prime Bank Rate plus 4.00% per month or highest rate allowed by law	Within 15 days of invoice date	Accrues from due date; Prime Bank Rate is published in *The Wall Street Journal* or another publication we deem reliable adjusted weekly
Security Interest Enforcement Costs	Cost of enforcing security interest	Within 15 days of invoice date	You grant us or our affiliate a security interest in your inventory, equipment and proceeds from the sale of inventory to secure payment of amounts owed for the wholesale price of Products you purchase. If we foreclose on the collateral, you pay or reimburse us for the costs we incur including attorneys' fees and court costs to enforce our security interest, regain possession and store the collateral

Public Offering Fee	$15,000	Upon request for approval of offering documents	Payable if you request our review of a placement memorandum or registration statement for any public or private offering your equity or debt securities
Indemnification Costs (Note 7)	Actual damages or settlement amounts, ~~costs and expenses that we incur for an indemnified claim~~	Within 15 days of invoice	~~Payable to us for damages, costs and expenses incurred by us from third party claims arising from your operation of the business; includes our cost of defense and resolution~~ Payable to us for damages, costs and
~~Convention Fee~~	~~Estimated to be $700 per attendee, plus travel, lodging and meal expenses for each attendee~~	~~Within 15 days after invoice date~~	~~Payable in advance of our annual convention if we hold one. We may change this fee at any time in the Operations Manual. Fee charged for all mandated attendees~~
~~Bank Fees~~	~~Actual Bank Fees charged for insufficient funds or denied access for EFT/ACH transfer plus an administrative~~	~~As incurred~~	~~Payable if a bank charges us fees for a returned check or denied electronic funds transfer payment to us~~
Type of fee	**Amount**	**Due Date**	**Remarks**
	costs and expenses that we incur for an indemnified claim		expenses incurred by us from third party claims arising from your operation of the business; includes our cost of defense and resolution
Convention Fee	Estimated to be $700 per attendee, plus travel, lodging and meal expenses for each attendee; Will not exceed $1500 per attendee.	Within 15 days after invoice date	Payable in advance of our annual convention if we hold one. We may change this fee at any time in the Operations Manual. Fee charged for all mandated attendees

Bank Fees	Actual Bank Fees charged for insufficient funds or denied access for EFT/ACH transfer plus an administrative fee of $25 per event	As incurred	Payable if a bank charges us fees for a returned check or denied electronic funds transfer payment to us
Late Fee for Tardy Financial Reporting	If the financial reports are not submitted by the due date, we assess a $150 fee ~~for~~on the first day of each 30 day period that reports remain not submitted.	When invoiced	Each Franchisee is to provide accurate financials in a timely manner after the close of each accounting cycle.
Restocking Fees & Charges	Greater of 20% of repurchase price or our costs to recover, transport and restock Products at termination or expiration of the Franchise Agreement	Within 15 days after invoice date; may be deducted from repurchase price	When the franchise agreement terminates or expires, we may purchase Products in your possession that are resaleable for the current wholesale price less the Restocking Fees and Charges

All fees are imposed by and are paid to us. All fees are non-refundable. Except as noted below in Note 1, all fees are uniformly imposed and collected. There are currently no franchisee cooperatives in existence, so there are no fees imposed by cooperatives and no voting power requirements for company-owned outlets.

Notes

Note 1. Gross Sales. Gross Sales means the aggregate of all revenue from operating your Franchised Business, whether payment is received in cash or by credit card, gift cards or other generally accepted form of payment, from the sale of Products, appliances, services, merchandise or other goods and services. Without limiting the scope of the term, Gross Sales shall include without limitation: (a) revenue received from employees for Products or services furnished to employees at a discount; (b) the value of Products and services bought by customers by redeeming any Heart to Home Meals authorized

gift cards; and (c) the proceeds from any business interruption insurance. Gross Sales are reduced by the amount of any discount given to customers, employees, family members or other businesses owned or controlled by you if taken at the point-of-sale system at the time of sale so that the purchaser pays an amount net of the discount. Gross Sales also excludes the following: (i) sales taxes and other taxes separately stated, if any, collected from customers and paid to taxing authorities; (ii) gratuities received from your Franchised Business customers and paid over to your Franchised Business employees; (iii) refunds and credits made in good faith to arms' length customers; (iv) the amount of any checks dishonored or returned; (v) proceeds from the sale of any Heart to Home Meals authorized gift cards to customers; (vi) proceeds from insurance with respect to your insured losses from property damage or liability; (vii) proceeds from any civil forfeiture, condemnation, or seizure by a government entity; and (viii) credits, allowances, adjustments or uncollectible amounts, subject to the limitation that uncollectible amounts cannot exceed 0.5% of Gross Sales for any fiscal year of you. Subsequent collections of charged off amounts must be included in Gross Sales when they are collected.

Note 2. Marketing. Each Franchisee is required to spend at least three percent (3%) of Gross Sales in each year during the Term on advertising and promotion which includes advertisements in local newspapers serving the Territory and conducting on-site presentations and demonstrations to target customer groups, hospitals and other health care facilities and senior care homes. Upon at least thirty (30) days' prior written notice from Franchisor that it has established a Fund for national, regional, local or other advertising programs for the System (a "Marketing Fund"), each Franchisee will be required to

Note 7. Indemnification. You must defend, indemnify and hold us and our affiliates harmless from and against any claims asserted against us or our affiliates resulting from the operation of your Franchised Business.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT					
Type of expenditure	**Low Range Amount**	**High Range Amount**	**Method of payment**	**When due**	**To whom payment is to be made**
Initial Franchise Fee (Note 1)	$40,000	$40,000	Lump Sum	Upon Signing	Us

YOUR ESTIMATED INITIAL INVESTMENT					
Type of expenditure	**Low Range Amount**	**High Range Amount**	**Method of payment**	**When due**	**To whom payment is to be made**
Initial Franchise Fee (Note 1)	$40,000	$40,000	Lump Sum	Upon Signing	Us
Application Fee	$250	$250	Lump Sum	The later of when you submit your franchise application or 15 days after you sign the Item 23 Receipt	Us
Permits and Licenses	$500	$1,000	Lump Sum	When Required	Government Agencies
Leasehold Improvements, Furniture, Fixtures, Equipment (Note 2)	$2,000	$25,000	As Agreed	As Incurred	Contractors
Freezer (Note 3)	$30,000	$130,000	As Agreed	As Incurred	Contractors
Freezer Equipped Delivery Vehicle with vehicle wrap sign (Note 4)	$8,000	$55,000	As Agreed	As Incurred	Supplier
Supplies (Note 5)	$2,000	$2,000	As Agreed	As Incurred	Suppliers
Computer Hardware for HTHM Proprietary Ordering and Inventory Management Software (Note 6)	$1,500	$2,000	As Agreed	As Incurred	Suppliers
Miscellaneous Opening Costs and Rent (Note 7)	$2,000	$5,000	As Agreed	As Incurred	Suppliers, Landlord
Opening Inventory (Note 8)	$~~11,000~~14,400	$~~11,000~~14,400	Lump Sum	Prior to Opening	Us or our Supplier Affiliate
Initial ~~Training Travel and Living Expenses~~Marketing Launch Kit ~~(Note 9)~~	$2,000	$~~2,000~~2,500	~~Salary/Per Diem~~As Agreed	As ~~Agreed~~Incurred	~~Vendors~~Us or our Supplier Affiliate
~~Trainee compensation cost during training (Note 9)~~	~~$1,200~~	~~$3,000~~	~~Weekly Payment~~	~~Payroll Due Date~~	~~Trainees~~
~~Deposits~~	~~$1,000~~	~~$1,500~~	~~Lump Sum~~	~~As Incurred~~	~~Suppliers~~

~~Professional fees for creating and organizing franchisee entity (Note 7)~~	~~$2,000~~	~~$5,000~~	~~As Agreed~~	~~As Incurred~~	~~Counsel, Accountants~~
~~Insurance~~	~~$900~~	~~$1,800~~	~~As Agreed~~	~~As Incurred~~	~~Suppliers~~

YOUR ESTIMATED INITIAL INVESTMENT					
Type of expenditure	**Low Range Amount**	**High Range Amount**	**Method of payment**	**When due**	**To whom payment is to be made**
Initial Training Travel and Living Expenses (Note 9)	$2,000	$2,000	Salary/Per Diem	As Agreed	Vendors
Trainee compensation cost during training (Note 9)	$1,200	$3,000	Weekly Payment	Payroll Due Date	Trainees
Deposits	$1,000	$1,500	Lump Sum	As Incurred	Suppliers
Professional fees for creating and organizing franchisee entity (Note 7)	$2,000	$5,000	As Agreed	As Incurred	Counsel, Accountants
Insurance	$900	$1,800	As Agreed	As Incurred	Suppliers
Additional Funds (3 months) (Note 10)	$25,000	$55,400	As Agreed	As Incurred	Suppliers; Employees
TOTAL	**$~~129,350~~134,750**	**$~~339,950~~345,850**			

All payments to us and our affiliates are non-refundable. Any payments to third parties are subject to the refund policies of those third parties. We do not offer financing directly or indirectly for any part of the initial investment.

(3) *Commercial Freezer*. If your premises doesn't have an indoor commercial walk-in freezer, you will need to acquire and install the freezer. We recommend a freezer of at least 2520 cubic feet of shelved freezer space with 40 linear feet of shelving, and ramps for wheeled access, UL Listed and compliant with UL standard 471, self-contained refrigeration and other features meeting our standards. You may rent or lease the freezer from an unaffiliated lessor, which may reduce your costs to approximately $1,250 per month rent for the first six months (totaling $9250 plus applicable taxes), plus delivery charges which we estimate to be $1,750, plus applicable taxes. The freezer is critical to operation of the Franchised Business, and you must obtain a service contract to maintain the freezer in good working order and repair the freezer within four hours of loss of cooling. You may obtain a used freezer for the $30,000 amount in the Low Range column. You may also lease a freezer that we estimate will cost approximately $2,500 for the first six months of the lease.

(4) *Delivery Vehicle.* You must obtain and operate a freezer-equipped ("reefer") delivery vehicle capable of storing at least 50 boxes (box dimensions 13.44 x 9.13 x 9.63 inches), equating to a minimum of 131.7 cubic feet of reefer cargo space. We suggest a light duty or medium duty van with a reefer body. We must approve the vehicle you propose to use for the Franchised Business. You may buy, lease or rent the vehicle but it must be wrapped with our standard vehicle wrap to promote the Franchised Business. If you rent or lease the vehicle, we estimate the cost to be $8,000 for the first six months of the rental or lease period.

(5) *Supplies.* You must purchase office supplies, hand trucks, carts, thermal gloves, uniforms and other small supplies and equipment to use in the Franchised Business.

(6) *Computer Hardware*. We grant you a license to use our proprietary ordering and inventory management applications software while you are a franchisee in good standing. There is no additional license fee but you must supply the computer hardware and telecommunications services to

operate the system. A standard laptop and desktop, plus a printer, and a tablet or cell phone for the delivery vehicle will be acceptable if already available, so these estimated costs may be reduced or eliminated.

(7) *Miscellaneous Opening Costs & Rent.* Miscellaneous opening costs include incorporation fees; initial legal and accounting fees; merchant card processing set up fees, utility deposits; business permit fees; and excludes pre-opening compensation and benefit costs for you and your Program Meals Business employees. You must begin paying people at their agreed compensation when they begin training. Depending on whether your location has its own freezer, annual rent will range between $12.00 and $18.00 per square foot. Most lessors require a security and damage deposit of one or two months rent.

(8) *Opening Inventory.* You must purchase in advance of opening, at least this amount inventory of Products from us or our affiliate supplier, which may be HTHM Supply. This purchase price represents approximately 5,000 units. The shelf life of the meals varies, but this supply should be sufficient for your first three weeks of operation.

(9) *Expenses while Training*. These costs are estimated based on two weeks of compensation, lodging, meals and transportation for the general manager of each Franchised Location during initial training. These costs will vary upon your compensation and expense arrangements with the training participants and the distance from our training site.

(10) *Additional Funds*. The Franchised Business will need working capital to sustain early-stage operations for a period of three months after the Program Meals Business opens while the business gets established. The amount needed will depend on your estimate of when revenue will be sufficient to meet cash flow needs. We recommend working capital of at least three months of rent, compensation-

costs, marketing expenses, vehicle operating costs, utility costs and other operating expenses. We estimated these costs based on our experience with our operations in Massachusetts and franchised operations in Canada.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases

As of the Issuance Date, you must purchase all equipment, fixtures, food products, condiments, supplies, paper products, computer hardware and software, and signage from vendors we approve or to meet our specifications published in the Operations Manual. We specify these requirements in our Operations Manual or otherwise in writing. You must purchase or lease these items only from approved suppliers listed in our Operations Manual or otherwise approved by us in writing. You may not purchase or lease from any source any other goods, services, supplies, fixtures, equipment, signs, inventory, or real estate relating or any other alternative supplier to the establishment or operation of your Franchised Business without our prior written consent. In particular, the freezer unit at your facility must meet our technical specifications and be capable of maintaining interior holding temperatures of zero to -4 degrees F. We must approve the design and specifications of your freezer before you commit to its purchase or lease.

Required and Approved Suppliers

All Products must be purchased from us or an affiliate we designate as the supplier of Product, such as HTHM Supply. We may designate other required or approved suppliers of goods and services used in your Franchised Business. We, HTHM Supply or an Affiliate may be the sole approved suppliers.

for proprietary goods or services, or for goods and services we deem to be integral parts of the Franchised System that must be supplied on a consistent, uniform basis to all franchisees. We or our Affiliates may earn a profit from providing purchasing and procurement services, including receipt of fees from third party suppliers. Our affiliate HTHM Supply is currently the only approved supplier for the Program Meals.

The freezer truck and its upfit of the freezer compartment must meet our technical specifications. We recommend a RAM Promaster City Tradesman cargo van on a 122.4" wheelbase and 131.7 cubic feet of cargo volume before upfit. We must approve any other make and model, which should offer at least that amount cargo volume before upfit. An approved supplier for the freezer upfit is Subzero Technologies, 45 E. Industry Court, Deer Park, NY 11729. Our approved freezer refrigeration unit is a Thermo King V220-20 MAX model with standby mode. Any other refrigeration unit or upfit supplier requires our prior approval.

An authorized supplier of the wrap for your reefer truck is Wrap Solutions, 30 6th Rd., Woburn, MA 0181. You may use any qualified wrap supplier that is a 3M certified vinyl installer, provided that you obtain our prior approval for the installer you select.

Insurance

Before you open your Franchised Business, you must obtain the type and amount of insurance coverage for the Franchised Business we specify in the Franchise Agreement, in the Operations Manual or otherwise in writing. You must obtain and maintain the specified insurance coverage during the term of

(7) Employment practices liability insurance with a limit of $500,000; and

(8) Employee Dishonesty/Fidelity insurance with a limit of $100,000.

All of the liability insurance policies, other than Workers' Compensation, must name us, Parent, and our respective officers, directors, members, shareholders, partners and employees as additional insureds on a primary noncontributory basis for operations of the Program Meals Business. The form of additional insured endorsement will be CG 20 10 or its equivalent. If the additional insured has other insurance applicable to a loss, it will be on an excess or contingent basis. The additional insured's insurance coverage will not be reduced by the existence of such other insurance.

Approval of Alternative Suppliers; Product Specifications

If you want to use a good or service or obtain a good or service (other than Products) from a supplier we have not yet approved, you first must submit sufficient information, specifications and/or samples for our determination whether the product or service complies with our System Standards, or the supplier meets our approved supplier criteria. We may establish and revise our approved supplier criteria from time to time as we deem appropriate and will make them available to our franchisees upon written request. We may condition our approval of a supplier on the supplier's agreement to comply with product quality standards, frequency of delivery, standards of service, and concentration of purchase requirements. We also may impose limits on the number of approved suppliers, products and services. Our approval should not take more than 30 days in most instances. We reserve the right to test equipment or supplies and inspect the premises of suppliers before granting our approval. We will invoice you for-

the out-of-pocket costs and expenses we incur for any inspection or testing. We will not issue our approval of the supplier until you pay that invoice. We may terminate our approval of a supplier or any products or services at any time, with or without cause, upon reasonable written notice of 30 days.

We will formulate and modify our equipment, vehicle, technology, product and ingredient specifications and standards by reviewing each product on an individual basis, taking into consideration the supplier's ability to provide consistently high-quality products and services to you or our approved suppliers on a timely basis. We generally will formulate specifications and standards based on the quality of the products and other relevant factors. We periodically may review each product and respective supplier to make sure that the supplier is following the specifications and standards.

We may issue some of our technology, product and ingredient specifications and standards to our approved suppliers under appropriate confidentiality restrictions, but not to our franchisees. We may undertake other steps to maintain trade secrets and confidentiality of proprietary recipes and formulations, software and other items.

Revenue from Franchisee Purchases

As of the Issuance Date, we derive no revenue or other material consideration from franchisee purchases. We may derive revenue from suppliers from franchisee purchases in the future in our sole discretion. We or our designated supplier affiliate will derive revenue from franchisee purchases of Products. During its last fiscal year ended December 31, ~~2024~~2025, our affiliate, HTHM Supply, received a total of $~~0~~78,844.74 in revenues from purchases by franchisees. None of our officers owns any interest in any supplier.

Percentage of Total Purchases Represented by Required Purchases

Required purchases consist of items you must purchase from approved suppliers or under our established specifications. Your required purchases and leases will represent approximately 100% of your total opening expenses (excluding the cost of real estate and improvements) and approximately 85% of your required purchases and leases while operating the Franchised Business.

Payments to Franchisor from Designated Suppliers

We intend to negotiate preferred vendor agreements with designated suppliers and approved suppliers that we expect will provide favorable pricing and delivery terms to franchisees. These agreements may pay us revenues based on the volume of franchisee purchases, which may be measured in sales dollars or units sold. These arrangements are not in effect as of the Effective Date, but we expect them to be in place in the future.

Cooperatives

We do not have any purchasing or distribution cooperatives.

Negotiated Purchases

We may negotiate purchase arrangements or discounts for your Franchised Business. Certain of our suppliers may allow you to participate in the volume discounts we receive. However, these volume discounts will extend only to pricing terms and will not include any of the credit terms we have negotiated. We do not otherwise negotiate purchase agreements on behalf of our franchisees or any-

distribution cooperative, and do not guarantee pricing, credit or other terms for vendors by our franchisees.

Material Benefits

We do not provide any material benefits to you if you obtain goods or services from approved suppliers.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	3.01, 3.02(b), 3.02(e)	11
b. Pre-opening purchases/leases	3.04, 3.05, 6.01(a), 9.08, 9.14	8
c. Site development and other pre-opening requirements	2.04, 3.02(d), 3.04, 5.04, 9.02, 9.03, 9.06, 9.07	6, 7 and 11
d. Initial and ongoing training	8.04, 9.03, 9.04	11
e. Opening	3.05	11
f. Fees	5.01, 5.02	5, 6 and 7
g. Compliance with standards and policies/operating manual	2.07, 7.04, 7.05, 7.09, 7.10, 9.01, 9.16, 9.17, 9.22	11
h. Trademarks and proprietary information	2.07, 4.02, 4.03, 4.04, 4.05, 12.01, Schedule D	13 and 14
i. Restrictions on products/services offered	2.03, 3.03, 7.06, 7.08, 8.09, 9.01, 9.12, 9.19(d), 9.20	16
j. Warranty and customer service requirements	9.02, 9.18	9
k. Territorial development and sales quotas	2.02	12
l. Ongoing product/service purchases	9.11, 9.13	8
m. Maintenance, appearance, and remodeling requirements	3.02(d), 3.03, 9.08, 9.09	11
n. Insurance	9.07	6 and 8
o. Advertising	7.07, 8.13, 9.19, 9.20	6 and 11
p. Indemnification	14.01	6
q. Owner's participation/management/staffing	2.04, 9.02, 9.05, 10.05(c), 10.08, 10.09	11 and 15
r. Records and reports	5.02(l), 6.01, 6.02, 7.01,7.02	6
s. Inspections and audits	6.03, 6.04, 9.10	6
t. Transfers	10.02, 10.04, 10.07	6 and 17
u. Renewals	2.05	17
v. Post-termination obligations	11.04, 11.06, 11.08, 11.09, 12.03	17
w. Non-competition covenants	12.02, 12.03, 12.04	17

Obligation	Section in Agreement	Disclosure Document Item
ax. Site selection and acquisition/leaseDispute resolution	3.01, 3.02(b), 3.02(c)16.03	1117
b. Pre-opening purchases/leases	3.04, 3.05, 6.01(a), 9.08, 9.14	8
cy. Site development and other pre-opening requirements Other - Guaranty	2.04, 3.02(d), 3.04, 5.04, 9.02, 9.03, 9.06, 9.07Article XIII, Schedule F	61, 7 and 1115
d. Initial and ongoing training	8.04, 9.03, 9.04	11
e. Opening	3.05	11
f. Fees	5.01, 5.02	5, 6 and 7
Obligation	**Section in Agreement**	**Disclosure Document Item**
g. Compliance with standards and policies/operating manual	2.07, 7.04, 7.05, 7.09, 7.10, 9.01, 9.16, 9.17, 9.22	11
h. Trademarks and proprietary information	2.07, 4.02, 4.03, 4.04, 4.05, 12.01, Schedule D	13 and 14
i. Restrictions on products/services offered	2.03, 3.03, 7.06, 7.08, 8.09, 9.01, 9.12, 9.19(d), 9.20	16
j. Warranty and customer service requirements	9.02, 9.18	9
k. Territorial development and sales quotas	2.02	12
l. Ongoing product/service purchases	9.11, 9.13	8
m. Maintenance, appearance, and remodeling requirements	3.02(d), 3.03, 9.08, 9.09	11
n. Insurance	9.07	6 and 8
o. Advertising	7.07, 8.13, 9.19, 9.20	6 and 11
p. Indemnification	14.01	6
q. Owner's participation/management/staffing	2.04, 9.02, 9.05, 10.05(c), 10.08, 10.09	11 and 15
r. Records and reports	5.02(l), 6.01, 6.02, 7.01,7.02	6
s. Inspections and audits	6.03, 6.04, 9.10	6
t. Transfers	10.02, 10.04, 10.07	6 and 17
u. Renewals	2.05	17
v. Post-termination obligations	11.04, 11.06, 11.08, 11.09, 12.03	17
w. Non-competition covenants	12.02, 12.03, 12.04	17
x. Dispute resolution	16.03	17
y. Other - Guaranty	Article XIII, Schedule F	1, 15

ITEM 10

FINANCING

Except as stated below, we do not offer direct or indirect financing. We do not guarantee your note, lease, or obligation.

We secure your obligation to pay for Products with a Security Agreement in which you grant to us a first priority purchase money security interest in the Products you purchase from us or our supplier

affiliate and the proceeds from the sale of the Products to customers. Any guarantor of the Franchise Agreement also personally guarantees the franchisee's obligations under the Security Agreement. The Security Agreement prohibits you from granting any secondary security interest in the Products or their proceeds. The Security Agreement requires that you maintain the Franchise Agreement in good standing, give notice to any landlord of the Franchised Location of our security interest, and generally reserves to us or our affiliate the rights of a purchase money security interest holder under the Uniform Commercial Code. If you fail to pay any invoice for Products when due, and such failure continues for thirty (30) days after written notice of default from us, we may initiate proceedings to foreclose on the collateral and take possession. We reserve the right to purchase any deficiency between the value of recovered collateral and the amount owed for unpaid Product invoices. Any deferred payment arrangement will terminate, and all amounts owed to us under the Security Agreement will be immediately due and payable. You must maintain the collateral in saleable condition in the Franchised Location except for sales in the ordinary course of business and returns we authorize. A default under the Security Agreement is also a default under the Franchise Agreement. The Security Agreement requires you to waive defenses and ~~asserting~~not to assert any right or counterclaim arising under or relating to the Franchise Agreement as a defense under the Security Agreement. If we initiate collection proceedings under the Security Agreement, you will be obligated to pay our attorneys' fees, court costs and other expenses associated with the collection action.

ITEM 11

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

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

Before you open your Franchised Business:

(1) We do not typically own the Franchised Location and lease it to you. The Franchisor must approve your proposed location before the lease or purchase agreement for the Franchised Location is signed, or you select your home as the Franchised Location. The Operations Manual will specify a form for each proposed location to be completed and submitted by you to us. (Franchise Agreement Section 3.01)

(2) We will review the information you submit for each proposed site for a Franchised Location, conduct any investigation of the proposed site we deem appropriate to evaluate the site, and

(7) We will provide you with our standards for the commercial freezer, specifications for layout of the interior, mechanical and electrical systems, equipment, décor, and signs for a prototype Franchised Business that we make available to franchisees. We will not provide these items to you directly for the Franchised Location. We do not provide assistance with the delivery and installation of these items. (Franchise Agreement Sections 3.01)

(8) We will review and comment on your site plan and final plans and specifications for conformity to System Standards. (Franchise Agreement Section 3.01(c))

(10) We will provide your Owner-Operator, and one other person you select with initial training in the System and methods of operating a Franchised Business before the opening of your Franchised Business. See details of the franchise training program below at Training. During the initial training or prior to the opening of the Franchised Business, we will provide you with two (2) uniforms, will arrange for the installation at the Premises of our designated ordering and inventory management

(4) We will provide you with the merchandising, marketing and advertising research data and advice that we develop from time to time and deem helpful in the operation of a Franchised Business. (Franchise Agreement Section 8.07(a))

(5) We will conduct periodic field evaluations and quality assurance inspections of the Franchised Business to test and promote its compliance with System Standards and quality controls. These evaluations and inspections may offer suggestions and recommendations about your staffing but you have no obligation to follow the suggestions or recommendations. We may conduct mystery shopping and customer surveys for Franchised Businesses and share the results with franchisees. (Franchise Agreement Section 8.07)

(6) We will provide you with periodic individual or group advice, consultation and assistance by personal visit, by telephone, electronic communication, or by newsletters or bulletins that we make available to our franchisees. These consultations will cover training employees, selecting and purchasing supplies, formulation and implementation of local advertising and promotional programs, and the establishment of accounting, inventory control and general operating procedures. (Franchise Agreement Sections 8.02, 8.07)

(7) We will provide you with any other materials in any medium that we may develop to communicate new developments, techniques, and improvements in the System and our plans, policies, research, developments and activities to franchisees. (Franchise Agreement Section 8.07)

(8) We will provide you with other resources and assistance that we may develop and make generally available to all of our other franchisees. Under no circumstances will we act directly or indirectly to control, nor do we reserve the right to control, the terms and conditions of employment for your employees, or advise you on your hiring, scheduling, supervision, discipline and termination decisions. (Franchise Agreement Sections 8.07, 9.02)

(9) We will consider your request to continue affiliation with the System through a Successor Franchise Agreement upon your satisfaction of the conditions described in the Franchise Agreement. (Franchise Agreement Section 10.02)

(10) We will review any proposed transfer of your Franchise Agreement or Franchised Business and either approve or disapprove that proposed transfer. (Franchise Agreement Section 10.02(c), 10.02(d))

Except as set forth above, we have no obligation to assist you during the operation of the franchise, and we have no obligation to provide you with assistance in developing products and services.

You are not authorized to establish or create a website on the internet or have any other internet or social media presence in connection with the Franchised Business, without our express written consent, which consent may be given or withheld in our sole discretion. (Franchise Agreement Section 9.20).

Local Advertising Cooperatives

We may establish one or more advertising cooperatives at any time and, further, may modify, terminate and reform any existing advertising cooperative at any time in its sole discretion. If the Franchised Business operates within a DMA for which an approved advertising cooperative exists, you will be obligated to contribute to the advertising cooperative the amounts required by the cooperative up to 2% of the Gross Sales of the Franchised Business during each month. Any such payments made to any cooperative will count towards satisfaction of the minimum local advertising spending under Section 9.19 of the Franchise Agreement. All System Franchised Businesses that we or our Affiliates operate will participate in any advertising cooperative that we establish for the DMA in which they are located on the same basis as the Franchised Business in the DMA. We will administer the cooperative unless we designate another party to perform the administrative functions. The cooperative may have written governing documents that we must provide or approve, which will be available for all participants in the cooperative to review. Each cooperative will maintain accounting records and compile financial statements that will be available for review by all participants. We retain the power to require any cooperative to be formed, changed, dissolved or merged with another cooperative. (Franchise Agreement Section 8.12).

Marketing Fund

We reserve the right to establish a Marketing Fund (the "Marketing Fund"). If and when we do so, you will commence paying a Marketing Fund Fee monthly to us at a rate we set between 2% and 5% of Gross Sales for the preceding month. We will account for all Marketing Fund Fees we collect in a separate account. All other franchisees and all Franchised Businesses operated by us and our Affiliates will contribute at the same rate to the Marketing Fund. We also may deposit the marketing, promotional, and other payments we receive from suppliers into the Marketing Fund.

We will administer the Marketing Fund and will disburse the Marketing Fund to pay for marketing, advertising, promotional, public relations, and other similar activities intended to benefit the System and all franchised and Affiliate-owned locations on a national or regional basis. Those activities may include (without limitation) (a) market research, (b) technology development and implementation, (c) customer service, loyalty and reward programs, (d) media purchases, (e) advertising production, (f) advertising and public relations agency fees and expenses, (g) product research and development, (h) developing and implement marketing strategies, annual Unit marketing plan templates and supporting the evolution of the Grand Opening Plan, and (i) developing and protecting our intellectual property. We also may use the Marketing Fund to pay or reimburse us for our administrative overhead incurred for activities supported by the Marketing Fund. Any money in the Marketing Fund not spent at the end of each fiscal year will remain in the Marketing Fund, provided that amounts contributed to the Marketing Fund may be used to pay taxes associated with unspent amounts on deposit in the Marketing Fund. We will have the sole and exclusive discretion to direct all activities and programs funded by the Marketing Fund. The

Marketing Fund will not be separately audited, and we have no obligation to make its financial statements available to franchisees. We have no obligation to expend Marketing Fund amounts for your benefit equivalent or proportionate to your Marketing Fund Fees, and we do not warrant or guarantee that you will receive or derive any benefit from Marketing Fund activities. We will make all studies and reports produced by the Marketing Fund available to you at no cost as Confidential Information. We will make copies of all materials produced by the Marketing Fund for franchisee use available to you at your expense. We may suspend, terminate, and reinstate the Marketing Fund at any time. The Marketing Fund

will not terminate, however, until we have spent all money in the Marketing Fund for the purposes set forth above. Upon your written request, we will provide you a copy of our annual report of expenditures of the Marketing Fund during the most recently ended fiscal year on a confidential basis. (Franchise Agreement Section 8.11).

You are not obligated to participate in any other advertising fund in addition to the Marketing Fund, the advertising cooperatives to which your franchise may be assigned as of the Effective Date. The Marketing Fund has had no contributions as of the Issuance Date, and no Marketing Fund disbursements were made in ~~2024~~2025. We will not use the Marketing Fund to solicit new franchise sales. Consumer advertising copy for which the Marketing Fund pays may include solicitations of interest for prospective franchisees.

Computer Systems

You must purchase and install before opening your Franchised Business the hardware and software to run a computer-based management system, including our proprietary ordering and inventory management applications that we make available to you. We will advise and work with you to select these systems from our approved solutions. We require you to use the systems described below to assist you in operating your Franchised Business. These systems will generate or store data such as customer data, labor data, financial information, and transaction details. (Franchise Agreement Section 9.14)

Our current approved Computer System consists of a Windows PC and an internet connection. It includes the following hardware:

- Windows PC (Laptop or Desktop) with the following minimum requirements:
  - 8GB Ram
  - 512GB SSD
  - AMD R Series or Intel Core i5 CPU
- Internet Connection with the following minimum requirements:
  - 50 Mbps download speed
  - 5 Mbps upload speed
- Color Printer
  - Printer must at a minimum print in color and be able to print 100 sheets of paper at a time.

The Computer System may vary if or as we update and approve comparable systems. (Franchise Agreement Section 7.09)

We estimate the cost of the software subscriptions and integrations to be a minimum of $~~138~~180 per month as of the Issuance Date, based on one user license per software. This includes the following required software:

- ERP Software (Business Central)
  - $50/user/month
- Microsoft License (Minimum of F3 license to use Microsoft Teams and Microsoft Outlook. License can be upgraded for additional cost paid by the Franchisee.)

- Reporting license can be purchased for addition $13.75/user/month

In addition, you will be required to setup a Merchant Account with ~~Bambora~~Stripe for credit card processing, we estimate the charges for ~~Bambora~~Stripe will be as follows:

- Payment Processing Provider Software (~~Bambora~~Stripe)
  - $0.15 per transaction (Pre--authorization, Approved Transaction, and Declined) and Credit Card effective rate 2.55%

The vendors may change these subscription fees at their discretion under their terms of service. We may provide technology support services via telephone, text and electronic mail. We do not currently charge for these support services, but we may impose a technology fee in the future to provide funding to cover the costs plus overhead for these services. (Franchise Agreement Section 5.02(k))

We estimate that that required hardware will cost between $1,500 and $2,000 to purchase. We are not obligated to provide any ongoing maintenance, repairs, upgrades, or updates. We do not require you enter into any such contract with a third party, other than your monthly subscription for the required systems listed above. You must upgrade or update any system when we determine. There is no contractual limit on the frequency or cost of this obligation. We estimate that the annual cost of any optional or required maintenance, updating, upgrading, or support contracts will be $5,000 to $10,000. (Franchise Agreement Section 7.01)

No compatible equivalent components or programs have been approved by us to perform the same functions. We reserve the right to change our supplier of software services and electronic cash register systems. The Computer System's hardware, software and configuration may also vary if or as we update and approve comparable systems. (Franchise Agreement Sections 7.01, 7.09)

You must give us independent access to the information that will be generated or stored in these systems. The information that we may access will include sales transactions, customer data, and reports. There is no contractual limitation on our right to access the information. (Franchise Agreement Sections 6.01(b), 7.02, 9.14)

You are obligated to install the software upgrades and patches as provided by them. We also provide support in the form of advice on using and maintaining the system on an as-needed basis. You are responsible for hardware repairs or replacement of systems that are no longer covered under warranty. There are no contractual limitations on the frequency or cost of this obligation. (Franchise Agreement Section 7.01)

The amounts for the management system include the estimated costs of purchasing an approved system, including back-office equipment, touchscreen and tablet displays, remote and receipt printers, software licenses, and all other related components and peripherals. We currently contemplate that enhancements or upgrades could be made on an annual basis. The vendors may charge you a fee for the enhancements and upgrades. (Franchise Agreement Section 7.01)

At our request, you shall participate in any intranet or extranet system developed for use as part of the System. Such intranet or extranet system may be combined with that of our Affiliates. You shall also

sign such terms of use agreements concerning the use of such intranet or extranet system as we may prescribe, which agreements may contain, among other things: (a) confidentiality requirements for materials available and transmitted on such system; (b) password protocols and other security precautions; (c) grounds and procedures for our suspension or revocation of access to the system by you and others; and (d) a privacy policy governing the parties' access to and use of electronic communications posted on electronic bulletin boards or transmitted via the system. You shall pay any fee imposed from-

time to time by us, or a third-party service provider in connection with hosting such system. (Franchise Agreement Section 7.05)

We may modify System Standards to require new technology at all Franchised Businesses, which may require you to upgrade and update the systems you use in the Franchised Business. We have no obligation to repair, maintain, upgrade or update any management or back-office system during the term of the franchise. There is no contractual limitation on our right to mandate upgrades and updates. The approved vendor of the hardware systems may charge you a fee for maintenance, repairs, updates and upgrades to hardware. The annual cost of such maintenance, repairs, updates or upgrades will depend upon our agreement with the hardware vendor. (Franchise Agreement Sections 2.07, 7.09, 8.07)

You will maintain your management systems on-line so that we may independently access them remotely at our discretion, copy your POS and management data, update software, and view all records, files and reports available on or from those systems. You will not purge data unless so permitted under the Operations Manual. There are no contractual limitations on our right to access this information. (Franchise Agreement Sections 6.01(b), 7.02)

You should expect to update your systems, computer, food inventory storage, business management, training, and communications technology periodically during the term of your Franchise Agreement to keep pace with the evolution of such technology and its applications in food delivery services. We may designate ourselves or an affiliate as the sole source of technology you are required to obtain, operate, and maintain for the Restaurant. (Franchise Agreement Sections 7.01, 7.09)

Operations Manual

The Table of Contents for the Operations Manual, showing the topics and number of pages dedicated to those topics, appears as Exhibit E to this Disclosure Document. The Operations Manual has a total of approximately 180 pages.

Training

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
Introduction and Business Overview	3	1	Head Office, Marlborough, MA
Product Review	1	2	Head Office, Marlborough, MA
Daily Operations and Equipment	1	6	Head Office, Marlborough, MA
Warehouse and Inventory Management	2	3	Head Office, Marlborough, MA
Service Standards	2	3	Head Office, Marlborough, MA
Administration and Process	4	1	Head Office, Marlborough, MA
Marketing and Sales	2	4	Head Office, Marlborough, MA

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
~~Service Standards~~	~~2~~	~~3~~	~~Head Office, Marlborough, MA~~
~~Administration and Process~~	~~4~~	~~1~~	~~Head Office, Marlborough, MA~~
~~Marketing and Sales~~	~~2~~	~~4~~	~~Head Office, Marlborough, MA~~
Review and Franchise Supports	4	1	Head Office, Marlborough, MA
TOTAL	**19**	**21**	

Prior to the opening of the Franchised Business, the Franchisor will provide training to an Owner-Operator and to one (1) additional person designated by the Franchisee. The initial training program consists of training in all aspects of the System and the management and operation of a Heart to Home Meals business including training in food handling, customer service, driver training, marketing and promotion, office administration and reporting and employee training. The initial training program takes place over seven (7) days at the Franchisor's head office or, if required, it may be given virtually by way of a web-based classroom platform or other online resource. The cost of the initial training is included in the Initial Franchise Fee. However, the Franchisee is responsible for all travel, living expenses and wages or other compensation payable to its attendees during their attendance at training. You must complete this initial training to our satisfaction, which we determine based on our instructors' evaluation of your knowledge of the System and our method of operation. The initial training program will be offered as an needed basis, which we expect to be at least once a calendar quarter. Your Owner-Operator must attend and complete training so that your Franchised Business may open within 90 days after signing your Franchise Agreement.

The instructors for our training program and their relevant experience are:

Instructor	Years Experience in Industry	Years Experience with Us and our Affiliates
Raymond Costello	~~15~~16	~~1.5~~2.5
~~Pedro Santos~~	~~7~~	4
~~Sebastian Beaudet~~Christine Leger	~~6~~15	~~3~~6

The Franchisor will furnish continuing advice and guidance to the Franchisee as required with respect to System and the operation by the Franchisee of its Heart to Home Meals Business, as more particularly described in the Franchise Agreement. At the Franchisee's request, the Franchisor may provide special assistance for which the Franchisee will be required to pay such fees and expenses as the Franchisor designates. Replacement managers must attend initial training at a tuition cost set in the Operations Manual, currently $2,000, plus the costs of compensation, benefits, travel, lodging, meals and incidental expenses of each trainee, to be paid by the Franchisee. We may mandate or suggest refresher courses for Owner-Operators and managers as and when we believe refresher training is appropriate, including as a result of operational failures of performance by a franchisee.

ITEM 12

TERRITORY

Franchise Agreement

The Franchise Agreement grants you the right to operate a single Franchised Business in the Territory from the Location approved by us. You will not receive an exclusive Territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. A Franchisee's rights to the Territory are subject to compliance by the Franchisee with any Sales Target imposed by the Franchisor. If the Franchisee fails to achieve any such Sales Target, the Franchisor has the right, without waiving its right to terminate the Franchise Agreement, to modify the size or boundaries of the Territory and in such event, the geographical description of the Territory will be deemed to be amended to describe the reduced Territory. In addition, but without waiving the Franchisor's right to modify the Territory, if the Franchisee fails to provide the Products to customers in any discrete part of the Territory or fails to provide the Products to a customer within a reasonable time following a customer's request therefor, the Franchisor may grant to others, including the Franchisor or its Affiliates, the right to provide the Products in such discrete part of the Territory or to any such customer for such period of time as the Franchisor determines, unless and until the Franchisee demonstrates to the Franchisor's satisfaction that the Franchisee will provide Products to the affected part of the Territory or to the customer consistent with System Standards.

We examine the boundaries, size and target population of the area in which you are interested and determine the "Territory," which is stated in Attachment A of the Franchise Agreement you sign. The target population is the number of persons over 70 years of age living in their own homes, and any other identifiable persons who cannot prepare their own meals. The Location must be within the Territory. We expect each Territory to have a target population of at least 70,000 people over age 70 living in their own homes. Since the Territory is defined with respect to the specific Location we approve, if you have not selected and we have not approved a Location at the time you enter into a Franchise Agreement with us, we will specify a geographic area (the "Target Area") in the Franchise Agreement within which you must locate the Franchised Business. When we approve a Location, we will then specify the Territory by notice to you in the form attached to the Attachment A to the Franchise Agreement. We may define Territories that have common boundaries and adjoin one another, and there is no minimum spacing or separation between Territories. We usually define the Territory by zip code boundaries created by the U.S. Postal Service, so a delivery address will be readily identified as within or outside a particular Territory.

We generally will consider the relocation of a Franchised Business under the same criteria as we would consider for an application to approve any new location, such demographics, traffic patterns, physical site profiles, access, parking, competition in the market area, and other factors. You will receive no options, rights of first refusal or any similar rights to obtain additional franchises.

We retain the right to operate and license or franchise other persons to operate a Franchised Business at any location outside of your Territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution of competitive brands that we control. We retain the right to market and sell within or outside the Territory without compensation to you, at any location, under trademarks, service marks, and commercial symbols different from the Marks. We also reserve the right, directly or through any affiliate, offer, distribute, sell and provide the Products identified by the Marks or by other names trademarks or commercial symbols to customers located in the Territory through any distribution channel including without limitation at retail stores, through the Meals on-

Wheels program, to non-traditional venues (including long-care homes and hospitals), online by the

internet (or any other existing or future form of electronic commerce) and irrespective of the proximity to the Franchised Business. However, all orders for delivery of Products to customers for home consumption received by the Franchisor through the internet or other form of electronic commerce shall be referred to the Heart to Home Meals Business franchisee in whose Territory the customer is located. The franchisee shall be obligated to fulfil the order as if such order had been received by the franchisee directly, and will receive the full purchase price of the order. If there is no Territory of a Heart to Home Meals Business franchisee covering that customer's location, then the Franchisor shall have the right to fill the order directly or through an affiliate.

A franchisee is not permitted to solicit or accept customers from any area that is within the Territory of another franchisee. You may not use other channels of distribution, such as the Internet, to make sales outside the Territory.

We have no present intention but may in the future operate, franchise, plan to operate or franchise a business under a different trademark that sells or will sell goods or services similar to those a System franchisee will offer. This could include any service or business that offers meals to senior citizens and infirm persons, either on a self-paid basis or as part of a publicly funded or administered support program. The meal recipients may live at home, or be patients in hospitals, acute care facilities or some other institutional or group home setting. The meals may be delivered through a local "Meals on Wheels" charitable program. Such a business could be located or have an outlet in the Territory or distribute meals to customers within the Territory.

ITEM 13

TRADEMARKS

The Franchise Agreement grants you the right to operate a Franchised Business under the Marks. FIH has registered with the United States Patent & Trademark Office ("USPTO") the following Marks:

Mark	Registration Number	Principal or Supplemental Register	Registration Date
Heart to Home Meals	5158658	Principal	March 14, 2017
Words Plus Design HEART TO HOME MEALS DELICIOUS MEALS MADE FOR SENIORS	5158662	Principal	March 14, 2017

All required affidavits have been filed. No renewals have yet been required. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

agreement in the form we prescribe (Franchise Agreement, Schedule G). You must tell us promptly when you learn about any unauthorized use of the Operations Manual, or the information contained in it. We have no obligation to take any action in that event; however, we will respond as we deem appropriate.

There are no currently effective material determinations of the United States Copyright Office or any court, or any pending material proceeding that would affect our copyrights. We have no agreements which would limit our right to license the use of any existing or future patents, copyrights or proprietary information. Although not obligated under any express provision of the Franchise Agreement, we intend to protect our rights in our existing and future patents, copyrights and proprietary information.

If anyone institutes or threatens litigation involving any of our patents, copyrights or proprietary information against you, you must notify us promptly and cooperate fully with us in defending or settling the litigation.

We will have control over the defense and settlement of any administrative proceeding or litigation regarding any patents, copyrights or proprietary information relating to the Franchised Business system. You also should notify us immediately when you learn about any infringing use of our patents, copyrights or proprietary information or any challenge to your use of our patents, copyrights or proprietary information.

Except as stated above, we do not have any obligation to take any affirmative action, participate in your defense, or indemnify you for expenses or damages if you become a party to an administrative or judicial proceeding involving any patents, copyrighted material, or proprietary information licensed by us to you or if the proceeding is resolved unfavorably to you.

If we must discontinue the use of any of our patents, copyrighted materials, or proprietary information relating to the Franchised Business system, we reserve the right to substitute different materials and/or information for use in your Franchised Business, but we have no obligation to compensate you for the discontinuance or modification of any patents, copyrighted material, or proprietary information. We know of no infringing rights that could materially affect you.

We intend to renew any future registered copyrights when the registration expires.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

A franchisee has responsibility for the operation of its Franchised Business. At least one person who is a guarantor under the Franchise Agreement or has a significant equity ownership position in the franchisee (at least 20.00%) must be designated the Owner-Operator of the franchisee and attend the initial training program. The Owner-Operator must dedicate his or her full working time and attention to the Franchised Business. You may hire an "on-premises" manager to handle the day-to-day operations of your Franchised Business, but any such manager must have completed the initial training program. Your on-premises manager must sign a written agreement at the time of employment to maintain the confidentiality of the trade secrets and other proprietary information contained in Item 14. The form is included in the Franchise Agreement as an Attachment and a copy of the fully executed agreement must be sent to us promptly after signing, and before we begin training for this manager.

If you operate as a corporation, limited liability company, partnership or other form of business entity, each of your owners (including spouses who have an equity ownership interest separately or

through joint tenancy) must guarantee your obligations and agree to ~~a restriction on the transfer of their equity ownership~~be bound by

~~interests under the Guaranty and Restriction Agreement attached as an Attachment to~~ the Franchise Agreement. We may require employees of yours who have received or will have access to our Manual or confidential information to sign a non-disclosure agreement. We do not require spouses who are not equity owners of the franchisee to sign the Franchise Agreement as a guarantor of the franchisee's obligations to us, but we do require that each spouse of a guarantor to be bound by the confidentiality and non-competition covenants of the Franchise Agreement. Each guarantor spouse must sign the Spousal Joinder attached to the Franchise Agreement for that purpose. We require that a spouse who receives the issuance or transfer of an equity interest in the franchisee must sign as a guarantor as part of our consent to the transaction.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must operate your Franchised Business under the System as specified in the Franchise Agreement, the Operations Manual, and in our standards and policies. You may not engage in any business or offer any other services or products at your Franchised Business that is or are not a part of the System or without our express authorization in advance. You must offer our entire menu except those items we designate as optional. You may not offer additional menu items without our prior written consent. We retain the right to modify the Operations Manual to modify, discontinue or add to the goods and services that you must sell in your Franchised Business, which may include new or modified menu items and recipes, methods of preparation or serving, and the installation and use of new or modified food preparation and serving equipment. There are no limits on our right to make these changes.

All advertising and promotional materials, signs, decorations, paper goods (including menus and all forms and stationery used in the Franchised Business) and other items we designate must bear the Marks in the form, color, location and manner we prescribe. In addition, all advertising and promotion in any medium, (including websites, Internet postings or markings) must be conducted in a dignified manner and must conform to the standards and requirements in the Operations Manual, the Franchise Agreement or otherwise. You must obtain our approval before you use any advertising and promotional materials and plans. You must obtain our written approval of the content and design of your website or Internet posting or marketing in advance of such use and such use must be in compliance with our policies including the use and presentation of the Marks.

You may not use the Marks to offer or sell any services or products not a part of the System that we do not first otherwise approve. You must comply with the rules and guidelines we issue for using the Marks. You cannot use a Mark as part of a corporate name or with modifying words, designs or symbols, except for those which we license to you. You also cannot display or erect any other mark on your office, stationery, advertising, sales/promotional materials or other objects, except for those Marks licensed to you. You may not use any Mark to promote or identify the sale of an unauthorized product or service, or in a manner we do not authorize in writing.

We have the right to establish a Program Customer survey feedback program, and any similar programs that we elect, in our sole discretion, to implement. We may use the scores and comments from such program to evaluate whether or not you meet System Standards, are eligible for additional franchises or area development agreements, or comply with your Franchise Agreement. As of the Issuance Date, we have not established a guest survey feedback program.

	Provision	Section in Franchise Agreement	Summary
c.	Requirements for franchisee to renew or extend	2.05	You may renew the franchise for one additional "Renewal Term" of 7 years, subject to satisfaction of the following conditions for renewal: You must give us at least 180 days but not more than one year's advance notice of renewal, sign our then current form of the Franchise Agreement and ancillary agreements (which may contain materially different terms and conditions from the original contract, including higher fees), execute a general release of claims, complete any retraining program we may require, and pay a renewal fee of 50.00% of the then current Initial Franchise Fee. You must also agree to renovate, replace, reequip and update the Premises, including the commercial freezer, and update or replace your Delivery Vehicles, to our current entry standards. All Guarantors must sign ~~our current form of Guaranty and Restriction~~the Franchise Agreement.
d.	Termination by franchisee	11.02	You have no express termination rights. You may have common law termination rights if we default materially under the Franchise Agreement and fail to cure the default.
e.	Termination by franchisor for commercial impracticability	11.03	We may terminate your Franchise agreement after written notice to you if we determine that either (i) a law or regulation is enacted, promulgated, repealed, modified or amended, (ii) a judicial or administrative tribunal or administrative agency has issued, published or released a decision, ruling or opinion in a matter not involving the Parties directly or indirectly that we reasonably expect will affect applicable law or its interpretation, or (iii) an administrative agency, arbitrator or judge has issued an interim or final decision in a matter in which the Parties are involved directly or indirectly, which (A) frustrates or adversely affects or could reasonably be expected to affect adversely the purposes of the Franchise Agreement, (B) makes performance of the Franchise Agreement commercially impracticable, (C) effectively modifies the allocation of risk, benefits and burdens agreed by the Parties, (D) deprives any Party of its benefits of the bargain struck by the Parties, as originally set forth in the Franchise Agreement, or (E) determines that an employment or a joint employment relationship exists between the franchisor and the franchisee, or between the franchisor and the franchisee's employees.

	Provision	Section in Franchise Agreement	Summary
			Guarantor purports to transfer any property without fully complying with the requirements of Section 10.02 of the Franchise Agreement; (5) you maintain false books or records, including tax records; (6) you have received from us during any consecutive twelve (12) month period, three (3) or more notices relating to a default hereunder (whether such notices relate to the same or different defaults and whether or not such defaults have been remedied by you); (7) you or any Guarantors (i) request the appointment of a receiver or have a receiver appointed for the Franchised Business, you or any of your or their assets; (ii) become insolvent or make a general assignment for the benefit of your or their creditors; (iii) commit an act of bankruptcy, become insolvent or make a proposal to its creditors or commence a case for relief or have an order for relief entered for it or them under the within the meaning of the United States Bankruptcy Code (or any successor legislation thereto); (iv) if a petition in bankruptcy is filed against you and is not discharged or disputed bona fide within three (3) days of such filing or (v) if a receiver or other custodian (permanent or temporary) of the Franchised Business or any part thereof is appointed by private instrument or by court order; or (vi) if an execution or similar process is levied against any of your assets, or if distress or other analogous process is made against any of your assets or any steps are taken to wind up or dissolve your entity; (8) you cease or threaten to cease or take any steps to cease the operation of the Franchised Business; or (9) you close or abandon the Franchised Business for a period of three (3) or more days in any seven (7) day period except for any remodeling or vacation we approve in advance; or (10) you or any of the Guarantors suffer a conviction for, or plead guilty or nolo contendere to a crime involving moral turpitude or any other offense reasonably likely, in the sole discretion of Franchisor, reflects unfavorably upon or is detrimental to the Marks, to the good name, goodwill or reputation of Franchisor or to the business reputation or goodwill of its franchisees or the System generally in Franchisor's opinion; or (11) we discover a material inaccuracy in any of your representations in the Franchise Agreement or in any application submitted to us to become a franchisee; or (12) you commits a breach of the Franchise Agreement which, by its nature, cannot be cured or with regard to which you notify us that you do not intend to cure.; ~~Or~~or (13)

	Provision	Section in Franchise Agreement	Summary
			you ~~fails~~fail to (i) gain our acceptance of the proposed Premises, (ii) sign a lease or a purchase agreement we approve as to form for the accepted Premises within the time frame specified in the Franchise Agreement, or (iii) complete and open the Franchised Business within timeframe specified in the Franchise Agreement.
i.	Franchisee's obligations on termination/non-renewal	11.04	You must (1) abide by the non-competition provisions of the Franchise Agreement; (2) promptly pay us and our affiliates all amounts owed; (3) not use or adopt the Franchised Business system or any of our proprietary marks or intellectual property; (4) remove from the Program Meals Business all signs, emblems and displays identifying it as associated with the Franchised Business system; (5) cease to use and return to us the Operations Manual and other confidential materials delivered to you; (6) cease to hold yourself out in any way as our franchisee or to do anything which would indicate any relationship between you and us; (7) change the exterior and interior design and décor of the Franchised Service Location and make all changes in signs, buildings and structures which we direct to distinguish the building from its former appearance as a Franchised Business; and (8) transfer to us all telephone listings, domain names, and web pages for your Franchised Business or which contain, use or display any of our proprietary marks or intellectual property. You must identify and deliver to us all customer records and data, and you may not tamper with, remove, download, transfer or use for any purpose any customer data from any of our proprietary or designated recordkeeping system.
j.	Assignment of contract by franchisor	10.01	We may transfer, assign or pledge our interest in the Franchise Agreement, in whole or in part, to any person.

	Provision	Section in Franchise Agreement	Summary
q.	Non-competition covenants during the term of the franchise	12.02	You may not engage, either directly or indirectly through any financial or beneficial interest in any other person, in any competing business, other than a Franchised Business. A competing business means any person or entity engaged in the delivery of frozen, chilled or ambient temperature prepared meals for in-home consumption.
r.	Non-competition covenants after the franchise is terminated or expires	12.03	You and your Guarantors shall not (without our prior written consent) at any time during the period of 2 years from the date of Franchise Agreement termination or expiration, either individually or in partnership or jointly or in conjunction with any person, as principal, agent, equity owner or in any other manner or capacity whatsoever, carry on, be engaged in, be concerned with or interested in or advise, lend money to, guarantee the debts or obligations of, or permit its name or any part thereof to be used or employed by any person engaged in or concerned with or interested in the development, operation, franchising or management of any business involving the preparation or home delivery of frozen prepared meals within the Territory or within the territory of any other Heart to Home Meals Business at the termination date of the Franchise Agreement.
s.	Modification of the agreement	16.05	We may alter the System or Operations Manual as we deem necessary. We and you must agree in writing to any modifications to your Franchise Agreement.
t.	Integration/merger clause	16.05	Only the terms of the Franchise Agreement are binding (subject to applicable state law). Any representations or promises outside of this Disclosure Document and the Franchise Agreement may not be enforceable. Notwithstanding the foregoing, nothing in the Franchise Agreement or any related agreement is intended to disclaim the representations made in the Franchise Disclosure Document.
u.	Dispute resolution by arbitration or mediation	Not Applicable	Not applicable.
v.	Choice of forum	16.03	Subject to applicable state law, any legal action must be brought in the judicial district where our headquarters is located, which is currently Middlesex County, Massachusetts, and the United States District Court for the District of Massachusetts. Your local law may supersede this provision. See Disclosure Document Addenda for Certain States at Exhibit B.

	Provision	Section in Franchise Agreement	Summary
w.	Choice of law	16.03	Subject to applicable state law, Delaware and applicable federal law will apply to your Franchise Agreement and all rights and duties under the Franchise Agreement (subject to applicable state law). See the Disclosure Document Addenda for Certain States at Exhibit B.

ITEM 18

PUBLIC FIGURES

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

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

We have ~~no~~2 Franchised Businesses operating in the United States as of ~~April~~March 1, ~~2025~~2026. We do have an affiliate operated outlet in Massachusetts (the "Affiliate Outlet") that has been operating since August 2018. The Heart to Home franchise offered in Canada is substantially similar to the franchise offered in this Franchise Disclosure Document. Our Canadian Heart to Home businesses have been operating since November 2009. The market approach and franchise program of our Canadian affiliate are similar to our approach and program. The financial performance representation in this disclosure document reports the historic performance of the Canadian franchises, according to the Gross Sales reports submitted by franchisees, and the Affiliate Outlet in Massachusetts for the same time periods. The information is unaudited. For the time frames shown in the tables below, there was one Heart to Home operation in the United States (the Affiliate Outlet) and there were ~~20~~21 Heart to Home operations in Canada, including ~~2~~1 company ~~outlets~~outlet and ~~18~~20 franchised outlets. These Canadian outlets originally reported Gross Sales in Canadian Dollars. These results were converted to US Dollars at the average exchange rate reported for ~~2024~~2025 of ~~0.6997~~0.73 USD for each $1 CAD.

Table 1

Financial Performance of ~~20~~ Canadian ~~Outlets (US Dollars)~~Franchisees

	~~April 1, 2024 – March 30, 2025~~	~~April 3, 2023 – March 31, 2024~~	~~April 4, 2022 – April 2, 2023~~

	March 3, 2025 – March 1, 2026	March 4, 2024 – March 2, 2025	March 6, 2023 – March 3, 2024	
Average Gross Sales	$828,249.84	$~~770,033.52~~764,023.26	$~~695,921.11~~684,395.30	~~$606,268.10~~
Median Gross Sales	$807,689.91	$~~714,937.99~~749,031.26	$~~702,534.17~~716,771.78	~~$630,120.58~~
Lowest Gross Sales	$428,715.20	$~~371,811.02~~165,060.12	$~~265,375.74~~46,887.23	~~$144,739.33~~
Highest Gross Sales	$1,397,025.97	$~~1,293,019.81~~1,334,017.02	$~~1,104,204.09~~1,137,914.25	~~$1,030,039.91~~
Number/Percentage of Outlets Reporting Average or Higher Gross Sales	9/42%	~~89~~/~~40~~42%	10/~~50~~21%	~~12/60 %~~

Financial Performance of ~~Affiliate Outlet in Massachusetts~~US Company Owned Operation

	March 3, 2025 – March 1, 2026	~~April~~March ~~1~~4, 2024 = ~~–~~March ~~30~~2, 2025	~~April~~March ~~3~~6, 2023 – March ~~31~~3, 2024	~~April 4, 2022 – April 2, 2023~~
Gross Sales	$7,435,458	$~~4,039,012~~3,700,484	$~~1,514,488~~1,499,211	~~$1,543,825~~

The Affiliate Outlet covers a much larger Target Area and target population of persons aged 70 and up than a Franchised Business would cover and may not be representative of Gross Sales for a Franchised Business with a smaller Territory. The Affiliate Outlet's target population is approximately four times the target population of a more typical Target Area for a franchisee. Its Target Area is a densely populated urban and suburban metropolitan area spanning two states.

~~Gross Sales described above are determined according to the definition in the Franchise Agreement you will sign.~~ The Canadian operations are mostly located in metropolitan areas with concentrations of our target demographic of persons over 70 years of age living at home. We assume that customers are located in sufficiently close geographic proximity to market and operate a delivery-oriented Franchised Business from a single Franchised Location efficiently. Larger geographic territories are less efficient for marketing and delivery expense purposes.

A franchised territory in Canada represent approximately the same size territory that is granted in the United States. The awarded territories in Canada represent an average of 67,000 seniors, and United States territories will represent 70,000 seniors. In 2025, seniors over the age of 65 represent about 20% of the Canadian population and about 17.7% of the United States population. Canadian market information is provided to you because it may offer better guidance than providing you with Affiliate-owned data alone.

"**Gross Sales**" means the aggregate of all revenue from operating the Franchised Business, whether payment is received in cash or by credit card, gift cards or other generally accepted form of payment, from the sale of Program Meals, appliances, services, merchandise or other goods and services. Without limiting the scope of the term, Gross Sales shall include without limitation: (a) revenue received

from employees for Program Meals or services furnished to employees at a discount; (b) the value of Program Meals and services bought by Program Customers by redeeming any Heart to Home Meals authorized gift cards; and (c) the proceeds from any business interruption insurance. Gross Sales are reduced by the amount of any discount given to Program Customers, employees, family members or other businesses owned or controlled by Franchisee if taken at the point of sale system at the time of sale so that the purchaser pays an amount net of the discount. There shall be no deductions allowed for uncollected or uncollectible credit accounts and no allowances shall be made for bad debts. Each charge or sale upon instalment or credit shall be treated as a sale for the full price in the week during which such charge or sale is made, regardless of when Franchisee shall receive payment therefore. Gross Sales shall not include: (i) sales taxes and other taxes separately stated, if any, collected from Program Customers and paid to taxing authorities; (ii) gratuities received from the Franchised Business Program Customers and paid over to the Franchised Business employees; (iii) refunds and credits made in good faith to arms' length Program Customers; (iv) the amount of any checks dishonored or returned; (v) proceeds from the sale of any Heart to Home Meals authorized gift cards to Program Customers; (vi) proceeds from insurance with respect to Franchisee's insured losses from property damage or liability; (vii) proceeds from any civil forfeiture, condemnation, or seizure by a Regulatory Authority; and (viii) credits, allowances, adjustments or uncollectible amounts, subject to the limitation that uncollectible amounts cannot exceed 0.5% of Gross Sales for any fiscal year of Franchisee. Subsequent collections of charged off amounts must be included in Gross Sales when they are collected.

Some outlets have sold this amount. Your individual results may differ. There is no assurance you'll sell as much.

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

Other than the preceding financial performance representations, we do not authorize our employees or representatives to make any other financial performance either orally or in writing. If you are purchasing an existing Program Meals Business, however, we may provide you with the actual records of that Program Meals Business. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Christopher Webb at 289 Elm Street, Suite 102, Marlborough, Massachusetts 01752, the Federal Trade Commission, and the appropriate state regulatory agencies. A written substantiation for

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary for Years ~~2022-2024~~2023-2025

Outlet Type	Year	Program Meals Businesses at the Start of the Year	Program Meals Businesses at the End of the Year	Net Change
Franchisee	~~2022~~2023	0	0	0
	~~2023~~	~~0~~	~~0~~	~~0~~
	2024	0	1	+1
	2025	1	2	+1
Company-Owned	~~2022~~2023	1	~~0~~1	0
	~~2023~~	~~1~~	~~0~~	~~0~~
	2024	1	~~0~~1	0
~~Total~~	~~2022~~2025	1	~~0~~1	0
Total	2023	1	~~0~~1	0
	2024	1	2	+1
	2025	2	3	+1

Table No. 2
Transfers of Program Meals Businesses from Franchisees to New Owners
(other than the Franchisor)
For Years ~~2022-2024~~2023-2025

Column 1 State	Column 2 Year	Column 3 Number of Transfers
~~None~~	~~2022~~	~~0~~
None	2023	0
	2024	0
	~~2022~~2025	0
	2023	0
TOTAL	~~2023~~2024	0
	~~2024~~2025	0

Table No. 3
Status of Franchises
For Years ~~2022-~~
~~2024~~2023-2025

Col. 1 State	Col. 2 Year	Col. 3 Franchises at Start of Year	Col. 4 Franchises Opened	Col. 5 Terminations	Col. 6 Non-Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations-Other Reasons	Col. 9 Franchises at End of the Year
Illinois	~~2022~~2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
~~TOTAL~~	2023	0	0	0	0	0	0	0
North	2024	0	1	0	0	0	0	1
Carolina	2025	1	0	0	0	0	0	1
	2023	0	0	0	0	0	0	0
TOTAL	2024	0	1	0	0	0	0	1
	2025	1	1	0	0	0	0	2

Table No. 4
Status of Company-Owned Program Meals Businesses
For Years ~~2022-2024~~2023-2025

Col. 1 State	Col. 2 Year	Col. 3 Program Meals Businesses at Start of the Year	Col. 4 Program Meals Businesses Opened	Col. 5 Program Meals Businesses Reacquired from Franchisee	Col. 6 Program Meals Businesses Closed	Col. 7 Program Meals Businesses Sold to Franchisee	Col. 8 Program Meals Businesses at End of the Year
~~TOTAL~~Massachusetts	~~2022~~2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
TOTAL	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1

Table No. 5
Projected Openings as of December 31, ~~2024~~2025

Column 1 State	Column 2 Franchise Agreements Signed But Franchised Business Not Opened	Column 3 Projected New Franchised Business in the Next Fiscal Year	Column 4 Projected New Company-Owned Program Meals Business Locations in the Next Fiscal Year
Florida	0	1	0
~~Massachusetts~~Illinois	0	1	0
Indiana	0	1	1
Ohio	0	1	0
New York	0	1	0
North Carolina	0	1	0
Pennsylvania	0	1	0
TOTAL	**0**	~~1~~7	~~0~~1

During the year preceding the date of this Disclosure Document, no Franchise Agreements were terminated. We did not cancel or fail to renew any Franchised Business, and no such Franchised Business ceased to do business voluntarily. No franchisee has failed to communicate with us during the 10 weeks prior to the date of this Disclosure Document.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the System.

Confidentiality Clauses

As a standard practice, when we enter into settlement agreements with a franchisee or former franchisee, we will require them to agree to maintain as confidential all information that the franchisee or former franchisee has about us. We have not entered into any such agreements in the last three fiscal years. In some instances, current and former franchisees may sign provisions restricting their ability to speak openly about their experience with the System. You may wish to speak with current and former franchisees but be aware that not all of these franchisees will be able to communicate with you.

Franchisor Sponsored and Independent Trademark Specific Franchisee Organizations

We have not created, sponsored or endorsed any trademark-specific franchisee organization, and no independent franchisee organization is incorporated or otherwise organized under state law and asks us to be included in our Disclosure Document.

ITEM 21

FINANCIAL STATEMENTS

We have included our audited financial statements for the periods ended December 31, 2025, 2024, 2023, ~~2022,~~ as Exhibit C of this Disclosure Document. Our fiscal year end is December 31.

ITEM 22

CONTRACTS

We have included copies of our Franchise Agreement, including forms of Lease Rider, Automated Clearing House Payment, ~~Guaranty~~Security Agreement, Management Confidentiality and Non-Competition Agreement, and Franchise Agreement Addenda Required by Certain States as Exhibit A to this Disclosure Document. Our forms of Closing Acknowledgment and General Release are included as Exhibits G and H. The Closing Acknowledgment is used for all new franchisees. The General Release is used for all transfers and renewals. The Pre-Sale Confidentiality Agreement is included as Exhibit I and is used if you would like to review any of our confidential materials before you sign a Franchise Agreement.

ITEM 23

RECEIPT

Duplicate copies of the receipt appear after the exhibits as the last two pages of this Disclosure Document.

FRANCHISE AGREEMENT among

HTHM FRANCHISING, LLC

- and –

[name(s)]
(the "Franchisee")

- and –

[name(s)]
(the "Guarantor[s]")

Territory:

Franchise No.

TABLE OF CONTENTS

Article I	DEFINITIONS	1
Section 1.01	Definitions	1
Article II	GRANT OF FRANCHISE	4
Section 2.01	Grant and Term	4
Section 2.02	Territory & Sales Target	4
Section 2.03	Reservation of Rights	5
Section 2.04	Designation of the Owner-Operator	6
Section 2.05	Renewal	6
Section 2.06	Renewal Considerations	7
Section 2.07	System Control and Modification; Improvements	8
Article III	DEVELOPING AND OPENING THE FRANCHISED BUSINESS	9
Section 3.01	Location of Franchised Business	9
Section 3.02	Use of Premises	11
Section 3.03	Development of Premises	11
Section 3.04	Opening of the Franchised Business	12
Article IV	MARKS	12
Section 4.01	Ownership of the Marks	12
Section 4.02	Integrity of Marks	12
Section 4.03	Use and Display of Marks	13
Section 4.04	Change or Discontinuance of Marks	13
Section 4.05	Infringement	14
Article V	FEES AND SECURITY INTEREST	14
Section 5.01	Initial Franchise Fee	14
Section 5.02	Fees	14
Section 5.03	Security Agreement and Grant of Security Interest	~~15~~16
Section 5.04	Pre-Authorized Payments	16
Article VI	RECORDS AND REPORTING	~~16~~17
Section 6.01	Bookkeeping, Accounting and Records	~~16~~17
Section 6.02	Reports and Financial Information	17
Section 6.03	Right to Audit	~~17~~18
Section 6.04	Inquiry by Franchisor	18
Article VII	TECHNOLOGY, COMMUNICATIONS AND INTERNET	~~18~~19
Section 7.01	Computer Systems and Required Software	~~18~~19
Section 7.02	Data	~~18~~19

Section 7.03	Customer Facing Technology	19
Section 7.04	Privacy & Security	~~19~~20
Section 7.05	Extranet	~~19~~20
Section 7.06	Websites	~~19~~20
Section 7.07	Online Use of Marks and E-mail Solicitations	~~20~~21
Section 7.08	No Outsourcing without Prior Written Approval	~~20~~21
Section 7.09	Changes to Technology	21
Section 7.10	E-Mail Communication	21
Article VIII	OBLIGATIONS OF THE FRANCHISOR	~~21~~22
Section 8.01	Initial Training and Opening Assistance	~~21~~22
Section 8.02	Continuing Assistance	22
Section 8.03	Additional Training, Seminars and Conferences	22
Section 8.04	Special Assistance	~~22~~23
Section 8.05	Business Plans	~~22~~23
Section 8.06	Manual	~~22~~23
Section 8.07	After Opening	~~22~~23
Section 8.08	Approved Program Meals, Services, and Suppliers	~~23~~24
Section 8.09	Approval of Alternative Suppliers; Product Specifications	24
Section 8.10	Revenue from Franchisee Purchases and Payments to Franchisor from Designated Suppliers	~~24~~ 25
Section 8.11	Marketing Fund	25
Section 8.12	Advertising Cooperative	~~26~~27
Section 8.13	Publicity and Promotional Materials	~~26~~27
Article IX	OBLIGATIONS OF FRANCHISEE	27
Section 9.01	Operation of the Franchised Business	27
Section 9.02	Franchisee's Employees	~~28~~29
Section 9.03	Opening Training	29
Section 9.04	Additional Training	29
Section 9.05	Full Time and Attention	~~29~~30
Section 9.06	Licenses and Permits	30
Section 9.07	Insurance	30
Section 9.08	Equipment and Furnishings	~~31~~32
Section 9.09	Condition and Appearance of the Franchised Business	32
Section 9.10	Inspections	32
Section 9.11	Authorized Suppliers	~~32~~33

Section 9.12 Authorized Program Meals and Services 3233
Section 9.13 Advise Suppliers 33
Section 9.14 Credit Cards 33
Section 9.15 Upgrades of Franchised Business 3334
Section 9.16 Material Contracts 3334
Section 9.17 Maintain Working Capital 34
Section 9.18 Customer Relations 34
Section 9.19 Local Advertising 34
Section 9.20 Internet Advertising 35
Section 9.21 The Marketing Fund 3536
Section 9.22 Gift Cards 3536
Article X ASSIGNMENT 36
Section 10.01 Assignment by Franchisor 36
Section 10.02 Transfer by Franchisee 36
Section 10.03 Franchisor's Disclosure of Franchisee Information 3839
Section 10.04 Right of First Refusal 3839
Section 10.05 Death/Disability 39
Section 10.06 Temporary Disability and Deemed Disability 40
Section 10.07 No Security Interest 40
Section 10.08 Business Entity Franchisee 4041
Section 10.09 Securities Offerings 4041
Article XI TERMINATION 41
Section 11.01 Events of Default 41
Section 11.02 Franchisee Termination 43
Section 11.03 Termination by Franchisor for Commercial Impracticability 43
Section 11.04 Obligations On Termination 4344
Section 11.05 Option to Purchase 4445
Section 11.06 Assignment of Lease 45
Section 11.07 Right of Entry 4546
Section 11.08 Settlement of Accounts 4546
Section 11.09 Transfer of Listings and Accounts 46
Article XII RESTRICTIVE COVENANTS 46
Section 12.01 Confidentiality 4647
Section 12.02 Non-Competition During Term 47
Section 12.03 Post-Term Non-Competition 4748
Section 12.04 Non-Solicitation 4748

Section 12.05 Waiver of Defenses 48
Article XIII GUARANTEE ..... ~~48~~49
Article XIV GENERAL CONTRACT PROVISIONS ..... ~~49~~50
Section 14.01 Indemnity ..... ~~49~~50
Section 14.02 Independent Contractor ..... ~~49~~50
Section 14.03 Reserved Rights ..... ~~49~~50
Section 14.04 Reasonable Business Judgment 50
Section 14.05 Time ..... ~~50~~51
Section 14.06 Overdue Amounts ..... ~~50~~51
Section 14.07 Force Majeure ..... ~~50~~51
Section 14.08 Notices 51
Section 14.09 Waiver of Obligations ..... ~~51~~52
Section 14.10 Rights Cumulative ..... ~~51~~52
Section 14.11 No Liability ..... ~~51~~52
Section 14.12 Right of Offset ..... ~~51~~52
Section 14.13 Franchisee Cannot Withhold ..... ~~51~~52
Section 14.14 Joint and Several Liability 52
Section 14.15 Applicable Taxes 52
Section 14.16 Cross Default 52
Section 14.17 Survival ..... ~~52~~53
Section 14.18 Language ..... ~~52~~53
Section 14.19 Counterparts ..... ~~52~~53
Article XV ACKNOWLEDGEMENTS AND WARRANTY ..... ~~52~~53
Section 15.01 Independent Investigation ..... ~~52~~53
Section 15.02 Independent Advice ..... ~~52~~53
Section 15.03 Volume Rebates 53
Article XVI MISCELLANEOUS 53
Section 16.01 Table of Contents and Headings 53
Section 16.02 Number and Gender ..... ~~53~~54
Section 16.03 Governing Law; Venue ..... ~~53~~54
Section 16.04 Legal Fees ..... ~~53~~54
Section 16.05 Entire Agreement ..... ~~53~~54
Section 16.06 Severability of Clauses 54
Section 16.07 Agreement Binding Successors and Assigns 54
Section 16.08 Taxes ..... ~~54~~55
Section 16.09 JURY TRIAL WAIVER ..... ~~54~~55

Section 16.10 Waiver of Punitive Damages .....~~54~~55
Section 16.11 No Class Actions .....~~54~~55

Schedule A – Sales Target
Schedule B – Transaction Details, Address and Territory
Schedule C – Lease Rider
Schedule D – Marks
Schedule E – Automated Clearing House Payment Authorization
Schedule F – ~~Guaranty~~Security Agreement
Schedule G – Management Confidentiality and Non-Competition Agreement
Schedule H – Franchise Agreement Addenda Required by Certain States

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("**Agreement**") is made effective as of _____ _____, ~~2023~~2025 (the "**Effective Date**") by and among HTHM Franchising, LLC, a Delaware limited liability company with its principal business address at 289 Elm Street, Suite 102, Marlborough, Massachusetts 01752 (the "**Franchisor**") and _____, a [state] [limited liability company/corporation] with its principal business address at _____, _____ _____ (the "**Franchisee**"), _____, an individual and _____, an individual (each individually, a "**Guarantor**" and [together/collectively], the "**Guarantors**").

Recitals. Franchisor has developed a business format system (the "**System**") for the operation of a business providing a program to sell and deliver frozen prepared meals identified to the public under the trade name and style "Heart to Home Meals" ("**Program Meals**"), to home bound individuals and institutions, particularly persons over 70 years old ("**Program Customers**"). Food International Holdings LLC ("**FIH**"), an Affiliate of Franchisor, is the owner of certain Marks (as that term is defined below) and has granted to Franchisor the exclusive right and license to use and to grant others the right to use the Marks as part of the System, to brand the Program Meals. HTHM Supply LLC, a Delaware limited liability company ("**HTHM Supply**"), an Affiliate of Franchisor is the designated supplier of Program Meals for Heart to Home Meals franchisees in the United States. The System specifies operation of each franchised business according to a uniform business format and standardized equipment, methods and designs. Franchisee has applied to Franchisor for a franchise to operate a business offering, selling and delivering Heart to Home Meals under this Agreement. Franchisor has relied on the information supplied by Franchisee to approve that application and offer to enter into this Agreement.

NOW THEREFORE in consideration of the mutual undertakings and commitments set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which the parties mutually acknowledge, the parties covenant and agree with each other as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions. In this Agreement the following terms shall have the following meanings:

(a) "**Affiliate**" means any person directly or indirectly owned or controlled by, under common control with, or owning or controlling, Franchisor or Franchisee (as applicable). For purposes of this definition, "control" of a person means ownership or control of a majority of the voting ownership of the person or any combination of voting ownership and/or one or more agreements that together afford control of the management and policies of such person.

(b) "**Applicable Taxes**" means taxes imposed by governmental authority on the sale of good or services in the jurisdiction in which the Franchised Business is located.

Section 4.05 Infringement. Franchisee shall immediately notify Franchisor of any suspected infringement of or known challenge to the validity of the Marks, any known challenge to the ownership of or Franchisee's use of the Marks, including any claim Franchisee's use of the Marks infringes on any third party's trademark rights. Franchisor shall have the sole discretion to take such action as it deems appropriate, including the sole right to direct and control any civil, administrative or other proceeding involving the Marks, including any settlement. Franchisor shall also have the sole right, but not the obligation, to take action against uses by others that may constitute infringement of the Marks. Franchisee must fully cooperate with Franchisor with respect to any prosecution of any claim or any defense of a claim Franchisee is infringing the trademark rights of any third party. Provided Franchisee complies with the terms of this Agreement, Franchisor agrees to indemnify Franchisee against and to reimburse Franchisee for any damages for which it is held liable in any trademark infringement proceeding disputing Franchisee's authorized use of any Mark under this Agreement if Franchisee has timely notified Franchisor of the proceeding and has complied with Franchisor's reasonable directions in responding to the proceeding.

ARTICLE V
FEES AND SECURITY INTEREST

Section 5.01 Initial Franchise Fee. In consideration of the right and license granted hereunder, Franchisee shall pay to Franchisor, concurrently with the execution of this Agreement, an initial non-refundable franchise fee in the amount of Forty Thousand Dollars ($40,000) plus Applicable Taxes (the "**Initial Franchise Fee**"). The Initial Franchisee Fee shall be deemed to have been fully earned by Franchisor upon payment thereof and is non-refundable.

Section 5.02 Fees. All fees are imposed by and are paid to Franchisor. All fees are non-refundable. As of the Effective Date, there are currently no franchisee cooperatives in existence, so there are no fees imposed by cooperatives and no voting power requirements for company-owned outlets.

(a) **Wholesale Prices of Program Meals**. No later than ten (10) days after the receipt of an invoice or as directed by HTHM Supply, Franchisee will pay Franchisor or its Affiliate for the wholesale prices of Program Meals purchased by Franchisee during the preceding Reporting Period. There is no royalty on the Gross Sales of the Program Meals to Program Customers.

(b) **Marketing Fund Fee**. After Franchisor gives notice to all franchisees that Franchise is implementing the Marketing Fund, Franchisee also will pay Franchisor in arrears, within ten (10) days after the end of each Reporting Period, a Marketing Fund Fee of at least two percent (2.00%) but not more than five percent (5.00%) of Gross Sales accrued for the Reporting Period. The Marketing Fund Fee, when implemented, may be changed once annually when assessed, provided that any annual change in the percentage will not exceed two percent (2.00%) of Gross Sales. Payment will be made as provided in Section 5.04.

(c) **Manager Training Tuition**. Franchisee will pay, within fifteen (15) days of receipt of an invoice from Franchisor, a fee set forth in the Manual, which is Two Thousand Dollars ($2,000) as of the Effective Date, for any replacement manager Franchisee sends to attend-

the initial training program, and Franchisee will pay the trainee's compensation, benefits, travel, lodging and meal expenses. We may change the amount of this tuition once annually, but this tuition will not exceed Four Thousand Dollars ($4,000.00) during the Initial Term of this Agreement.

(d) **Additional Training Fee**. As incurred, Franchisee will pay a fee set forth in the Manual (One-Hundred Fifty Dollars ($150.00) per hour as of the Effective Date) plus the trainer's expenses for additional initial training requested by Franchisee. Franchisor may provide additional employee training at the Franchised Business Premises. Franchisor may change this ~~rate at any time~~ hourly rate once annually in the Manual, but the hourly rate will not exceed $500.00 per hour during the Initial Term of this Agreement.

(e) **Public Offering Fee**. If Franchisee requests Franchisor's review of a placement memorandum or registration statement for any public or private offering of Franchisee's equity or debt securities, Franchisee must pay a fee of Fifteen Thousand Dollars ($15,000) to Franchisor when it makes such request.

(f) **Bank Fees**. As incurred, Franchisee will pay (i) the actual bank fees charged to Franchisor for insufficient funds or denied access for EFT/ACH transfer plus (ii) an administrative fee of $25 per event.

(g) **Convention Fee**. Franchisee will within fifteen (15) days of receipt of an invoice pay a convention fee per attendee (which excludes the costs of travel, lodging, and meals) in advance of the annual convention if Franchisor elects to hold one. Franchisor may set and change this fee at any time in the Manual. Franchisor will charge this fee per mandatory attendee. The Convention Fee will not exceed Fifteen Hundred Dollars ($1,500.00) per attendee during the Initial Term of this Agreement.

(h) **Restocking Fees & Charges**. At the expiration or termination of this Agreement, Franchisee will pay to Franchisor, the greater of twenty percent (20%) of Franchisor's repurchase price or Franchisor's costs to recover, transport and restock Program Meals.

(i) **Interest**. Any late payments Franchisee makes pursuant to this Agreement will bear interest from their due date until paid at a rate equal to the lower of (a) Prime Bank Rate plus four percent (4%) per month or (b) the maximum interest rate allowed by applicable law.

(j) **Applicable Taxes**. Franchisee will pay Franchisor an amount equal to any federal, state, provincial or local sales, gross receipts, use, value added, excise or similar taxes assessed against Franchisor on the Wholesale Program Meals Price and Marketing Fund Fees by the jurisdictions where the Franchised Business is located, but not including any income tax, franchise or other tax levied on Franchisor for its privilege of doing business in the state in which Franchisee operates. Franchisee will pay Applicable Taxes to Franchisor when due.

(k) **Technology Fee**. Franchisor may provide certain technology support services to franchisees to assist in using its designated technology systems for operating the Franchised Business. Franchisor ~~does not~~ currently ~~charge~~charges a fee of One-Hundred and Eighty Dollars ($180.00) for this service ~~but may elect to impose a fee~~ to cover these support costs and related overhead costs. We may in the-

future on at least thirty (30) days' prior written notice to all franchisees and ~~may~~ modify the fee once annually. ~~after its imposition~~The Technology Fee will not exceed Five-Hundred Dollars ($500.00) per month during the Initial Term of this Agreement.

(l) **Late Fee**. Franchisee is expected to provide accurate financial reports in a timely manner. If any financial report is not submitted by Franchisee by the due date specified in the Manual, Franchisor may assess a "Late Fee" of $150, payable when invoiced.

(m) **Delivery Fee.** We charge a monthly fee of Five-Hundred Dollars ($500.00) to cover costs of delivery of Products to your Franchised Location. We may change the Delivery Fee amount and frequency once per year to cover changes in transportation and freezer storage costs. Annual increases will not exceed Fifty Percent (50%) of the existing Delivery Fee. The Delivery Fee begins with the month after the first anniversary of your opening of the Franchised Business and is due when invoiced.

(n) **Marketing Launch Kit.** You must purchase a Marketing Launch Kit designed to support your initial local marketing, community outreach, and product demonstration activities. The Marketing Launch Kit must be purchased from the Franchisor or an approved supplier within 60 days of the date you sign this Agreement. The kit includes the following items, which may be updated periodically based on system standards: Avantco 120-volt countertop convection oven; digital probe thermometer; kitchen utensils; tablecloth/table skirt; retractable banner; and additional marketing collateral. The cost of the Marketing Launch Kit is between Two-Thousand and Twenty-Five Hundred Dollars ($2,000.00 to $2,500.00).

Section 5.03 Security Agreement and Grant of Security Interest. As security for the Program Meals, the payment of the foregoing amounts and performance of Franchisee's obligations under this Agreement, Franchisee grants to Franchisor, its successors and assigns a

security interest in this Agreement, all assets, including signs, signage, décor items, goods, supplies, equipment, and inventory, of the Franchised Business. Franchisee grants Franchisor the authority and power to file a copy of the signature page of this Agreement as part of any financing statement necessary to perfect and maintain Franchisor's security interest during the Term, in any and all appropriate offices and public records. Franchisor may notify Franchisee's other creditors and lenders about the security interest and has no obligation to subordinate its interest to that of any other lender or secured creditor.

Franchisee grants Franchisor or its affiliate a security interest in all assets and proceeds from the sale of inventory to secure payment of amounts owed for the wholesale price of Program Meals you purchase. If Franchisor forecloses on the collateral, Franchisee will pay or reimburse Franchisor for the costs it incurs including attorneys' fees and court costs to enforce its security interest, regain possession and store the collateral.

Section 5.04 Pre-Authorized Payments. Franchisee shall participate in such pre-authorized payment plans, electronic funds transfer systems, automatic debiting systems or other similar plans or systems as Franchisor may require for Franchisee to make direct deposit payment of all amounts owing to Franchisor or its Affiliates. In order to participate in any such plans or systems, Franchisee shall, at Franchisee's cost, do all things necessary in order to implement and

(a) on the day of each week specified in the Manual, a weekly statement of the Gross Sales, total Program Meal deliveries and number of new Program Customers or new customer leads for the immediately preceding week of the Reporting Period;

(b) within twenty (20) days after the end of each Reporting Period, you will deliver to Franchisor a complete profit and loss statement for the Franchised Business in a form prescribed by Franchisor (and any other statistical reports which Franchisor may require under the Manual) for the Reporting Period upon written request;

(c) within one hundred and twenty (120) days after the end of each fiscal year of the Franchised Business, financial statements for the Franchised Business, including a balance sheet, profit and loss statement and a statement of retained earnings for such period, which statements shall be prepared by an independent certified public accountant approved by Franchisor, and signed and verified by Franchisee; and

(d) at the request of Franchisor, a profit and loss statement for the Franchised Business for its most recently completed three-month period. Franchisee also will send Franchisor a copy of all sales tax returns filed for the Franchised Business after filing with each appropriate taxing authority.

Section 6.03 Right to Audit. Franchisee agrees Franchisor shall have the right, at all reasonable times and without prior notice to Franchisee, to inspect or audit, or cause to be inspected or audited, the financial books, records, bookkeeping and accounting records and tax returns in respect of the Franchised Business. Franchisee shall fully cooperate with representatives of Franchisor or its agents conducting any such inspection or audit and will make copies of those items available for audit at its corporate offices at its cost. If any such audit or inspection discloses an understatement of Gross Sales for any period or payments due to Franchisor, Franchisee shall immediately pay to Franchisor the amount found to be owing together with interest thereon as provided for in this Agreement, calculated from the date when such amounts were due and payable.

ARTICLE VII
TECHNOLOGY, COMMUNICATIONS AND INTERNET

Section 7.01 Computer Systems and Required Software. Franchisor has the right to specify in the Manual or otherwise in writing that Franchisee acquires and uses in the operation of the Franchised Business electronic data collection, storage, reporting, exchange and interchange capability and services, including certain brands, types, makes and models of communications, hardware and software systems, peripherals and equipment (together, the "**Technology**")., including without limitation: (i) back office accounting, inventory and management systems, (ii) storage, retrieval and transmission systems for data, audio, video and voice files, (iii) point of sale systems or such other types of cash registers as Franchisor may designate or approve, (iv) physical, electronic and other security systems and procedures, (v) archival back-up systems, (vi) internet access capability and connectivity, and (vii) customer-facing marketing, ordering, entertainment, audio, video, internet access points and service systems. Franchisor has the right, but not the obligation, to develop or have developed for it, or to designate computer software programs and accounting system software that you must use as part of the Technology ("**Required Software**"). Franchisee shall install, learn, use and integrate all updates, supplements, modifications or enhancements to the Required Software when Franchisor so requires. Franchisor may specify in the Manual or otherwise the tangible media upon which Franchisee shall record data, the database file structure of the Technology and the requirements to ensure compliance with legal and payment card industry security standards. Franchisee shall implement and periodically make upgrades and other changes to the Technology as Franchisor requests in writing (together, "**Technology Upgrades**") for all System Franchised Businesses. Franchisor may be the sole supplier of proprietary Technology or Technology Upgrades that it develops or acquires for use at all Franchised Business.

Section 7.02 Data. Franchisor may specify in the Manual or otherwise in writing the information that Franchisee shall collect and maintain on the Technology. Franchisee will maintain

its Cash Register and management systems on-line so that Franchisor may access them remotely at its discretion, copy stored data, update software, and view all records, files and reports available on or from those systems. Franchisee shall provide to Franchisor such reports as Franchisor may reasonably request from the data so collected and maintained. All data Franchisee provides to Franchisor, transfers to Franchisor from Franchisee's Technology and download from Franchisor's to Franchisee's Technology will be owned exclusively by Franchisor or the data source Franchisor identifies. Franchisor will have the right to use such data in any manner that it deems appropriate without compensation to Franchisee. All other data Franchisee captures, creates or collects in the operation of the Franchised Business or from its affiliation with Franchisor (including, without limitation, consumer and transaction data), is and will be owned exclusively by Franchisor during the Term of, and following termination or expiration of, this Agreement. Franchisee must provide to Franchisor in the format it requires copies or original files of such data at Franchisor's request. Franchisor licenses the use of such data back to Franchisee, at no additional cost, solely for the Term and solely for the lawful use in the Franchised Business franchised under this Agreement. Franchisee may not lease, sell or rent such data to others.

Section 7.03 Customer Facing Technology. Franchisor may mandate that an accepted means of communication for Program Customers of the Franchised Business and may also

mandate customer facing technology to accept and process Product orders, payments, and other means of providing service and an attractive environment to Program Customers.

Section 7.04 Privacy & Security. Franchisee shall abide by all applicable laws and payment card industry standards pertaining to the privacy and security of consumer, employee and transactional information ("**Privacy Laws**"). Franchisee shall comply with the System Standards and policies pertaining to Privacy Laws. If there is a conflict between the System Standards and policies pertaining to Privacy Laws and applicable law, Franchisee shall: (a) comply with the requirements of applicable law; (b) immediately give Franchisor written notice of said conflict; and (c) promptly and fully cooperate with Franchisor and its counsel to determine the most effective way, if any, to meet the System Standards and policies pertaining to Privacy Laws within the bounds of applicable law. Franchisee shall not publish, disseminate, implement, revise or rescind a data privacy policy without Franchisor's prior written consent. Franchisee shall encrypt personally identifiable information about Program Customers and employees as required by Privacy Laws or the Manual and follow all notification requirements, with a copy of all of outbound notices to Franchisor, if any data breach, hack or unauthorized access event occurs.

Section 7.05 Extranet. Franchisor may, but is not required to, establish a dedicated website with secure access for communication with and among franchisees and to offer information content relevant to operation of the Franchised Business (the "**Extranet**"). If Franchisor establishes an Extranet, then Franchisee shall comply with the requirements set forth in the Manuals or otherwise in writing for connecting to the Extranet and utilizing the Extranet in the operation of the Franchised Business. The Extranet may include, without limitation, and if so, will satisfy Franchisor's obligations under this Agreement to provide to Franchisee, the Manuals, training and other assistance materials, and management reporting solutions (both upstream and downstream, as Franchisor may direct).

Section 7.06 Websites. Unless Franchisor otherwise approves in writing, Franchisee shall not establish a separate Website (the term "**Website**" is defined to mean a group of related

Section 7.09 Changes to Technology. The parties acknowledge that technology used in the meal delivery business is dynamic and not subject to predictable patterns of development and change. To keep pace with technological needs and opportunities and to support the competitiveness of the System, Franchisee acknowledges that Franchisor shall have the right to establish, in writing, new and revised System Standards for the implementation of technology as part of the System. Franchisee shall abide by those new or revised System Standards as implemented on a System-wide basis.

Section 7.10 E-Mail Communication. Franchisee acknowledges Franchisor is entitled to rely upon e-mail to communicate with it as part of the economic bargain underlying this Agreement. To facilitate the use of e-mail to exchange information between the parties, Franchisee will maintain e-mail capabilities as specified in the Manual. Franchisee authorizes the transmission of e-mail from and to Franchisor, its affiliates, and vendors on matters pertaining to the business contemplated under this Agreement. Franchisee will provide Franchisor with the current e-mail address and shall immediately notify of any change of e-mail address and any technical problems with the e-mail account of Franchisee and its owners that would make communications delayed or impossible. If any such e-mail account becomes disabled for any reason, Franchisee shall immediately provide Franchisor with an alternative e-mail address. Franchisee will cause its officers, directors, members and employees (as a condition of their association or position with-

Franchisee) to give their consent (in an e-mail, electronically, or in a pen-and-paper writing, as Franchisor may reasonably require) to transmission of Franchisor's e-mails to them, and such persons shall not opt-out, or otherwise ask to no longer receive e-mails from Franchisor during the time that such person works for or is affiliated with Franchisee. Franchisee acknowledges that if it opts-out, or otherwise asks to no longer receive e-mails from Franchisor during the Term, it will be in material breach of this Agreement. Franchisor will assign email account(s) to Franchisee to conduct its official business. Franchisee covenants with Franchisor (i) to use such official email account only for the purposes of conducting the Franchised Business and (ii) to comply with Franchisor's instructions regarding access and use restrictions, password protection and changes, data security and Privacy Law compliance.

ARTICLE VIII
OBLIGATIONS OF THE FRANCHISOR

Section 8.01 Initial Training and Opening Assistance. Franchisor will provide training services to two (2) persons designated by Franchisee, at least one (1) of whom shall be the Owner-Operator, in all aspects of the System and the operation of a Heart to Home Meals Business. The cost of the initial training shall be included in the Initial Franchise Fee. Such training shall be conducted prior to the opening of the Franchised Business and may be given at one or more locations specified by Franchisor. Franchisee shall be responsible for all travel, living expenses and compensation payable to its designated personnel during training. If the Guarantor designated as Owner-Operator of the Franchised Business pursuant to Section 2.04 fails to satisfactorily complete the initial training, Franchisor shall have the right to terminate this Agreement, and the parties will deliver mutual releases in form satisfactory to Franchisor.

During the initial training or prior to the opening of the Franchised Business, Franchisor will provide Franchisee with two (2) uniforms, will arrange for the installation at the Premises of Franchisor's designated ordering and inventory management software and will conduct an initial

marketing program for the launch of the Franchised Business. The cost of the foregoing is included in the Initial Franchise Fee.

Section 8.02 Continuing Assistance. Franchisor agrees to furnish to Franchisee such continuing advice and guidance as is from time to time reasonably required by Franchisee in connection with Franchisee's operation of the Franchised Business, including advice and guidance with respect to the following:

(a) training employees of the Franchised Business;

(b) selection and purchasing of supplies for the Franchised Business;

(c) formulation and implementation of local advertising and promotional programs; and

(d) the establishment and maintenance of accounting, inventory control and general operating procedures.

Section 8.03 Additional Training, Seminars and Conferences. Franchisor may from time to time make available to the Guarantors and other employees of Franchisee additional

training, seminars and conferences at such times and places and for such fees as Franchisor reasonably determines. Course fees, travel and living expenses incurred in connection with attendance at such courses, seminars or conferences shall be borne by Franchisee. The Guarantors and such employees as may be designated by Franchisor shall attend all such additional training programs, seminars or conferences.

Section 8.04 Special Assistance. Upon reasonable written request of Franchisee, Franchisor will use its reasonable best efforts to furnish assistance to Franchisee to aid with specific problems which are beyond the scope of Franchisor's obligations in this Article VIII. Franchisee agrees to reimburse Franchisor promptly for the actual time expended and actual expenses incurred by Franchisor in providing such assistance.

Section 8.05 Business Plans. Franchisor may consult with Franchisee from time to time with respect to Franchisee's plans and goals to increase the demand for goods and services offered for sale from the Franchised Business and to achieving the Sales Target for any year during the Term.

Section 8.06 Manual. Franchisor will provide intranet access to, or loan to Franchisee during the term of this Agreement a copy of the Manual which may consist of one or more publications. Franchisor may modify the Manual from time to time to reflect changes in the System. From time to time as the Manual is amended, Franchisee agrees to insert all new pages in their proper places in the Manual and shall remove and immediately destroy the superseded pages. The Manual, including all new pages and all superseded pages shall remain the property of Franchisor. The master copy of the Manual maintained by Franchisor at its head office will govern any dispute between the parties regarding the contents of the Manual.

Section 8.07 After Opening. Following the opening of the Franchised Business, Franchisor may provide marketing and advertising assistance and promotional assistance, which

may include periodic individual or group advice, consultation and assistance by personal visit, by telephone, electronic communication, or by newsletters or bulletins that Franchisor makes available to franchisees. These consultations will cover training employees, selecting and purchasing supplies, formulation and implementation of local advertising and promotional programs, and the establishment and maintaining of the System standard accounting, inventory control and general operating procedures. Franchisor may also provide Franchisee with marketing materials and merchandising, marketing, and advertising research data and advice, which Franchisor may develop from time to time and deem helpful in the operation of the Franchised Business and provide assistance to Franchisee in implementing promotions conducted before and after the Franchised Business opens, in accordance with Franchisor's policy at the time. Any costs incurred to implement the promotional programs shall be Franchisee's responsibility.

Furthermore, Franchisor shall establish standards and specifications for services and products offered at or through the Franchised Business and for the uniforms, Equipment and Furnishings and services offered, including conduct inspections of the Franchised Business as Franchisor may deem necessary or desirable, including without limitation examinations of the Franchised Business's inventory, products, equipment, or materials or accessing and reviewing all recorded video or data and reports provided by the management information or Computer System, and other systems or applications. Such inspections and reviews may be conducted without prior

notice to Franchisee and shall be performed in a manner that minimizes interference with the operation of the Franchised Business.

In addition, Franchisor may conduct periodic field evaluations and standards assessment inspections and reviews of the Franchised Business to test and promote its compliance with System Standards and quality control. These evaluations and inspections may offer suggestions and recommendations about staffing, but Franchisee has no obligation to follow the suggestions or recommendations. Franchisor may, in its sole discretion, implement customer evaluation and guest survey feedback programs, mystery shopper programs, independent inspection programs, and any similar programs in its election. Franchisor may use the scores and comments from any such programs to evaluate whether Franchisee meets the System Standards or is in compliance with this Agreement. Franchisor may publish the results of its tests and evaluations. As of the Effective Date, Franchisor has not established a guest survey feedback program.

Franchisor shall provide Franchisee with updates, revisions, and amendments to the Manual in order to implement changes to the System and the Marks, including without limitation new developments, systems, techniques, and improvements in food products, services, Equipment and Furnishings, Computer System, technologies and services for management of the Heart to Home Meals Business that Franchisor may develop from time to time and deem helpful to the operation of the Franchised Business.

Section 8.08 Approved Program Meals, Services, and Suppliers. Franchisor will publish a list of approved suppliers and their respective approved products and services in the Manual and/or in other written or electronic communications. As new suppliers, products and services become available, Franchisor will amend such list.

Franchisor may also publish in the Manual the procedures and fees for obtaining approval of any supplier Franchisee wishes to nominate to become an approved supplier. Franchisor may

deny approval of any nominee in its sole discretion. Franchisor or its Affiliate may be the sole approved suppliers for proprietary goods or services, or for goods and services it deems to be integral parts of the Franchised System that must be supplied on a consistent, uniform basis to all franchisees. Franchisor or its Affiliates may earn a profit from providing purchasing and procurement services, including receipt of fees from third party suppliers.

Section 8.09 Approval of Alternative Suppliers; Product Specifications.

(a) If Franchisee desires to use a good or service or obtain a good or service (other than Program Meals) from a supplier Franchisor has not yet approved, Franchisee first must submit sufficient information, specifications and/or samples for Franchisor's determination whether the product or service complies with the System Standards, or the supplier meets Franchisor's approved supplier criteria. Franchisor may establish and revise its approved supplier criteria from time to time as it deems appropriate and will make them available to its franchisees upon written request. Franchisor may condition its approval of a supplier on the supplier's agreement to comply with product quality standards, frequency of delivery, standards of service, and concentration of purchase requirements. Franchisor also may impose limits on the number of approved suppliers, products and services. Franchisor's approval should not take more than 30 days in most instances. Franchisor reserves the right to test equipment or supplies and inspect the

premises of suppliers before granting its approval. Franchisor will invoice Franchisee for the out-of-pocket costs and expenses it incurs for any inspection or testing. Franchisor will not issue its approval of the supplier until Franchisee pays that invoice. Franchisor may terminate its approval of a supplier or any products or services at any time, with or without cause, upon written notice of thirty (30) days.

(b) Franchisor will formulate and modify its Equipment and Furnishings, vehicle, technology, Product and ingredient specifications and standards by reviewing each product on an individual basis, taking into consideration the supplier's ability to provide consistently high-quality products and services to Franchisee or its approved suppliers on a timely basis. Franchisor generally will formulate specifications and standards based on the quality of the products and other relevant factors. Franchisor periodically may review each product and respective supplier to make sure that the supplier is following the specifications and standards.

(c) Franchisor may issue some of its technology, Product and ingredient specifications and standards to Franchisor's approved suppliers under appropriate confidentiality restrictions, but not to its franchisees. Franchisor may undertake other steps to maintain trade secrets and confidentiality of proprietary recipes and formulations, software and other items.

Section 8.10 Revenue from Franchisee Purchases and Payments to Franchisor from Designated Suppliers. Franchisor may derive revenue from suppliers from franchisee purchases in the future in its sole discretion. Franchisor or its designated supplier Affiliate will derive revenue from franchisee purchases of Program Meals.

Franchisor intends to negotiate preferred vendor agreements with designated suppliers and approved suppliers that it expects will provide favorable pricing and delivery terms to franchisees. These agreements may pay Franchisor revenues based on the volume of franchisee purchases,

which may be measured in sales dollars or units sold. These arrangements are not in effect as of the Effective Date, but Franchisor expects them to be in place in the future.

Section 8.11 Marketing Fund.

(a) Franchisor may, in its sole discretion, establish and administer a marketing fund (the "**Marketing Fund**") for the purpose of supporting marketing (including without limitation advertising, promotion, public relations and other marketing activities) of the Heart to Home Meals Business and System, as Franchisor may deem necessary or appropriate. Franchisor shall direct all such advertising programs in its sole discretion with respect to the creative concepts, materials, endorsements and media used therein, and the placement and allocation thereof. Franchisee will pay a Marketing Fund Fee to Franchisor in an amount Franchisee shall contribute to the Marketing Fund in each year an amount determined by Franchisor from time to time but in any event not less than two percent (2%) nor more than five percent (5%) (as designated in the Manual) of the Gross Sales of the Franchised Business plus Applicable Taxes. Such contribution shall be paid based upon Gross Sales for the immediately preceding Reporting Period.

(b) Franchisor will create, supervise and manage all advertising programs with sole control over the strategic direction, creative concepts, materials and media used in the programs, and the geographic, market and media placement and allocation of advertising. The

Marketing Fund shall be used and expended for items such as media costs, commissions, market research costs, creative and production costs, including, without limitation, the costs of creating promotions and artwork, printing costs, and other costs relating to advertising and promotional programs undertaken by Franchisor. Franchisor reserves the right to place and develop such advertisements and promotions and to market same as agent for and on behalf of Franchisee, either directly or through an advertising agency retained or formed for such purpose or through co-operative advertising groups composed of Heart to Home Meals franchisees designated by Franchisor.

(c) Franchisor will account for all Marketing Fund Fees it collects in a separate account. Franchisor also may deposit the marketing, promotional and other payments it receives from suppliers into the Marketing Fund. Franchisor will disburse the Marketing Fund to pay for marketing, advertising, promotional, public relations, and other similar activities intended to benefit the Heart to Home Meals Businesses and their administration. Those activities may include (without limitation) (a) market research, (b) marketing technology development and implementation, (c) customer service, loyalty and reward programs, (d) media purchases, (e) advertising production, (f) advertising and public relations agency fees and expenses, and (g) product research and development. Franchisor also may use the Marketing Fund to pay or reimburse it for its administrative overhead incurred for activities supported by the Marketing Fund but will not use the Marketing Fund to defray any of Franchisor's general operating expenses. Franchisor shall be entitled to charge a reasonable amount to the Marketing Fund, not to exceed fifteen percent (15%) of the total contributions to the Marketing Fund, to cover its actual administrative expenses and overhead incurred in connection therewith. Any moneys in the Marketing Fund not spent at the end of each fiscal year will remain in the Marketing Fund, provided that amounts contributed to the Marketing Fund may be used to pay taxes associated with unspent amounts on deposit in the Marketing Fund. Franchisor will have the sole and exclusive discretion to direct all activities and programs funded by the Marketing Fund. Franchisor generally

(e) the use of the Marks; and

(f) the hours during which the Franchised Business is open for business, subject to any restrictions contained in the Lease.

All such specifications, standards, and operating procedures shall be reasonable and shall comply with the requirements of all applicable laws and regulations. System Standards, specifications, and operating procedures prescribed from time to time by Franchisor in the Manual, or otherwise communicated to Franchisee in writing, shall constitute provisions of this Agreement as if fully set forth herein.

Franchisee may not engage in any business or offer any other services or products at the Franchised Business that is or are not a part of the System or without Franchisor's express authorization in advance. Franchisee must offer Franchisor's entire menu except those items Franchisor designates as optional and may not offer additional menu items without Franchisor's prior written consent. Franchisor retains the right to modify the Manual to modify, discontinue or add to the Program Meals, goods and services that Franchisee must sell in the Franchised Business, which may include new or modified menu items and recipes or methods of preparation or delivery. There are no limits on Franchisor's right to make these changes.

Franchisor requires Franchisee to purchase Program Meals, certain equipment, supplies and other products and services from Franchisor and third-party vendors approved or designated by Franchisor, which includes Franchisor's Affiliates. Franchisor requires Franchisee to purchase other products, equipment and services by brand name or specification, from vendors of

Section 9.02 Franchisee's Employees. Franchisee must recruit, hire, train, schedule, equip, dress, discipline, manage and supervise a competent, conscientious staff to meet the System Standards, compliant with such uniforms and/or dress code as Franchisor may prescribe in the Manual, and take such steps as are necessary to ensure that the employees preserve good customer relations and the goodwill of the System. Franchisee shall be fully responsible for all matters relating to its employees including but not limited to:

(a) the hiring, firing, promotions, or demotions of its employees;

(b) controlling the remuneration and classification of its employees; and

(c) training and supervision of its employees including ensuring that all employees satisfactorily pass such background check as is necessary for those working with, or providing services to, seniors and others considered to be vulnerable.

Franchisee must operate and maintain the Franchised Business to meet the health and life safety standards and ratings applicable to the operation. Franchisee must furnish to Franchisor, within five (5) days after receipt thereof, a copy of all inspection reports, warnings, citations, certificates and/or ratings resulting from inspections conducted by any federal, state or municipal agency with jurisdiction over the Franchised Business. The Franchised Business's failure of any health, sanitation, food-related or life safety inspection is a material breach of this Agreement and must be remedied within the time frame specified in the applicable regulations or code.

Franchisee may hire an "on-Premises" manager to handle the day-to-day operations of the Franchised Business, but any such manager must have completed the initial training program and

sign a Management Confidentiality and Non-Competition Agreement before such training starts in substantially the form attached as Schedule G. Franchisor may require Franchisee's employees to sign a written agreement at the time of employment to maintain confidentiality.

Franchisee shall be responsible for ensuring its policies and practices are in accordance with all labor relations legislation in the state in which the Franchised Business is operated.

Section 9.03 Opening Training. Franchisee shall not open or operate the Franchised Business without attending and passing the initial training as described in Section 8.01, which shall be conducted prior to the opening of the Franchised Business and may be provided at one or more locations specified by Franchisor. Franchisee shall be responsible for all travel, living expenses and compensation payable to its designated personnel during training.

Section 9.04 Additional Training.

(a) Franchisee, the Guarantors and Franchisee's designated employees shall attend and satisfactorily complete all courses, seminars and training programs conducted by or on behalf of any Regulatory Authority for persons engaged or involved with food handling.

(b) If a certified manager leaves Franchisee's employment for any reason, Franchisee must hire a replacement manager within thirty (30) days who must attend the next training program slot available. Franchisee may continue operating the Franchised Business until a replacement manager has completed the training program without being in default of this-

(a) Commercial General Liability coverage ($1 million single limit per occurrence; $2 million general aggregate limit, for both general liability and products /completed operations liability) for personal injury and property damage, including premises, independent contractors, products and completed operations, contractual, personal and advertising liability, on an occurrence basis, with coverage on a 1986 or later ISO commercial general liability form policy;

(b) "All Risk" property coverage including a property damage limit for the full cost of replacement of the Franchised Business and business interruption coverage for up to twelve months of projected earnings;

(c) Business Automobile Liability covering liability arising out of any auto (including owned, hired and non-owned autos), with a minimum of $1 million combined single limit each accident;

(d) Workers' Compensation or legally appropriate alternative covering all employees and contractors working at the Program Meals Business for statutory limits and Employers Liability with minimum limits of $1 million for bodily injury for each accident, $500,000 bodily injury by disease for each employee and $500,000 bodily injury disease aggregate;

(e) A $2 million Umbrella Policy on an occurrence basis excess of covering excess of the underlying insurance described in (1), (3) and (4) above which is at least as broad as

each and every underlying policy, provided that you may purchase more underlying coverage and less umbrella coverage under such policies as long as you maintain the total amount of the limits specified for each coverage area;

(f) Other insurance as may be required by the state or locality of the Premises;

(g) Employment practices liability insurance with a limit of $500,000; and

(h) Employee Dishonesty/Fidelity insurance with a limit of $100,000.

Prior to the opening of the Franchised Business and thereafter, at least thirty (30) days prior to the expiration of any such policy or policies, Franchisee shall deliver to Franchisor certificates of insurance demonstrating the required insurance coverage from time to time with limits not less than those required by Franchisor, and all such certificates shall expressly contain endorsements requiring the insurance company to give Franchisor at least thirty (30) days prior written notice in the event of material alteration to, termination, non-renewal, or cancellation of, the coverages demonstrated by such certificates. Franchisee shall provide Franchisor notice of any claim filed under such policy within thirty (30) days after the filing of such claim.

If Franchisee at any time fails or refuses to maintain any insurance coverage required by Franchisor or to furnish satisfactory evidence thereof, Franchisor, at its option and in addition to its other rights and remedies hereunder, may, but need not, obtain such insurance coverage on behalf of Franchisee, and Franchisee shall pay to Franchisor, on demand, any premiums incurred by Franchisor in connection therewith. Franchisee's obligation to obtain and maintain, or cause to be obtained and maintained, the foregoing insurance shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of that

Franchisee must purchase Program Meals, condiments, supplies, paper products, Computer System, and signage from vendors Franchisor approves or that meet the specifications published in the Manual or otherwise in writing.

Section 9.09 Condition and Appearance of the Franchised Business. Franchisee will not display any other sign or advertising at the Franchised Business without Franchisor's consent other than as permitted by the Manual. Franchisee agrees to maintain the condition and appearance of the Premises and the Equipment and Furnishings in a manner consistent with the image of an attractive, modern, clean, convenient, and efficiently operated Heart to Home Meals Business offering high quality products and efficient and courteous service. Franchisee agrees to maintain the Premises and the Equipment and Furnishings as is reasonably required from time to time to maintain such condition, appearance and efficient operation and to comply with the System and with all applicable Laws, including without limitation, replacement of worn-out or obsolete equipment. All such maintenance shall be at Franchisee's cost and expense. If at any time in Franchisor's reasonable judgment, the general state of repair, appearance or cleanliness of the Premises or the Equipment and Furnishings does not meet Franchisor's standards therefore, Franchisor shall notify Franchisee and specify the action to be taken. If Franchisee fails to take such action within five (5) days after receipt of Notice from Franchisor, it may, without prejudice to any other rights or remedies hereunder, cause such repair or maintenance to be done, at the sole cost and expense of Franchisee. Franchisee shall reimburse Franchisor, on demand, for all costs and expenses incurred in connection therewith.

Section 9.10 Inspections. Franchisee agrees to permit Franchisor or its authorized representatives to enter and inspect the Premises and to examine all aspects of the Franchised Business and to test the Equipment and Furnishings, supplies, goods and services for the purposes of ascertaining whether Franchisee is operating the Franchised Business in accordance with the

System and the terms of this Agreement. Franchisor may interview employees, vendors, landlords, and Program Customers. Inspections may be conducted at any time during regular business hours of the Franchised Business and without prior notification to Franchisee. Franchisor may notify Franchisee of any deficiencies detected during such inspections and Franchisee shall diligently and promptly correct any such deficiencies in accordance with the terms of such notification.

Section 9.11 Authorized Suppliers. Franchisee shall purchase the Program Meals only from HTHM Supply or such other supplier designated from time to time by Franchisor and shall purchase all menus, brochures and catalogues bearing the Marks only from suppliers and printers designated by Franchisor. Franchisee shall have the right to purchase Equipment and Furnishings and other printed materials from any supplier provided that the Equipment and Furnishings meet the suppliers and supplies are first approved by Franchisor or meet the standards and specifications of the System as published in the Manual or otherwise in writing.

Section 9.12 Authorized Program Meals and Services. Franchisee will follow the System Standards and specifications as established by Franchisor for goods, Program Meals, and services procured for the operation of the Franchised Business. Franchisor has the right to require Franchisee to obtain any Product or services used in the operation of the Franchised Business from it, its Affiliates, or any approved suppliers. Franchisor has the right to require Franchisee to participate in a national or regional approved purchasing cooperative for the area in which the Franchised Business operates. Without the express prior written consent of Franchisor, which

consent may be withheld in its sole discretion, Franchisee shall advertise and offer for sale from the Franchised Business only the Program Meals and shall not advertise or offer for sale any unauthorized goods or services on or from the Premises or in connection with the operation of the Franchised Business. Franchisor may, from time to time, establish the prices to be charged by Franchisee for Program Meals sold to Program Customers of the Franchised Business, which Franchisee shall abide by without deviation. Franchisee shall sell and offer for sale the Program Meals only within the Territory and only by way of delivery to Program Customers in their own homes. Without limitation, Franchisee shall use its Delivery Vehicle solely for the purpose of the Franchised Business and the delivery of Program Meals.

Section 9.13 Advise Suppliers. Franchisee shall advise each supplier and all others with whom Franchisee deals that Franchisee is an independent contractor and that all debts incurred by Franchisee are for the account of Franchisee only and have not been incurred on behalf of Franchisor.

Section 9.14 Credit Cards. Franchisee agrees to at all times to comply with the Payment Card Industry Data Security Standard and to have arrangements in existence with Visa, MasterCard, American Express and such other credit card issuers or sponsors and electronic funds or debit card transfer systems as Franchisor designates or approves in writing from time to time to enable Franchisee to accept customer's credit cards, checks, and other methods of payment for the Program Meals.

Franchisee must purchase and install before opening the Franchised Business Computer System to run a computer-based management system, including Franchisor's proprietary ordering and inventory management applications to assist in operating the Franchised Business. These

Section 9.17 Maintain Working Capital. During the term of this Agreement, Franchisee agrees to maintain at all times sufficient working capital for the Franchised Business to enable Franchisee to properly and fully carry out and perform all of its duties, obligations and responsibilities hereunder and to operate the Franchised Business in a proper, efficient and effective manner.

Section 9.18 Customer Relations. Franchisee agrees to maintain at all times a sufficient number of adequately trained personnel to service all Program Customers of the Franchised Business. Franchisee further agrees to ensure that at all times prompt, courteous and efficient service is accorded to Program Customers of the Franchised Business and to adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct in all dealings with Franchisee's personnel, Program Customers and suppliers.

Section 9.19 Local Advertising.

(a) Franchisee shall use its best efforts to promote and increase the demand for the goods and services of the Franchised Business through local advertising and promotion in Franchisee's market area. Franchisee shall expend in each year during the Term a minimum of three percent (3%) of Gross Sales on local advertising and promotion which shall include without limitation the placement of advertisements in local newspapers serving the Territory and on-site presentations and demonstrations to target customer groups, hospitals and other health care facilities and senior care homes.

(b) Local marketing and promotional expenses include the cost of direct mail solicitations, public relations activities, community events and sponsorships, newspaper-

(d) All advertising and promotion conducted by Franchisee shall be completely factual and shall conform to the highest standards of ethical advertising. Franchisee shall submit any proposed advertisement or promotional material to Franchisor for its written approval, prior to use thereof by Franchisee, and Franchisee will not engage in any unapproved marketing or promotion of the Franchised Business

(e) Within thirty (30) days of the end of each calendar year, or at such other time or times as reasonably required by Franchisor, Franchisee shall provide to Franchisor such evidence or proof of its expenditures on local advertising and promotion conducted during the immediately preceding calendar year. If Franchisor reviews the financial reports and determines that Franchisee is spending less than 3% of Gross Sales on local marketing activities, then Franchisor may require Franchisee to submit to Franchisor a marketing plan and budget acceptable to Franchisor demonstrating its plan to meet this local marketing spending obligation within thirty (30) days after Franchisor sends its request for the plan and budget. Franchisee's failure to submit the plan and budget as and when requested, and then spend to the approved budget, will be a material breach of this Agreement.

(f) Franchisor may, in its sole discretion, establish special promotional campaigns applicable to the System as a whole or to specific advertising market areas. Franchisee shall, at its sole cost and expense, participate in any such promotional campaigns which may include the purchase, lease, installation and/or use of cards, posters, banners, signs, photography or give-away items. Franchisor may, in its sole discretion, provide funding to support a campaign, including funding from the Marketing Fund, based on its analysis of the relevant markets.

Section 9.20 Internet Advertising. Franchisee acknowledges and agrees that it shall not establish or create a website on the internet or have any other internet or social media presence in

ARTICLE X
ASSIGNMENT

Section 10.01 Assignment by Franchisor. Franchisee is not the third-party beneficiary of any contract with a third party to provide services to it under this Agreement, but Franchisor is responsible for the performance of all of its obligations to Franchisee under this Agreement. Franchisor may assign, delegate, subcontract, or transfer any or all of its rights arising from this Agreement, including by operation of law, without notice and without Franchisee's consent, provided that the assignee agrees in writing to assume all obligations undertaken by Franchisor herein relating to the rights so assigned. Franchisor sell or assign any or all of its assets, including without limitation the System and the Marks, or it may dissolve, terminate and wind up the business under applicable law but will transfer the System and this Agreement to a party that will perform Franchisor's obligations and that will assume this Agreement in writing, without further liability or obligation to Franchisee after notice that the transferee has assumed Franchisor's obligations under this Agreement. Upon such assignment and assumption, Franchisor shall be relieved of all further liability hereunder.

Section 10.02 Transfer by Franchisee.

(a) The franchise and license granted under this Agreement are personal to Franchisee (and the Owners and Guarantors if Franchisee is an entity). Franchisor is relying on Franchisee's experience, skill and financial resources (and that of the Owners and the Guarantors, if any) to sign this Agreement with Franchisee. Therefore, during the term of this Agreement, Franchisee shall not engage in a transaction that is a "**Transfer**" without first obtaining Franchisor's written consent and following the procedures set forth in this Agreement, except as-

expressly permitted under this Agreement. A Transfer is (i) an assignment of this Agreement or delegation of any of Franchisee's rights and obligations under this Agreement, (ii) grant of a security interest in, pledge of, lien or encumbrance on this Agreement, (iii) a change in ownership of an equity interest, or any issuance of additional equity interests to new persons or entities not listed on Attachment A to this Agreement, or any transaction among Franchisee's existing Owners that results in a change in control over Franchisee's equity interests; (iv) any merger, consolidation or sale of substantially all assets of Franchisee if it is an entity, (v) any sale or lease of the Franchised Program Meals Business, or a sale of the Premises if Franchisee is the owner, or any eviction, detainer, foreclosure or deed in lieu of foreclosure that results in the loss of possession of and control over the Premises, (vi) any delegation of management rights or responsibilities of the Franchised Business, or (vii) any distribution, gift or donation of any interest in the Franchised Program Meals Business, whether directly or indirectly. any of Franchisee's right and interest hereunder or in any assets of the Franchised Business, nor Franchisor's consent may be withheld or condition in its sole discretion.

(b) Any actual or purported Transfer without Franchisor's prior written consent shall be a material default of this Agreement and shall be null and void.

(c) If Franchisee desires to Transfer, Franchisee shall submit to Franchisor a copy of the offer relating to the proposed Transfer, information relating to the character and business background and experience of the proposed transferee and such other information as Franchisor may require. Franchisee agrees that Franchisor shall not be under any obligation

whatsoever to consider any proposed Transfer by Franchisee if (i) Franchisee or any Guarantor hereto is in default of any of the provisions of this Agreement or any other agreement with Franchisor or any Affiliate, or (ii) the offer relating to the proposed Transfer contains any conditions preventing the offer from becoming a binding agreement, other than for the conditions that the consent of Franchisor and the consent of the landlord of the Premises (if required) to the Transfer must be obtained.

(d) Any proposed Transfer shall be effective only if all conditions imposed by Franchisor are complied with. In exercising its discretion to grant or withhold consent, Franchisor will consider, among other things, the qualifications, apparent ability and credit standing of the proposed transferee. In addition, Franchisor shall be entitled to require as conditions precedent to the granting of its consent that:

(i) there shall be no existing default in the performance or observance of any of Franchisee's obligations under this or any other agreement between Franchisee and Franchisor or its Affiliates or with any supplier of the Franchised Business;

(ii) Franchisee shall have satisfied all monetary obligations then due and owing and settled all outstanding accounts with Franchisor, its Affiliates and all trade creditors of the Franchised Business;

(iii) Franchisee and each of the Guarantors shall have delivered to Franchisor a complete general release of their claims against Franchisor, its Affiliates and their respective equity owners, directors, and officers, in form prescribed by Franchisor which release-

(e) Franchisee must pay Franchisor a transfer fee equal to fifty percent (50%) then-current initial franchise fee charged by Franchisor for new franchisees if Franchisee Transfers this Agreement or the Franchised Business, or in the event of an ownership change (a "**Control Change**") involving Control of 50% or more of Franchisee's equity interests, or effective Control over the management of your business by modification of your Core Agreement (defined below).

(f) A proposed transferee is not eligible for consideration if the transferee or any of its owners has had a Franchise Agreement with Franchisor or any affiliated franchise system terminated for cause, is affiliated with a competitor, or would be in breach of Section 12.02 immediately upon closing of the transaction. However, a Transfer that is (1) an initial transfer of the Franchised Business and this Agreement from an individual to an entity owned by the individual, or (2) other than a Control Change, a conveyance of the equity interests conveyed by any of the Owners and Guarantors listed on Schedule B to any of the other Guarantors listed on Schedule B or any member of their immediate family does not require Franchisor's consent or payment of a transfer fee. Franchisor will waive the transfer fee if the Control Change results from conveyance of the equity interests between the persons listed on Schedule B so long as Franchisee obtains Franchisor's consent prior to executing the transaction. Franchisor may withhold or condition its consent to such a transaction among existing equity Owners and Guarantors in its sole discretion. If Franchisee is an individual, then in the event of your death, permanent disability or appointment of a guardian for you, this Agreement will terminate ninety (90) days after your death, permanent disability or appointment of a guardian unless Franchisor gives its consent within that 90-day period to the assignment of this Agreement to a successor in compliance with this paragraph. Franchisee will notify Franchisor in writing of any change in the information stated on Schedule B before or within ten (10) days after such events. If Franchisor's consent and the transfer-

procedures stated above are not required, Franchisor will produce and send to Franchisee a revised Schedule B that will be a unilateral amendment to this Agreement not requiring your signature to be effective.

Section 10.03 Franchisor's Disclosure of Franchisee Information. Franchisee agrees that Franchisor may, in its sole discretion, provide a proposed transferee with any information in Franchisor's possession relating to the Franchised Business, the results of inspections and audits, sales and expense information and information relating to customer relations.

Section 10.04 Right of First Refusal. Notwithstanding the provisions of Section 10.02 hereof, prior to the Transfer of any interest that constitutes Control (the "**Offered Interest**"), if Franchisee shall at any time receive a bona fide offer from a third party to purchase substantially all of the assets of the Franchised Business or the membership interests or shares in the capital of Franchisee, Franchisee shall Franchisee shall submit to Franchisor a copy of the offer relating to the proposed Transfer and the name and address of the proposed purchaser or transferee, the proposed purchase price, and all other terms and conditions of the proposed Transfer of the Offered Interest. In addition, Franchisee must deliver to Franchisor a copy of the proposed purchase agreement, if any, and all other agreements and instruments signed and to be signed in the transaction, and copies or electronic access to all diligence, offering and other materials furnished to the proposed purchaser as part of the selling process. Within thirty (30) days after Franchisor receives the foregoing notice and materials, it will have the right and option, but not the obligation, exercisable by written notice to Franchisee, to acquire the Offered Interest for the price and on the same terms and conditions as contemplated by the third party, provided that Franchisor may

substitute cash for any form of payment proposed in such offer. If Franchisor declines or fails to send notice of its intent to acquire the Offered Interest within the thirty-day period, Franchisee may complete the sale of the Franchised Business to such purchaser as long as the terms and conditions of Transfer stay identical to those as originally disclosed to Franchisor, subject to the provisions of Section 10.02 hereof. If the Transfer to such purchaser is not completed within one hundred and twenty (120) days after delivery of such offer to Franchisor, Franchisor shall again have the right of first refusal herein provided.

Franchisor's failure to exercise its right of first refusal will not constitute a waiver of any other provision of this Agreement, or its right of first refusal as to any subsequent proposed Transfer. Any material change in the terms of the proposed Transfer prior to closing will constitute a new Transfer, subject to the same right of first refusal by Franchisor as for the initial Transfer. Any Transfer attempted without first giving Franchisor the right of first refusal specified in this Article X will render the attempted Transfer null and void. Franchisor may utilize the remedy of specific performance to enforce this right.

Section 10.05 Death/Disability.

(a) In the event of the death or permanent disability of the Franchisee, if an individual, or a Guarantor, or the appointment of a permanent guardian or conservator to manage the Franchisee's or the Guarantor's affairs, except the last Guarantor to die or become permanently disabled (the "**Disabled Party**"), the trustee, conservator, guardian, personal representative, or executor of the estate shall within ninety (90) days of the occurrence of such death or permanent disability sell to the surviving Guarantors all of the Disabled Party's equity interests in Franchisee,

for such price and upon such other terms and conditions as may be agreed upon by the parties. Franchisee will notify Franchisor in writing of any change in the information stated on Schedule B before or within ten (10) days after such events.

(b) If the Disabled Party was the Owner-Operator, then Franchisor may treat the personal representative, trustee or conservator as the Owner-Operator until Franchisee appoints someone else as Owner-Operator.

(c) In the event of the death or permanent disability of the last of the Guarantors to die or become so disabled, or where there is only one Guarantor, then upon the Guarantor's death or permanent disability, Franchisee shall, within ninety (90) days of the occurrence of such death or disability, Transfer all of its right, title and interest in and to this Agreement, the Lease and the property and assets used in the Franchised Business, or the Owner's equity interests, to another person acceptable to Franchisor. Such Transfer shall comply with the terms and conditions of Section 10.02 hereof.

(d) Any failure to commence administration of the decedent's estate within ninety (90) days after death or any distribution of the decedent's equity interest in the Franchisee entity without Franchisor's consent if such distribution operates as a Transfer and Franchisor's consent is required under this Agreement, is a material breach of this Agreement.

(e) If the Transfer of the Franchised Business to a person acceptable to Franchisor has not taken place within ninety (90) days as required by Section 10.04, Franchisor

Section 10.08 Business Entity Franchisee. If Franchisee constitutes a business entity, each of its Owners must execute ~~the Guaranty~~this Agreement ~~attached as Schedule F~~or a separate joinder to be jointly and severally bound under this Agreement, particularly Article X, Article XII, Article XIII, Article XIV, Article XV, and Article XVI. Franchisee's certificate of incorporation, shareholders' agreement, partnership agreement, trust agreement, operating agreement, or other similar agreement (a "**Core Agreement**") must provide that the purpose will consist only in the development, ownership, operation and maintenance of Heart to Home Meals Business as a franchisee. The Core Agreement must prohibit the issuance of any additional equity ownership interests or the transfer, assignment or pledge of any issued equity ownership interests without Franchisor's consent and must provide that each certificate or document issued to evidence any equity ownership interest will contain a legend disclosing the foregoing restriction. In giving consent under Section 10.02 to any issuance or Transfer of Franchisee's equity interests, Franchisor may in its discretion impose one or more conditions, including (without limitation) the requirement that the individual beneficial owner of the equity ownership interest execute the form of ~~Guaranty Agreement attached as Schedule F~~joinder Franchisor provides or a supplement to the original such Agreement acceptable to Franchisor in form and substance adding such person as a guarantor. Franchisee must deliver to Franchisor the ~~documents~~Core Agreements demonstrating compliance with this Section when Franchisor ~~so requests~~requests. Franchisor requires the spouse of each Guarantor to sign the Spousal Joinder attached to the signature page as a condition of the execution and delivery of this Agreement or approval of any transfer to a business entity as franchisee.

Section 10.09 Securities Offerings. If Franchisee intends to engage in a public or private offering of its equity interests, then it must submit for Franchisor's review its offering materials or prospectus before it files the document or commences its use. No offering by Franchisee or any Affiliate shall imply (by use of the Marks or otherwise) that Franchisor is participating in an underwriting, issuance or offering of Franchisee's securities or those of Affiliates. Franchisor's review of any offering material shall be limited solely to the relationship between the parties (and any Affiliates, if applicable), an accurate description of the System, and the absence of any

(r) if Franchisee commits a breach which, by its nature, cannot be cured or with regard to which Franchisee notifies Franchisor that it does not intend to cure.

(s) if Franchisee fails to (1) gain Franchisor's acceptance of the proposed Premises, (2) sign a lease or a purchase agreement Franchisor approves for the accepted Premises within the timeframe specified in this Agreement, or (3) complete and open the Franchised Business within timeframe specified in this Agreement.

Section 11.02 Franchisee Termination. If Franchisor substantially fails to perform any of its material obligations to Franchisee under this Agreement, Franchisee must give written notice of non-performance and at least 60 days to cure the failure. If the failure continues at the end of such 60-day cure period, Franchisee may terminate this Agreement on written notice to Franchisor delivered at any time before Franchisor cures the failure. Franchisee may not withhold the payment of any fees due under this Agreement during the pendency of cure period, and any payment by Franchisee of fees accruing after the expiration of the cure period will be deemed a waiver of Franchisor default by Franchisee.

Section 11.03 Termination by Franchisor for Commercial Impracticability. The parties agree that the commercial purpose of this Agreement is for Franchisor to license the System-

specified by Franchisor to Franchisee for use in operating the Franchised Business strictly in accordance with the Manual, in exchange for payment of the fees and under the conditions set forth in this Agreement. This Agreement intends for Franchisee to control the terms and conditions of employment for the employees of the Franchised Business, and to supervise such employees as their employer, as set forth in Section 9.02, without constituting Franchisor as a joint employer of Franchisee or Franchisee's employees. Franchisee acknowledges Franchisor is not in the business of owning and operating any Franchised Business, and Franchisee has independently decided to enter into this Agreement to obtain the right to use the System so as to enter into the trade and business contemplated by the System. Franchisor may terminate this Agreement by written notice to Franchisee without penalty and without payment of any refunds or damages to Franchisee, and Franchisee will follow its post-termination obligations under Section 11.04 at its expense, if Franchisor determines in its sole discretion that either (i) a law or regulation is enacted, promulgated, repealed, modified or amended; (ii) a judicial or administrative tribunal or administrative agency has issued, published or released a decision, ruling or opinion in a matter not involving the parties directly or indirectly that Franchisor reasonably expects will affect applicable law or its interpretation; or (iii) an administrative agency, arbitrator or judge has issued an interim or final decision in a matter in which the parties are involved directly or indirectly, which (A) frustrates or adversely affects or could reasonably be expected to affect adversely the purposes of this Agreement, (B) makes performance of this Agreement commercially impracticable, (C) effectively modifies the allocation of risk, benefits and burdens agreed by the parties, (D) deprives any party of its benefits of the bargain struck by the parties, as originally set forth in this Agreement, or (E) determines that an employment or a joint employment relationship exists between Franchisor and Franchisee, or between Franchisor and the employees of Franchisee.

Section 11.04 Obligations On Termination.

(a) Upon the expiration or termination of this Agreement for any reason all rights of Franchisee hereunder shall be at an end and Franchisee shall immediately cease to use

the System, the Manual, and the Marks, by advertising or otherwise and shall remove the Marks from all signs, slogans, symbols, letterhead and all other documents or forms, emblems, and displays of whatever character in the possession of or under the control of Franchisee identifying it as associated with the System. Franchisee shall return to Franchisor all signage, advertising materials, all copies of the Manual and other proprietary materials delivered under this Agreement and any other items imprinted with any of the Marks which are in the possession of, or under the control of, Franchisee.

(b) If Franchisor elects not to take an assignment of the Lease, as contemplated in Section 10. 04, Franchisee shall discontinue all use of the Marks at the Premises and shall, at Franchisee's expense make such modifications to the interior and exterior design and décor of the Premises and make any and all changes in signs, buildings and structures which Franchisor requires to distinguish the building from its former appearance and to de-identify the Premises as a Heart to Home Meals Business.

(c) Moreover, upon the expiration or termination of this Agreement for any reason, Franchisee will (a) abide by the non-competition and confidentiality provisions contained in Article XII of this Agreement; (b) promptly pay Franchisor and its Affiliates all amounts then due; (c) cease to hold yourself out in any way as a franchisee or to do anything which would-

indicate any relationship between Franchisee and Franchisor, except pursuant to the terms of a separate agreement with Franchisor; and (d) transfer to Franchisor all telephone listings, domain names, and web pages for the Franchised Business or which contain, use or display any of the Marks or intellectual property. Franchisee shall cease using the Marks in its in its fictitious name filing and shall cancel such filing with each jurisdiction in which it is registered. Franchisee shall execute such documents and take such action as Franchisor may deem necessary or advisable to evidence the fact that Franchisee has ceased use of the Marks and has no further interest or right thereunder.

(d) Franchisee will complete all modifications within thirty (30) days after the termination or expiration of this Agreement. If Franchisee fails to complete such modifications or fail to transfer or return such property within thirty (30) days as contemplated above in this Section, or should it indicate at such time earlier than thirty (30) days that it does not intend or is unable to comply with this Section, Franchisee appoints Franchisor as its attorney-in-fact to perform such acts in its stead and for its account. Franchisee will reimburse Franchisor for all of its costs and expenses, including without limitation administrative overhead and employee salaries that it may incur in acting as Franchisee's attorney-in-fact to perform such acts.

(e) Upon the expiration or termination of this Agreement for any reason, Franchisor may purchase Program Meals or other products in Franchisee's possession that are resaleable for the current wholesale price less the Restocking Fees and Charges.

Section 11.05 Option to Purchase. For a period of thirty (30) days following the termination or expiration of this Agreement, Franchisor shall have the option, exercisable by Notice to that effect to Franchisee, to purchase all Equipment and Furnishings, leasehold improvements, inventory and supplies owned and used by Franchisee in connection with the operation of the Franchised Business at a price equal to the lesser of the book value and the fair market value of the property in question. Such purchase price shall not, however, contain any

factor or increment for goodwill or other intangibles and Franchisor may exclude from the assets purchased hereunder any Equipment and Furnishings, leasehold improvements, inventory and supplies which, in the opinion of Franchisor, are obsolete, damaged or otherwise not in marketable or usable condition. If the parties cannot agree upon the fair market value of such assets within a period of ten (10) business days following the exercise of the option by Franchisor, an independent appraiser shall be designated by Franchisor and its determination of the fair market value shall be binding on Franchisor and Franchisee and no appeal shall lie therefrom. If Franchisor elects to exercise its option to purchase, it shall be entitled to set off against the purchase price all amounts owing by Franchisee to Franchisor or any of its Affiliates under this or any other agreement and the cost of any appraisal. If Franchisor exercises its option to purchase, the transaction of purchase and sale shall be closed on a date to be determined by Franchisor and shall be completed in accordance with all applicable laws to avoid claims of Franchisee's creditors. Franchisee shall deliver against payment of the purchase price a bill of sale with the usual covenants as to title, together with such other documents as may be necessary or desirable, in the reasonable opinion of Franchisor, to complete the transaction of purchase and sale.

Section 11.06 Assignment of Lease. Franchisee shall, at the option of Franchisor, assign to Franchisor all of Franchisee's right, title and interest in and to the Lease. Concurrently with such

assignment, Franchisee shall pay to the landlord thereof all amounts owing by Franchisee on account of rent and other charges payable under the Lease to the effective date of such assignment.

Section 11.07 Right of Entry. Forthwith upon the expiration or termination of this Agreement, Franchisor may enter upon, occupy and use all or any part of the Premises which are subject to a Lease and any Equipment and Furnishings and other property and assets located in, on or about such Premises and used in connection with the operation of the Franchised Business. Franchisor shall not be liable for any trespass or neglect in so doing or in respect of any depreciation or damages in connection with such action. All revenues, monies, profits, benefits and advantages derived from the management and operation of the Franchised Business throughout Franchisor's period of occupation shall be for the exclusive account of Franchisor, and Franchisor shall pay and discharge all debts and liabilities incurred by it during the period of its occupation. In addition, Franchisor shall have the option, but not the obligation, to pay all claims owing by Franchisee to any creditor of the Franchised Business and any amount so paid shall be chargeable to Franchisee and shall be paid by Franchisee to Franchisor forthwith upon demand. Franchisor shall not have any obligation to retain any employee of the Franchised Business or to honor any contractual commitments previously made by Franchisee in connection therewith and any liability with respect thereto shall be exclusively borne and paid for by Franchisee. If Franchisor elects to retain any employee, such employment shall be pursuant to a new employment agreement between Franchisor and such employee. Any claim of such employee for unpaid salary, vacation pay or other benefits arising from his employment with Franchisee shall be the exclusive responsibility of and be paid solely by Franchisee.

Section 11.08 Settlement of Accounts. Upon the earlier of sixty (60) days after the expiration or termination of this Agreement and the closing of a transaction of purchase and sale contemplated in Section 10.03 hereof, there shall be an accounting between Franchisee and Franchisor and its Affiliates with respect to any monies due by each to the other under this or any other agreement and each of the parties agrees to promptly pay to the other, by certified check or bank draft, whatever monies shall be found to be owing. If this Agreement has been terminated

Section 12.01 Confidentiality. Franchisee and the Guarantors acknowledge that in connection with the operation of the Franchised Business, Franchisor will be disclosing to them certain confidential information and trade secrets, including the Manual, of Franchisor and its Affiliates. Franchisee and each of the Guarantors each hereby (a) acknowledge and agree Franchisor owns all right, titles and interest in and to the confidential information; (b) acknowledge and agree the use or duplication of the confidential information in any other business would constitute an unfair method of competition with Franchisor and its franchisees; (c) acknowledge and agree they have no interest whatsoever in the System except the license in this Agreement; (d) agree that they will not, either directly or indirectly, use or divulge any such trade secrets or confidential information, except that during the term of this Agreement Franchisee may use such trade secrets and confidential information solely for the purpose of conducting the Franchised Business in accordance with the provisions of this Agreement and may divulge such trade secrets and confidential information to its employees, in circumstances of confidence and on a "need-to-know" basis to perform their jobs and only to the extent necessary to operate the Franchised Business. Franchisee agrees to take all appropriate actions to preserve the confidentiality of all confidential information and to use its reasonable best efforts to maintain and to cause its employees and agents to maintain the confidentiality of all such information and trade secrets. Franchisee agrees to obtain from the foregoing persons, upon request by Franchisor, written covenants, in form and terms prescribed from time to time by Franchisor, to maintain confidentiality.

Franchisee and each of the Guarantors will not use the System in any business or any capacity for the benefit of any person except as permitted under this Agreement or another written agreement with Franchisor. Franchisee will not permit copying of Confidential Information (including, as to computer software, any translation, decompiling, decoding, modification or other alteration of the source code of such software). Franchisee will use confidential information only for the Franchised Business and to perform under this Agreement. Upon termination (or earlier, as Franchisor may request), Franchisee shall return to Franchisor all originals and copies of the

Section 12.03 Post-Term Non-Competition. Franchisee and each of the Guarantors acknowledge that Franchisor's name, the Marks, the business reputation and the goodwill associated therewith, the methods and techniques employed by Franchisor, the training and instructions to be provided hereunder, the knowledge of the services and methods of Franchisor and the opportunities, associations and experiences established and acquired by Franchisee hereunder are of considerable value. Therefore, in the event of termination or expiration of this Agreement for any reason whatsoever, Franchisee and the Guarantors shall not (without prior written consent of Franchisor) at any time during the period of two (2) years from the date of such termination or expiration, either individually or in partnership or jointly or in conjunction with any person, as principal, agent, equity owner or in any other manner or capacity whatsoever, carry on, be engaged in, be concerned with or interested in or advise, lend money to, guarantee the debts or obligations of, or permit its name or any part thereof to be used or employed by any person engaged in or concerned with or interested in the development, operation, franchising or management of any business involving the preparation or home delivery of frozen prepared meals within the Territory or within the territory of any other Heart to Home Meals Business at the termination date of this Agreement.

The parties acknowledge and agree that if the foregoing covenant is determined by a court of competent jurisdiction to be unreasonable, whether as to the scope of the restriction, the geographic area of the restriction or the duration of the restriction, then such restriction shall be reduced to that which such court declares is reasonable.

Section 12.04 Non-Solicitation. Franchisee and each of the Guarantors agree that during the term of this Agreement and for a period of two (2) years thereafter, none of them will:

(a) attempt to obtain any unfair advantage over Franchisor, any franchisee of Franchisor, or any Affiliate thereof by soliciting for employment any person who is, at the time of

Until payment, observance and performance in full of the Obligations, the Guarantors shall not claim any set-off or counterclaim against Franchisee in respect of any liability of Franchisee to the Guarantors or claim or prove in the bankruptcy or insolvency of Franchisee in competition with Franchisor or have any right to be subrogated to Franchisor. All present and future debts and liabilities of Franchisee to the Guarantors are hereby postponed to the Obligations and all monies received by the Guarantors in respect thereof shall be received in trust for Franchisor and forthwith upon receipt shall be paid over to Franchisor, the whole without in any way lessening or limiting the liability of the Guarantors under this Guarantee. This postponement is independent of the Guarantee and shall remain in full force and effect until payment, observance and performance in full to Franchisor of all of the Obligations is made, notwithstanding that the liability of the Guarantors under this Guarantee may have been terminated.

Neither Franchisee nor the Guarantors shall be bound by any representation, warranty, promise or other inducement made by any person relating to this Guarantee which is not expressly set out herein or in any documents delivered in connection herewith or contemplated hereby. Franchisor is not bound by any representations, warranties, promises or other inducements made by Franchisee to the Guarantors and execution of this Agreement by Franchisor shall be conclusive-

evidence against the Guarantors that this Agreement was not delivered in escrow or pursuant to any Agreement that it should not be effective until any condition precedent or subsequent has been met. This Guarantee shall not be discharged or affected by the death of any of the Guarantors.

ARTICLE XIV
GENERAL CONTRACT PROVISIONS

Section 14.01 Indemnity. Franchisee and the Guarantors, jointly and severally agree, during and after the term of this Agreement, to indemnify and hold harmless Franchisor and its Affiliates and their respective officers, directors and shareholders (collectively the "**Indemnitees**") from and against any and all loss, damage, liability, costs and expenses in connection therewith incurred by the Indemnitees or any of them as a result of any violation of this Agreement by or any act of omission or commission on the part of Franchisee or a Guarantor or any of their agents or employees and from all claims, damages, suits or rights arising from the operation of the Franchised Business.

Section 14.02 Independent Contractor. The relationship among the parties hereto is that of independent contractors and no fiduciary relationship, partnership, joint venture, agency or employment is created or intended to be created by this Agreement. Franchisee agrees that it has no authority to bind or to attempt to bind Franchisor in any manner or form whatsoever or to assume or to incur any obligation or responsibility, express or implied, for or on behalf of or in the name of Franchisor. Franchisee shall use its own name in all dealings with third parties to clearly indicate the independent ownership of the business and that Franchisee is acting on its own behalf and not on behalf of Franchisor. Neither party will have the authority to act or contract on behalf of the other. Neither party will have any responsibility for the obligations of the other party.

Section 14.03 Reserved Rights. Whenever Franchisor reserved in this Agreement a right to take or withhold an action, or is deemed to have a right and/or discretion to take or withhold an action, or to grant or decline to grant Franchisee a right to take or omit an action, except as otherwise expressly and specifically provided in this Agreement, Franchisor may make its decision

or exercise its rights, on the basis of the information readily available to Franchisor and its judgment of what is in its best interests and/or in the best interests of the its franchise network, at the time the decision is made, without regard to whether: (i) other reasonable alternative decisions or actions could have been made by Franchisor; (ii) Franchisor's decision or action will promote its financial or other individual interest; (iii) Franchisor's decision or the action it takes applies differently to Franchisee and one or more other franchisees or its company-owned operations; or
(iv) Franchisor's decision or the exercise of its right or discretion is adverse to Franchisee's interests. In the absence of an applicable statute, Franchisor will have no liability to Franchisee for any such decision or action. Franchisor and Franchisee intend that the exercise of Franchisor's right or discretion will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, the parties acknowledge that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of this Agreement and that this Agreement grants Franchisor the right to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisee's rights and obligations hereunder.

Section 14.04 Reasonable Business Judgment. Franchisor and Franchisee agree that Franchisor may use its Reasonable Business Judgment in the exercise of its rights, obligations and

discretion under this Agreement except where otherwise indicated. "**Reasonable Business Judgment**" means that Franchisor's determination shall prevail even in cases where other alternatives are also reasonable so long as it intends to benefit or its actions or omissions could benefit the System. Examples of benefits to the System would include, without limitation, protecting or enhancing the value of the Marks, promoting economic efficiency or gain for the System or the Franchised Businesses, increasing customer satisfaction, increasing brand identification, or minimizing possible customer brand or location confusion. Franchisor shall not be required to consider Franchisee's particular economic or other circumstances when exercising its Reasonable Business Judgment. At no time are Franchisee or any third party (including, but not limited to other franchise owners or any trier of fact) entitled to substitute your or its judgment for a judgment, which has been made by or on behalf of Franchisor which meets the definition of Reasonable Business Judgment. Franchisor and Franchisee agree that the long-term goals of a franchise system, and the long-term interests of both Franchisor and all franchisees, taken together, require that Franchisor have the latitude to exercise its Reasonable Business Judgment.

Section 14.05 Time. Time is of the essence of this Agreement.

Section 14.06 Overdue Amounts. All amounts from time to time owing to Franchisor or its Affiliates by Franchisee under this or any other agreement shall bear interest from and after the due date until paid in full at the Prime Bank Rate plus four percent (4%), calculated and payable monthly on the first day of each month, not in advance, both before and after maturity, default and judgment, with interest on overdue interest at the same rate. The acceptance of any interest payment shall not be construed as a waiver by Franchisor of its rights in respect of the default giving rise to such payment and shall be without prejudice to Franchisor's right to terminate this Agreement in respect of such default.

Section 14.07 Force Majeure. Neither party shall be responsible to the other for non-performance or delay in performance occasioned by any causes beyond its control, including without limitation, acts or omissions of the other party, acts of civil or military authority, acts of terrorism, strikes, lockouts, embargoes, insurrections, acts of God, outbreaks of disease or inability

(b) to Franchisee
and the Guarantors: [location]
Email: [email]

or at such other address as may be given by one of them to the other in writing from time to time and such Notices shall be deemed to have been received when delivered, one (1) day following the date of transmission by facsimile or other electronic transmission or, if mailed, five (5) business days after the date of mailing.

Section 14.09 Waiver of Obligations. Franchisor may by written instrument unilaterally waive any obligation of, or restriction upon, Franchisee under this Agreement. No acceptance by Franchisor of any payment from Franchisee and no failure, refusal or neglect of Franchisor to exercise any right under this Agreement or to insist upon full compliance by Franchisee with its obligations hereunder shall constitute a waiver of any provision of this Agreement.

Section 14.10 Rights Cumulative. The rights of Franchisor under this Agreement are cumulative and the exercise or enforcement by Franchisor of any right or remedy hereunder shall not preclude the exercise or enforcement by Franchisor of any other right or remedy hereunder or to which Franchisor may otherwise be entitled by law.

Section 14.11 No Liability. Franchisor and its Affiliates and their respective officers, directors, employees and agents shall not be responsible or otherwise liable for any injury, loss, or damage resulting from, occasioned to or suffered by any person or to any property because of any goods or services sold or otherwise provided by them to Franchisee.

Section 14.12 Right of Offset. Notwithstanding any other provision of this Agreement, upon the failure of Franchisee to pay Franchisor as and when due any sums of money, Franchisor may, at its election, deduct any and all such sums remaining unpaid from any monies or credit held by Franchisor for the account of Franchisee.

Section 14.13 Franchisee Cannot Withhold. Franchisee agrees that it shall not, on grounds of the alleged non-performance by Franchisor of any of its obligations hereunder,

Section 14.17 Survival. The rights of Franchisor and the obligations of Franchisee and each of the Guarantors Section 14.01 and under Article XII and Article XIII of this Agreement shall survive the expiration or termination of this Agreement. The provisions of this Agreement which, by their terms, survive the termination or expiration of this Agreement will survive the termination or expiration of this Agreement for any reason.

Section 14.18 Language. The parties to this Agreement acknowledge having required that this Agreement as well as all notices, documents or agreements related to this Agreement be drafted in English.

Section 14.19 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The parties hereto agree that this Agreement may be transmitted by facsimile or such similar device and that the reproduction of signatures by facsimile or such similar device will be treated as binding as if originals.

ARTICLE XV
ACKNOWLEDGEMENTS AND WARRANTY

Section 15.01 Independent Investigation. Franchisee and the Guarantors acknowledge that, prior to executing this Agreement, they have conducted an independent investigation of the business franchised hereunder. Franchisee and the Guarantors further acknowledge that the business venture contemplated by this Agreement involves business risks and that its success will be dependent upon the ability of Franchisee and the Guarantors as independent businessmen. Franchisor expressly disclaims the making of, and Franchisee and each Guarantor acknowledges that he has not received, any representation, warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by this Agreement.

Section 15.02 Independent Advice. Franchisee and the Guarantors acknowledge that they have received, have had an ample time to read and have read this Agreement and Franchisor's Disclosure Document and fully understand all of their respective provisions. Franchisee and the

Guarantors further acknowledge that they have had an adequate opportunity to be advised by advisors of their own choosing regarding all pertinent aspects of the business venture contemplated by this Agreement and the franchise relationship created hereby.

Section 15.03 Volume Rebates. Franchisor reserves the right to receive and retain, without accountability to Franchisee, any volume rebates, commissions, bonuses and other concessions, whether by way of cash, kind or credit, from any manufacturer or supplier designated by Franchisor, whether or not on account of purchases made (i) by Franchisor for its own account or for the account of Franchisee or (ii) by Franchisee directly for its own account.

ARTICLE XVI
MISCELLANEOUS

Section 16.01 Table of Contents and Headings. The table of contents preceding this Agreement into articles and sections and the insertion of articles, sections and headings are for the

convenience of reference only and shall not affect the interpretation or construction of this Agreement.

Section 16.02 Number and Gender. In this Agreement the use of the singular number includes the plural and vice versa, the use of any gender includes all genders and the word "person" includes any individual or business entity, including (without limitation) corporation, joint venture, general partnership, limited partnership, limited liability company, or trust.

Section 16.03 Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the Delaware without regard to its conflict of laws principles.

Except for any third party dispute in which the parties may be involved, the proper, sole and exclusive venue and forum for any action arising out of or in any way related to this Agreement shall in the federal and state court districts in which Franchisor then has its principal place of business. As of the Effective Date, the proper venue is in the United States District Court for the District of Massachusetts and Middlesex County, Massachusetts. Each party to this Agreement hereby consents to any of those courts' exercise of personal jurisdiction over the party in that type of action and expressly waives all objections the party otherwise might have to that exercise of personal jurisdiction.

Section 16.04 Legal Fees. If either party succeeds in any legal action to enforce this Agreement, the losing party will reimburse the prevailing party for its outside and inside attorneys' fees and costs related to the action, in addition to any other relief obtained by the prevailing party.

Section 16.05 Entire Agreement. This Agreement together with the schedules attached hereto constitutes the entire Agreement between the parties with respect to the matters herein and supersedes all previous agreements and understandings between the parties in any way relating to the subject matter hereof. It is expressly understood and agreed that Franchisor has made no representations, inducements, warranties or promises, whether direct, indirect or collateral, expressed or implied, oral or otherwise, concerning this Agreement, the matters herein, the Franchised Business or concerning any other matters which are not embodied herein. Except for

the rights expressly reserved for Franchisor to effect unilateral amendments to and modifications of this Agreement, the System, its components, the Program, the Manual and other aspects of the relationship, no amendment or modification of this Agreement shall be binding unless and until a written amendment is signed by Franchisor and Franchisee. Notwithstanding the foregoing, nothing in this Franchise Agreement or any related agreement is intended to disclaim any representations made by Franchisor in the Franchise Disclosure Document you received.

Section 16.06 Severability of Clauses. If any covenant or other provision of this Agreement is invalid, illegal or incapable of being enforced by reason of any rule of law or public policy, all other conditions and provisions of this Agreement shall, nevertheless, remain in full force and effect and no covenant or provision shall be deemed dependent upon any other covenant or provision unless so expressed herein.

Section 16.07 Agreement Binding Successors and Assigns. Subject to the restrictions on assignment herein contained, this Agreement shall inure to the benefit of and be binding upon

Franchisor, Franchisee, the Guarantors and their respective heirs, executors, administrators, successors and assigns.

Section 16.08 Taxes. All payments provided for herein are exclusive of applicable sales taxes, good and services taxes and other like taxes imposed upon the provision of goods or services.

Section 16.09 JURY TRIAL WAIVER. FRANCHISOR AND FRANCHISEE EACH IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER FRANCHISOR OR FRANCHISEE.

Section 16.10 Waiver of Punitive Damages. EXCEPT FOR FRANCHISEE'S OBLIGATIONS TO INDEMNIFY FRANCHISOR PURSUANT TO SECTION OF THIS AGREEMENT AND CLAIMS FOR UNAUTHORIZED USE OF THE MARKS, COPYRIGHTS OR CONFIDENTIAL INFORMATION OR FRANCHISEE OR ITS OWNERS', OFFICERS', DIRECTORS', EMPLOYEES' OR AGENTS' VIOLATION OF THE NONCOMPETITION COVENANTS, FRANCHISOR AND FRANCHISEE EACH WAIVE TO THE FULL EXTENT PERMITTED BY LAW ANY RIGHT TO, OR CLAIM FOR, ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER. FRANCHISOR AND FRANCHISEE ALSO AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN THE PARTIES THAT IS SUBJECT TO THE LIMITATION OR EXEMPTION OF PUNITIVE DAMAGES, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

Section 16.11 No Class Actions. FRANCHISEE WAIVES THE RIGHT AND OPTION, AND COVENANT NOT TO PARTICIPATE IN, ANY CLASS ACTION, MULTIPLE CLAIMANT, COUNTER CLAIMANT OR THIRD PARTY CLAIMANT CLASS ARBITRATION OR LITIGATION AGAINST FRANCHISOR OR ANY AFFILIATE. FRANCHISEE ACKNOWLEDGES THAT THE REMEDIES PROVIDED TO AND FOR IT UNDER THIS AGREEMENT ARE SUFFICIENT AND ACCEPTABLE TO FRANCHISEE AND PROVIDE AN APPROPRIATE MEANS TO SEEK REDRESS

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

~~FRANCHISOR~~

FRANCHISOR
HTHM FRANCHISING, LLC

_____
I have the authority to bind the Company.

By: _____
Its: _____
Effective Date: _____

FRANCHISEE

_____
I have the authority to bind the Company.

By: _____
Its: _____
Effective Date: _____

SIGNED, SEALED AND DELIVERED in the presence of

_____

_____

GUARANTORS

_____
Name

_____
Name

~~HTHM FRANCHISING, LLC~~

~~I have the authority to bind the Company. By: _~~
~~Its: _____~~
~~Effective Date: _____~~

~~**FRANCHISEE**~~

~~I have the authority to bind the Company. By: _~~
~~Its: _____~~

Effective Date: _____

SIGNED, SEALED AND DELIVERED)
in the presence of)
)

GUARANTORS

)
_____) Name
)
)
_____)

SPOUSAL JOINDER

The undersigned spouses of the Guarantors join in this Franchise Agreement for the limited purpose of agreeing to be bound by and subject to Articles X (Assignment), XII (Confidentiality; Restrictive Covenants), and XVI (Miscellaneous) of the Franchise Agreement.

By: _____

Printed Name: _____

By: _____

~~)~~Printed Name: _____ ~~Name~~

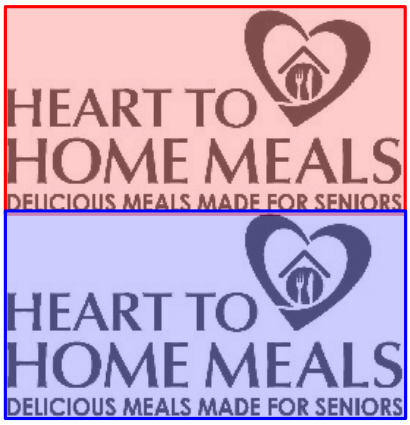
SCHEDULE A

SALES TARGET

Time Period *	**Gross Sales (non-cumulative)**
Year 1	$ _____
Year 2	$ _____
Year 3	$ _____
Year 4	$ _____
Year 5	$ _____
Year 6	$ _____
Year 7	$ _____
Year 8	$ _____
Year 9	$ _____
Year 10	$ _____

*Year 1 begins on the Actual Opening Date and ends on the first anniversary thereof. Each subsequent year runs for the same 12-month period thereafter.

SCHEDULE D
MARKS

Mark	Registration Number	Principal or Supplemental Register	Registration Date
Heart to Home Meals	5158658	Principal	March 14, 2017
Words Plus Design 	5158662	Principal	March 14, 2017

~~(DEBITS)~~

AUTHORIZATION AGREEMENT
FOR PRE-AUTHORIZED PAYMENTS

(DEBITS)

HTHM Franchising, LLC _____
COMPANY NAME COMPANY ID NUMBER

I (we) authorize HTHM Franchising, LLC (the "**Company**") and _____ (the "**Bank**") to electronically credit and/or debit my (our): checking _ savings account specified below. Such credits and/or debits shall take place on a [RECURRING TIME PERIOD] basis with a minimum amount of $[___] and a maximum amount of $[____] per transaction. Such minimum and maximum amounts may be amended at any time by any written notice from me (us) to Company.

~~CUSTOMER'S BANK NAME BRANCH LOCATION~~

CUSTOMER'S BANK NAME BRANCH LOCATION

_____ _____

_____ _____

CITY STATE ZIP CODE

_____ _____

CUSTOMER'S BANK TRANSIT/ ACCOUNT NUMBER
ABA NUMBER

~~CITY STATE ZIP CODE~~

_____

~~CUSTOMER'S BANK TRANSIT/~~
~~ABA NUMBER~~

~~ACCOUNT NUMBER~~

This authority will remain in full force and effect until the Company and the Bank receive notification from the undersigned of its termination in time for the Company and the Bank to act on it. The Company will provide the undersigned with a copy of this Authorization Agreement upon request.

CUSTOMER NAME(S) - (Please print) CUSTOMER NUMBER

SIGNATURE	DATE	SIGNATURE	DATE

~~CUSTOMER NAME(S) - (Please print)~~ ~~CUSTOMER NUMBER~~

~~SIGNATURE~~	~~DATE~~	~~SIGNATURE~~	~~DATE~~

12. SEVERABILITY AND MODIFICATION. If any of the provisions in this Agreement is determined to be invalid, illegal, or unenforceable, such determination shall not affect the validity, legality, or enforceability of the other provisions in this Agreement. No waiver, modification or amendment of, or any other change to, this Agreement will be effective unless done so in a separate writing signed by the Secured Party.

13. NOTICES. Any notice or other communication required or permitted to be given under this Agreement, including, without limitation, notices under Sections 4, 5 and 10 of this Agreement, shall be given to the parties and shall become effective as provided in the notice sections of the Franchise Agreement, which are incorporated herein by this reference.

14. ENTIRE AGREEMENT. This Agreement (including the Recitals, which are an integral part of this Agreement, and all documents referred to herein) represents the entire agreement between the Grantor and the Secured Party and supersedes all previous understandings and agreements between the Grantor and the Secured Party, whether oral or written, regarding the subject matter hereof.

15. GOVERNING LAW. This Agreement will be interpreted and construed according to the laws of the State of Delaware, including, but not limited to, the UCC, without regard to choice-of-law rules in any jurisdiction.

16. VENUE. Section 16.03 of the Franchise Agreement is incorporated herein by this reference.

IN WITNESS WHEREOF, the undersigned Grantor and Secured Party have executed this Security Agreement as of the date first above written.

~~GRANTOR~~

GRANTOR

[ENTITY NAME], as Grantor

By: _____
Name: _____
Title: _____

OWNERS

By: _____
Name: _____

By: _____
Name: _____

SECURED PARTY
HTHM Supply LLC, as Secured Party

By: _____
Name: _____
Title: _____

~~[ENTITY NAME], as Grantor~~

~~By: _____ Name: _____ Title: _____~~

~~**OWNERS**~~

~~By: _____ Name: _____~~

~~By: _____ Name: _____~~

~~**SECURED PARTY**~~
~~**HTHM Supply LLC**, as Secured Party~~

~~By: _____ Name: _____ Title: _____~~

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

~~FRANCHISOR~~

FRANCHISOR

HTHM Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE

By: _____
Name: _____
Title: _____
Date: _____

~~HTHM Franchising, LLC~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date: _____~~

~~**FRANCHISEE**~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date: _____~~

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

~~**FRANCHISOR**~~

FRANCHISOR

HTHM Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE

By: _____
Name: _____
Title: _____
Date: _____

~~HTHM Franchising, LLC~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date: _____~~

~~**FRANCHISEE**~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date:~~

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

~~**FRANCHISOR**~~

FRANCHISOR

HTHM Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE

By: _____
Name: _____
Title: _____
Date: _____

~~**HTHM Franchising, LLC**~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date: _____~~

~~**FRANCHISEE**~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date: _____~~

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

~~**FRANCHISOR**~~

FRANCHISOR

HTHM Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE

By: _____
Name: _____
Title: _____
Date: _____

~~**HTHM Franchising, LLC**~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date: _____~~

~~**FRANCHISEE**~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date:~~

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

~~**FRANCHISOR**~~

FRANCHISOR

HTHM Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE

By: _____
Name: _____
Title: _____
Date: _____

~~**HTHM Franchising, LLC**~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date: _____~~

~~**FRANCHISEE**~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date:~~

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

~~**FRANCHISOR**~~

FRANCHISOR

HTHM Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE

By: _____
Name: _____
Title: _____
Date: _____

~~**HTHM Franchising, LLC**~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date: _____~~

~~**FRANCHISEE**~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date:~~

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

~~**FRANCHISOR**~~

FRANCHISOR

HTHM Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE

By: _____
Name: _____
Title: _____
Date: _____

~~**HTHM Franchising, LLC**~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date: _____~~

~~**FRANCHISEE**~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date:~~

ADDENDUM TO THE FRANCHISE AGREEMENT PURSUANT TO THE VIRGINIA RETAIL FRANCHISING ACT

This "Addendum" is made and entered into by and between HTHM Franchising, LLC, a Delaware limited liability company ("we", "our" or "us"), as franchisor and _____, a _____ ("you"), as franchisee, to amend and supplement that certain Franchise Agreement that we and you have executed, and is dated as of the same date. The following provisions supersede and control any conflicting provisions of the Franchise Agreement:

1. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act (the "Virginia 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 do not constitute reasonable cause, as that term may be defined in the Virginia Act or the laws of Virginia, that provision may not be enforceable.

2. You acknowledge that your failure to pay the Initial Franchise Fee when due is a material default under the Franchise Agreement, and we can suspend providing services to you and cause approved suppliers to suspend providing goods and services to you, until we receive the Initial Franchise Fee.

3. Effective July 1, 2026, notwithstanding any provision of the Agreement to the contrary, any provision of the Agreement that restricts the right of Franchisee to engage in the business of offering, selling, or distributing goods or services at retail after the termination or expiration of the Agreement is void and will be of no force or effect with respect to Virginia, pursuant to Va. Code Section 13.1-563(A)(4)(as amended effective July 1, 2026).

4. Effective July 1, 2026, nothing in this Addendum shall be construed to limit the enforceability of a covenant not to compete entered into in connection with the sale of the franchised business by Franchisee to a third-party or back to Franchisor at a mutually agreed upon price, provided that such covenant does not restrict the right of such Franchisee to engage in the business of offering, selling, or distributing goods or services at retail for a period exceeding two (2) years following the date of such sale, as permitted by Va. Code Section 13.1-563(B).

5. Effective July 1, 2026, pursuant to Va. Code Section 13.1559(D), to the extent the franchise agreement contemplates or requires the franchisee to establish or maintain a place of business in Virginia, the franchise agreement shall be governed by Virginia law.

6. 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.

47. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. This Addendum is incorporated in and made a part of the Franchise Agreement for the State of Virginia.

(Signatures Appear on Following Page)

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

~~**FRANCHISOR:**~~

FRANCHISOR:

HTHM Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____
Date: _____

~~**HTHM Franchising, LLC**~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date: _____~~

~~**FRANCHISEE:**~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date:~~

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

~~**FRANCHISOR**~~

FRANCHISOR

HTHM Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE

By: _____
Name: _____
Title: _____
Date: _____

~~**HTHM Franchising, LLC**~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date: _____~~

~~**FRANCHISEE**~~

~~By: _____ Name: _____~~
~~Title: _____~~
~~Date:~~

(v) Any act by, or conduct of, the Franchisee which materially impairs the goodwill associated with the Franchisor's Trademark, trade name, service mark, logotype or other commercial symbol.

(C) Unless the failure to renew the franchise is for good cause as defined in clause (B), Franchisor may not fail to renew a franchise unless (i) the Franchisee has been given written notice of the intention not to renew at least 180 days in advance thereof and (ii) has been given an opportunity to operate the franchise over a sufficient period of time to enable the franchisee to recover the fair market value of the franchise as a going concern measured from the date of the failure to renew. No franchisor may refuse to renew a franchise if the refusal is for the purpose of converting the franchisee's business premises to an operation that will be owned by the franchisor for its own account.

A franchisor may not unreasonably withhold consent to an assignment, transfer, or sale of the franchise where the assignee meets the present qualifications and standards required of other franchisees.

Item 13 is modified as follows: 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.

Minnesota Rules 2860.4400(D) 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.

Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. The franchiser will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.

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

The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5.

NSF checks are governed by Minnesota Statute 604.113, which puts a cap of $30 on service charges.

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.

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for franchisee to renew or extend**," and Item 17(m), entitled **"Conditions for franchisor approval of transfer**":

> However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled **"Termination by franchisee":** You may terminate the agreement on any grounds available by law.

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

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

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

7. Receipts—Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

ADDENDUM TO THE DISCLOSURE DOCUMENT PURSUANT TO THE VIRGINIA RETAIL FRANCHISING ACT

The following provisions supersede the Disclosure Document and apply to all franchises offered and sold in the State of Virginia:

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

(a) Any provision in any of the contracts that you sign with the Franchisor 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*.).

(b) Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act (the "Virginia 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 and/or the Development Agreement do not constitute reasonable cause, as that term may be defined in the Virginia Act or the laws of Virginia, that provision may not be enforceable.

2. The Virginia Retail Franchise Act, Va. Code Sections 13.1-557 et seq., as amended effective July 1, 2026, prohibits the inclusion of post-termination or post-expiration non-competition covenants in franchise agreements where the franchisee is required to establish or maintain a place of business within the Commonwealth of Virginia. Accordingly, on and after July 1, 2026, the following modifications apply to the Franchise Disclosure Document with respect to Virginia franchisees:

(a) Post-Termination Non-Compete. Any provision described in Item 17 that restricts a franchisee's right to engage in the business of offering, selling, or distributing goods or services at retail following termination or expiration of the franchise agreement is void and unenforceable under Virginia law and shall not apply to franchised businesses in Virginia.

(b) Resale Non-Compete Exception. A covenant not to compete of up to two (2) years in duration may be included in connection with a franchisee's sale of the franchised business. to a third party or back to Franchisor at a mutually agreed-upon price, as permitted by Va. Code Section 13.1-563(B).

(c) Governing Law. To the extent the franchise agreement contemplates or requires the franchisee to establish or maintain a place of business in Virginia, the franchise agreement shall be governed by Virginia law pursuant to Va. Code Section 13.1-559(D).

~~2~~3. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

RÖDL

We pave the way.
Worldwide.

roedl.us

HTHM Franchising LLC and Subsidiary

Consolidated Financial Statements

As of December 31, 2025 and 2024

Together with Independent Auditors' Report

HTHM FRANCHISING LLC AND SUBSIDIARY
TABLE OF CONTENTS
DECEMBER 31, 2025 AND 2024

Page(s)

INDEPENDENT AUDITORS' REPORT ..... 1 - 2

CONSOLIDATED BALANCE SHEETS 3

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN MEMBER'S CAPITAL 4

CONSOLIDATED STATEMENTS OF CASH FLOWS 5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS ..... 6 - 9

To the Member and Management of HTHM Franchising LLC and Subsidiary:

We pave the way. Worldwide.

roedl.us

Rödl Langford de Kock LLP
Certified Public Accountants

Independent Auditors' Report

Opinion

We have audited the consolidated financial statements of HTHM Franchising LLC and Subsidiary (the "Company"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the related consolidated statements of operations and changes in member's capital, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter – Related Party Transactions

As mentioned in the notes to the consolidated financial statements, the Company has material transactions with related parties. Our opinion on the consolidated financial statements is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing our audits in accordance with GAAS, we:

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

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

Birmingham, Alabama,
April 1, 2026.

HTHM FRANCHISING LLC AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In U.S. Dollars)

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash	$ 34,807	$ 20,262
Accounts receivable - trade, net of allowance for expected credit losses of $-0- and $-0-, respectively	136,953	-
Accounts receivable - related party	3,094,446	1,071,243
Inventories, net	772,136	454,833
Prepaid expenses and other current assets	3,925	3,742
Total current assets	$ 4,042,267	$ 1,550,080
LIABILITIES AND MEMBER'S CAPITAL		
CURRENT LIABILITIES		
Accounts payable - trade	$ 55,650	$ 29,823
Accounts payable - related parties	520,425	525,879
Current portion of deferred franchise revenue	10,476	-
Total current liabilities	586,551	555,702
DEFERRED FRANCHISE REVENUE	65,714	-
Total liabilities	652,265	555,702
MEMBER'S CAPITAL	3,390,002	994,378
	$ 4,042,267	$ 1,550,080

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

HTHM FRANCHISING LLC AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN MEMBER'S CAPITAL
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In U.S. Dollars)

	2025	2024
REVENUE	$ 5,434,278	$ 2,038,171
COST OF REVENUE	2,739,191	1,258,499
GROSS PROFIT	2,695,087	779,672
OPERATING EXPENSES	299,713	171,596
INCOME FROM OPERATIONS	2,395,374	608,076
OTHER INCOME	250	2,885
NET INCOME	2,395,624	610,961
MEMBER'S CAPITAL - BEGINNING	994,378	383,417
MEMBER'S CAPITAL - END	$ 3,390,002	$ 994,378

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

HTHM FRANCHISING LLC AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In U.S. Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 2,395,624	$ 610,961
Adjustments to reconcile net income to net cash from operating activities:		
Inventory obsolescence reserve	6,972	69,764
(Increase) decrease in operating assets		
Accounts receivable - trade	(136,953)	-
Accounts receivable - related party	(2,023,203)	(638,171)
Inventories	(324,275)	(191,362)
Prepaid expenses and other current assets	(183)	(3,742)
Increase (decrease) in operating liabilities		
Accounts payable - trade	25,827	(17,805)
Accounts payable - related parties	(5,454)	62,026
Accrued expenses and other current liabilities	-	(389)
Deferred franchise revenue	76,190	-
Net cash flows from operating activities	14,545	(108,718)
CASH - BEGINNING	20,262	128,980
CASH - END	$ 34,807	$ 20,262
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for:		
Interest	$ -	$ -
Income taxes	$ -	$ -

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

HTHM FRANCHISING LLC AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024
(In U.S. Dollars)

1. ORGANIZATION AND INDUSTRY

HTHM Franchising LLC was formed in Delaware during August 2018 and is a wholly owned subsidiary of US Food Holdings LLC. HTHM Franchising LLC owns 100% of the membership interests of HTHM Supply LLC. HTHM Franchising LLC is established to issue franchise agreements and receive franchise fees, including royalties. It established its initial franchisees during 2025. HTHM Supply LLC exists to purchase inventories from a related party and to sell inventories to a related party and to franchisees. The entities primarily operate from Marlborough, Massachusetts. HTHM Franchising LLC and HTHM Supply LLC are hereafter referred to together as the "Company." The Company's principal market is the United States of America.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash

The Company maintains bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Accounts receivable - trade

Accounts receivable - trade represent billings for initial franchise fees and for sales of frozen food products to franchisees and are recorded at the original amount specified in the agreements with franchisees. Accounts receivable - trade are recorded at the invoiced amount and presented net of the allowance for expected credit losses. Franchisees typically are provided with payment terms of 10 to 15 days. The Company has established tracking of historical loss information for its accounts receivable - trade and will compile historical credit loss percentages for different aging categories (current, 1-30 days past due, 31-60 days past due, 61-90 days past due, and more than 90 days past due).

Management believes that tracking the historical loss information will provide a reasonable starting point in which to calculate the allowance for expected credit losses for accounts receivable - trade.

The Company writes off accounts receivable - trade when there is information that indicates the debtor is facing significant financial difficulty and the possibility of recovery is unlikely. If any recoveries are made from any accounts previously written off, they will be recognized in income or an offset to credit loss expense in the year of recovery, in accordance with the Company's accounting policy election. Write offs of accounts receivable - trade were insignificant for the years ended December 31, 2025 and 2024.

Interest is accrued on overdue accounts receivable - trade. Interest income on overdue accounts receivable - trade was insignificant for the years ended December 31, 2025 and 2024.

Inventories

Inventories are stated at the lower of cost and net realizable value, with cost determined by the first-in, first-out method. Inventories consist entirely of finished goods purchased for resale.

Income and deferred taxes

The Company is a member of a group (the "Group") that files a consolidated income tax return. The Company is a disregarded entity for federal and state income tax purposes, and therefore, the results of the Company's operations are allocated to the member for inclusion in its respective income tax returns. Accordingly, no provision or benefit for income taxes has been recorded in the accompanying consolidated financial statements.

The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such positions are then measured based on the Company's largest benefit that has a greater than 50% likelihood of being realized upon settlement. An income tax expense, including associated interest and penalties, and tax liability, is recorded should the Company take a tax position that has a lesser than 50% likelihood of being realized upon settlement. There were no such tax liabilities recorded as of December 31, 2025 and 2024.

The Group files income tax returns in the United States of America federal jurisdiction and in various state jurisdictions. Generally, the Group's federal income tax returns are subject to examination by the Internal Revenue Service three years from the filing date. Generally, the state jurisdictions in which the Group files income tax returns are subject to examination for a period from three to seven years after the returns are filed.

Advertising cost

Advertising costs are expensed as incurred. For the years ended December 31, 2025 and 2024, advertising costs were $-0- and $1,249, respectively. As required by their franchise agreements, franchisees may be required to contribute a monthly fee to various advertising funds. These funds will be used to procure national advertising that benefits all Heart to Home Meals franchisees.

Revenue recognition

Revenue is measured based on consideration specified in a contract with a customer, and excludes any sales incentives and amounts collected on behalf of third parties. The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product to a customer in an amount that reflects the consideration the Company expects to be entitled to in exchange for those products.

For performance obligations related to frozen food products, control transfers to the customer at a point in time. The Company's standard shipping terms are FOB Origin, and the Company transfers control and records revenue for product upon shipment. Standard payment terms are 15 days. There are no significant financing components. Further, there is no associated variable consideration, such as rebates, allowances, and returns that would generally decrease the transaction price which reduces revenue.

The Company also derives revenue from franchise agreements. Franchise agreements generally have initial terms of 7 years. The franchise arrangement between the Company as the franchisor and the franchisee as the customer requires the Company to perform various activities to support the brand that do not directly transfer goods and services to the franchisee, but instead represent a single performance obligation, which is the transfer of the franchise license. The intellectual property subject to the franchise license is symbolic intellectual property as it does not have significant standalone functionality, and substantially all the utility is derived from its association with the Company's past or ongoing activities. The nature of the Company's promise in granting the franchise license is to provide the franchisee with access to the brand's symbolic intellectual property over the term of the license. The service provided by the Company are highly interrelated with the franchise license and as such are considered to represent a single performance obligation.

Initial fees related to new franchise agreements are recorded as deferred franchise revenue and recognized ratably over the term of the related franchise agreement and are included in initial franchise fees in the statements of operations and changes in member's capital (see Note 6). Under certain circumstances, the Company may terminate franchise agreements. In these instances, the Company may be entitled to receive the remaining committed franchise fees due under the terminated franchise agreement.

Fees for consulting, training and other services are recognized as the services are provided and are included in revenue in the statements of operations and changes in member's capital.

In determining the amount and timing of revenue from contracts with customers, the Company exercises significant judgment with respect to collectability of the amount; however, the timing of recognition does not require significant judgment as it is based on either the franchise term, the month of sale as reported by the franchisee or the date of product shipment, none of which require significant estimation.

The Company may incur contract acquisition costs in conducting its franchising activities. The Company believes its franchising arrangements do not contain a significant financing component.

Deferred franchise revenue

Deferred franchise revenue is considered a contract liability. The change in deferred franchise revenue is as follows for the years ended December 31:

	2025	2024
Balance, beginning of year	$ -	$ -
Increase from billings and collections	80,000	-
Revenue recognized	(3,810)	-
Balance, end of year	$ 76,190	$ -

Use of estimates
The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Shipping and handling cost
Shipping and handling costs associated with items delivered to customers are expensed as incurred and are recorded in operating expenses in the accompanying consolidated statements of operations and changes in member's capital.

Foreign currency transactions
The U.S. dollar is the functional currency of the Company. Transactions denominated in foreign currency are translated using the prevailing exchange rate at the date of the transaction. A gain or loss on foreign currency translation is recorded based on the change in the exchange rate between the date of the transaction and the settlement date. Balances denominated in foreign currencies and still outstanding at the balance sheet date are translated using the prevailing rate at the balance sheet date.

Concentration of risk and significant customers and vendors
For financial disclosure purposes, the Company defines significant customers and vendors as those equaling or exceeding 10 percent of revenue or purchases for any year, and/or 10 percent of year-end accounts receivable - trade and accounts receivable - related party, and accounts payable - trade and accounts payable - related parties.

Approximately 98 percent of revenue for 2025 and approximately 96 percent of accounts receivable - trade and accounts receivable - related party as of December 31, 2025 was attributed to one customer, who is a related party. Approximately 100 percent of revenue for 2024 and approximately 100 percent of accounts receivable - trade and accounts receivable - related party as of December 31, 2024 was attributed to one customer, who is a related party. See Note 5.

Approximately 86 percent of purchases for 2025 and approximately 90 percent of accounts payable - trade and accounts payable - related parties as of December 31, 2025 was attributed to two vendors, who are related parties. Approximately 100 percent of purchases for 2024 and approximately 100 percent of accounts payable - trade and accounts payable - related parties as of December 31, 2024 was attributed to two vendors, who are related parties. See Note 5.

Principles of consolidation
The accompanying consolidated financial statements include the accounts of HTHM Franchising LLC and its wholly owned subsidiary HTHM Supply LLC. Upon consolidation, all material intercompany balances and transactions have been eliminated.

3. ACCOUNTS RECEIVABLE - TRADE

Accounts receivable - trade consisted of the following at December 31:

	2025	2024	2023
Trade receivables	$ 96,953	$ -	$ -
Franchise fees receivable	40,000	-	-
	$ 136,953	$ -	$ -

4. INVENTORIES

Inventories consisted of the following at December 31:

	2025	2024
Finished goods	$ 848,872	$ 524,597
Less: inventory obsolescence reserve	(76,736)	(69,764)
	$ 772,136	$ 454,833

5. RELATED PARTY TRANSACTIONS

Related parties are defined as entities under common ownership of apetito AG, the ultimate parent company.

Accounts receivable - related party consists of receivables due from HTHM Operations LLC totaling $3,094,446 and $1,071,243 as of December 31, 2025 and 2024, respectively.

Accounts payable - related parties consists of the following at December 31:

	2025	2024
HTHM Operations LLC	$ 98,677	$ 393,917
apetito Canada Limited	420,491	131,962
Ultimate Food Holdings Inc.	629	-
US Food Holdings LLC	314	-
Food International Holdings LLC	314	-
	$ 520,425	$ 525,879

Transactions with related parties consists of the following for the years ended December 31:

	2025	2024
Sales of inventories	$ 5,346,421	$ 2,038,171
Purchases of inventories	3,090,770	1,311,737

6. DISAGGREGATION OF REVENUE

Revenue is recognized on sales of frozen food products and services provided to franchisees within the United States of America. The geographic location of the customer or franchisee does not have an impact on the nature, amount, or timing of revenue or cash flows.

The following disaggregates the Company's revenue based on revenue stream for the years ended December 31:

	2025	2024
Sales of inventories - third party	$ 84,047	$ -
Sales of inventories - related party	5,346,421	2,038,171
Initial franchise fees earned	3,810	-
	$ 5,434,278	$ 2,038,171

7. COMMITMENTS AND CONTINGENCIES

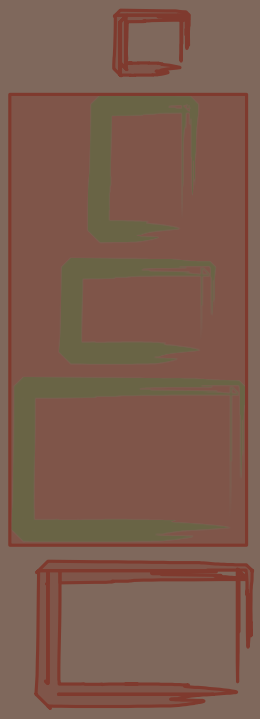
The Company may be subject to various claims and legal proceedings covering matters that arise in the course of its business activities. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition or results of operations of the Company.

8. SUBSEQUENT EVENTS

The date to which events occurring after December 31, 2025, the date of the most recent consolidated balance sheet, have been evaluated for possible adjustment to the consolidated financial statements or additional disclosures is April 1, 2026, which is the date the consolidated financial statements were available to be issued.

Rödl & Partner

Rödl & Partner



~~HTHM FRANCHISING LLC AND SUBSIDIARY~~

~~CONSOLIDATED FINANCIAL STATEMENTS~~
~~AS OF DECEMBER 31, 2023 AND 2022~~
~~TOGETHER WITH~~
~~INDEPENDENT AUDITORS' REPORT~~

HTHM FRANCHISING LLC AND SUBSIDIARY
TABLE OF CONTENTS
DECEMBER 31, 2023 AND 2022

Page(s)

INDEPENDENT AUDITORS' REPORT ..... 1 - 2

CONSOLIDATED BALANCE SHEETS 3

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN MEMBER'S CAPITAL 4

CONSOLIDATED STATEMENTS OF CASH FLOWS 5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS ..... 6 - 8

Rödl Langford de Kock LLP
Certified Public Accountants

1900 International Park Drive
Suite 105
Birmingham, AL 35243, USA
+1 205 970 7100
info@roedlusa.com
www.roedl.com/us

INDEPENDENT AUDITORS' REPORT

To the Member and Management of
HTHM Franchising LLC and Subsidiary:

Opinion

We have audited the consolidated financial statements of HTHM Franchising LLC and Subsidiary (the "Company"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of operations and changes in member's capital, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter – Related Party Transactions

As mentioned in the notes to the consolidated financial statements, the Company has material transactions with related parties. Our opinion on the consolidated financial statements is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing our audits in accordance with GAAS, we:

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

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

RÖDL LANGFORD DE KOCK LLP

Birmingham, Alabama,
April 3, 2024.

HTHM FRANCHISING LLC AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(in U.S. Dollars)

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 128,980	$ 59,002
Due from related party	433,072	360,840
Inventories, net	333,235	407,266
Total current assets	$ 895,287	$ 827,108
LIABILITIES AND MEMBER'S CAPITAL		
CURRENT LIABILITIES		
Accounts payable - trade	$ 47,628	$ 16,289
Due to related parties	463,853	330,242
Accrued expenses and other current liabilities	389	13,091
Total current liabilities	511,870	359,622
MEMBER'S CAPITAL	383,417	467,486
	$ 895,287	$ 827,108

HTHM FRANCHISING LLC AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN MEMBER'S CAPITAL
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(in U.S. Dollars)

	2023	2022
SALES	$ 846,456	$ 880,332
COST OF GOODS SOLD	681,327	481,041
GROSS PROFIT	165,129	399,291
OPERATING EXPENSES	249,198	170,293
NET (LOSS) INCOME	(84,069)	228,998
MEMBER'S CAPITAL - BEGINNING	467,486	238,488
MEMBER'S CAPITAL - END	$ 383,417	$ 467,486

HTHM FRANCHISING LLC AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(in U.S. Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) income	$ (84,069)	$ 228,998
(Increase) decrease in operating assets		
Due from related party	(72,232)	450,669
Inventories, net	74,031	(234,690)
Increase (decrease) in operating liabilities		
Accounts payable - trade	31,339	10,614
Due to related parties	133,611	(426,889)
Accrued expenses and other current liabilities	(12,702)	13,091
Net cash flows from operating activities	69,978	41,793
CASH AND CASH EQUIVALENTS - BEGINNING	59,002	17,209
CASH AND CASH EQUIVALENTS - END	$ 128,980	$ 59,002
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for:		
Interest	$ -	
Income taxes	$ -	

$ -
$ -

HTHM FRANCHISING LLC AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(in U.S. Dollars)

1. ORGANIZATION AND INDUSTRY

HTHM Franchising LLC was formed in Delaware during August 2018, and is a wholly owned subsidiary of US Food Holdings LLC. HTHM Franchising LLC owns 100% of the membership interests of HTHM Supply LLC. HTHM Franchising LLC is established to issue franchise agreements and receive franchise fees, including royalties. It is currently in the preparatory phase to establish its initial franchisees. HTHM Supply LLC exists to purchase inventories from a related party and to sell inventories to a related party and eventually to franchisees. The entities primarily operate from Marlborough, Massachusetts. HTHM Franchising LLC and HTHM Supply LLC are hereafter referred to together as the "Company." The Company's principal market is the United States of America.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash equivalents are defined as investments having a maturity, when purchased, of three months or less. The Company maintains bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Inventories

Inventories are stated at the lower of cost and net realizable value, with cost determined by the first-in, first-out method. Inventories consist entirely of finished goods purchased for resale.

Income and deferred taxes

The Company is a member of a group (the "Group") that files a consolidated income tax return. The Company is a disregarded entity for federal and state income tax purposes, and therefore, the results of the Company's operations are allocated to the member for inclusion in its respective income tax returns. Accordingly, no provision or benefit for income taxes has been recorded in the accompanying consolidated financial statements.

The Company adheres to the provisions of FASB ASC 740-10-25, which requires the Company to evaluate uncertain tax positions. The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such positions are then measured based on the Company's largest benefit that has a greater than 50% likelihood of being realized upon settlement. An income tax expense, including associated interest and penalties, and tax liability, is recorded should the Company take a tax position that has a lesser than 50% likelihood of being realized upon settlement. There were no such tax liabilities recorded as of December 31, 2023 and 2022.

The Group files income tax returns in the United States of America federal jurisdiction and in various state jurisdictions. Generally, the Group's federal income tax returns are subject to examination by the Internal Revenue Service three years from the filing date. Generally, the state jurisdictions in which the Group files income tax returns are subject to examination for a period from three to seven years after the returns are filed.

Revenue recognition

The Company adheres to FASB Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers (Topic 606). Revenue is measured based on consideration specified in a contract with a customer, and excludes any sales incentives and amounts collected on behalf of third parties. The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product to a customer in an amount that reflects the consideration the Company expects to be entitled to in exchange for those products.

For performance obligations related to frozen food products, control transfers to the customer at a point in time. The Company's standard shipping terms are FOB Origin, and the Company transfers control and

records revenue for product upon shipment. There are no standard payment terms and conditions or significant financing components as all sales are to a related party. Further, there is no associated variable consideration, such as rebates, allowances, and returns that would generally decrease the transaction price which reduces revenue.

Use of estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Shipping and handling cost

Shipping and handling costs associated with items delivered to customers are expensed as incurred and are recorded in operating expenses in the accompanying consolidated statements of operations and changes in member's capital.

Foreign currency transactions

The U.S. dollar is the functional currency of the Company. Transactions denominated in foreign currency are translated using the prevailing exchange rate at the date of the transaction. A gain or loss on foreign currency translation is recorded based on the change in the exchange rate between the date of the transaction and the settlement date. Balances denominated in foreign currencies and still outstanding at the balance sheet date are translated using the prevailing rate at the balance sheet date.

Concentration of risk and significant customers and vendors

For financial disclosure purposes, the Company defines significant customers and vendors as those equaling or exceeding 10 percent of sales or purchases for any year, and/or 10 percent of year-end trade receivables or payables. Substantially all sales and receivables are with one related party. Substantially all purchases and payables are with two related parties. See Note 3.

Principles of consolidation

The accompanying consolidated financial statements include the accounts of HTHM Franchising LLC and its wholly owned subsidiary HTHM Supply LLC. Upon consolidation, all material intercompany balances and transactions have been eliminated.

3. RELATED PARTY TRANSACTIONS

Related parties are defined as entities under common ownership of apetito AG, the ultimate parent company.

Due from related party consists of receivables due from HTHM Operations LLC totaling $433,072 and $360,840 as of December 31, 2023 and 2022, respectively.

Due to related parties consists of the following at December 31:

	2023	2022
HTHM Operations LLC	$ 420,802	$ 320,802
apetito Canada Limited	43,051	9,440
	$ 463,853	$ 330,242

Transactions with related parties consists of the following for the years ended December 31:

	2023	2022
Sales of inventories	$ 846,456	$ 880,332
Purchases of inventories	679,828	861,069

4. COMMITMENTS AND CONTINGENCIES

The Company may be subject to various claims and legal proceedings covering matters that arise in the course of its business activities. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition or results of operations of the Company.

5. SUBSEQUENT EVENTS

The date to which events occurring after December 31, 2023, the date of the most recent consolidated balance sheet, have been evaluated for possible adjustment to the consolidated financial statements or additional disclosures is April 3, 2024, which is the date the consolidated financial statements were available to be issued.

Exhibit D

State Administrators and Agents for Service of Process

We intend to register this Disclosure Document as a "license" or "franchise" in some or all of the following states, in accordance with the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in that state:

California
Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(213) 576-7500 or
(866) 275-2677 (Toll Free)
www.dfpi.ca.gov
Ask.DFPI@dfpi.ca.gov

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

Illinois
Franchise Division
Office of Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

Indiana
Franchise Section
Indiana Securities Division
Secretary of State, Room E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

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

Michigan
Michigan Department of Commerce
Corporations and Securities Bureau
670 Law Building
Lansing, Michigan
(517) 373-7117

Minnesota
Minnesota Department of Commerce
85 7th Place East, Suite 500
St. Paul, Minnesota 55155
(651)296-6328

New York New York State Department of Law Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-~~8211~~8222

North Dakota Office of Securities Commissioner 600 East Boulevard, Fifth Floor Bismarck, North Dakota 58505
(701) 328-4712

de Island
Division of Securities
233 Richmond Street, Suite 232
Providence, Rhode Island 02903-4232
(401) 222-3048

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

Virginia State Corporation Commission, Division of Securities and Retail Franchising
1300 E. Main Street, Ninth Floor
Richmond, Virginia 23219
(804) 371-9051

Washington
Department of Financial Institutions
Securities Division
P.O. Box 41200
Olympia, Washington 9850
(360) 902-8760

Wisconsin
Division of Securities Department of Financial Institutions
P. O. Box 1768
Madison, Wisconsin 53701
(608) 266-8559

R
h
o

Exhibit F

Names and Addresses of Franchisees as of December 31, ~~2024~~2025

Heart to Home Meals Franchisees

List of Current Franchisees as of December 31, ~~2024~~2025

Illinois
Akal Cares, LLC
Shivinderjit Singh
3074 Hopewell Dr.
Aurora, IL 60502
(630) 670-2819
ninetione@gmail.com

North Carolina
HTHM LLC
Patrick Ignacio
2240 Benvenue Rd.
Rocky Mount, NC 27804
(252) 242.0025
Patrick.ignacio@hearttohomemeals.com

Heart to Home Meals Canadian Franchisee Contact Information			
Franchisee's Name	**Email Address**	**Contact Number**	**Address**
Alexander Robert Cheetham Marianne Cheetham David Cheetham	niagara@hearttohomemeals.ca	Main: 905-684-1024 Toll Free: 1 (844) 714-0333	Unit 2-330 Vansickle Road St. Catharines, ON L2S 0B4
Chetan Bahl	edmonton@hearttohomemeals.ca	Main: 780-666-2336 Toll Free: 1-800-704-4779	2841 16A Ave NW Edmonton, AB T6T 0T7
Dave Galley	windsor@hearttohomemeals.ca	Main: 1-844-221-6383	6746 Concession Rd 6 South Amherstburg, ON. N9V 2Y8
Donna Qiao	halton@hearttohomemeals.ca	Main: 289-409-0050 Toll Free: 1-844-409-0050	3-581 McGeachie~~-~~ Drive Milton, ON ~~L9T 3L5~~

~~Fred Pennell~~	~~winnipeg@hearttohomemeals.ca~~	~~Main: (204) 781-0630~~	~~1142 Sanford Street, Winnipeg, MB R2E 2Z9~~
~~Fred Piercey~~	~~hamilton@hearttohomemeals.ca~~	~~Toll Free 1 (855) 740 8080~~	~~347 Grays Road~~
			L9T 3L5
Fred Pennell	winnipeg@hearttohomemeals.ca	Main: (204) 781-0630	1142 Sanford Street, Winnipeg, MB R2E 2Z9
Fred Piercey	hamilton@hearttohomemeals.ca	Toll Free 1 (855) 740 8080	347 Grays Road Hamilton, ON L8E 2Z1
Jerome & Kate Ubalde	toronto.east@hearttohomemeals.ca	Main: 416-424-4774 Toll Free: 1-844-424-4777	25 Commercial Road, Unit 10 Toronto, Ontario M4G 1Z3
Kate Williams Wes Mulder	kingston@hearttohomemeals.ca	Main: 613-384-3333 Toll Free: 1-844-384-2333	870 Selkirk Road Kingston, ON K7P 1B6
Lisa Moles Simon Pickess	central.ontario@hearttohomemeals.ca	Main: 705-444-0741 Toll Free: 1-888-444-0741 Cell: 705-888-3301	4302 County Road 124 Collingwood, ON L9Y 3Z1
Neil & Emily Ogilvie	durham@hearttohomemeals.ca neil.ogilvie@hearttohomemeals.ca	Main: 905-579-2255 Toll Free: 1-844-479-2255	3-1260 Terwillegar Ave Oshawa, ON L1J 7A5
Paul & Linda Knight	londonsarnia@hearttohomemeals.ca	Main: 519-899-4246 Toll Free: 1-877-404-4246	PO Box 5290 Forest ON N0N 1J0
Scott Dowton	victoria@hearttohomemeals.ca	Toll Free: 1-844-812-1974	629 Dunedin Street Victoria, BC V8T2L7
Teri & Mike Staley	york@hearttohomemeals.ca	Toll Free: 1-800-526-2679	5 Furbacher Lane Unit 2 Aurora, On L4G6W2

Tim Young	ottawa@hearttohomemeals.ca	Main: 613-489-3900 Toll Free: 1-844-489-3900 Cell: 613-316-2877	6735 Farmstead Ridge North Gower, ON K0A 2T0
Tracy Brunt	calgary@hearttohomemeals.ca	Main: 403-374-6816 Toll Free: 1-844-431-~~2800~~	63 Scenic Way NW~~- Calgary, AB T3L- 1B3~~
~~Wayne & Lisa Miller~~	~~novascotia@hearttohomemeals.ca~~	~~Main: 902-444-2230 Toll Free: 1-833-444-2230~~	~~60 Commercial Drive Harrietsfield, NS B3V 1A4~~
~~Youla & Vivek Thomas~~	~~vancouver@hearttohomemeals.ca~~	~~Main: 604 813 4963~~	~~Unit B, 4642 London Cresc., Delta, BC~~
		2800	Calgary, AB T3L 1B3
Wayne & Lisa Miller	novascotia@hearttohomemeals.ca	Main: 902-444-2230 Toll Free: 1-833-444-2230	60 Commercial Drive Harrietsfield, NS B3V 1A4
Youla & Vivek Thomas	vancouver@hearttohomemeals.ca	Main: 604 813 4963	Unit B, 4642 London Cresc., Delta, BC V4K4W8
Kam & Sukhi Bhathal	fraservalley@hearttohomemeals.ca	Main: 1-888-331-3418	28250 Starr Rd, Abbotsford BC V4X 2C5

IF YOU BUY THIS FRANCHISE, YOUR CONTACT INFORMATION MAY BE DISCLOSED TO OTHER BUYERS WHEN YOU LEAVE THE FRANCHISE SYSTEM.

List of Outlets Transferred from Franchisees to New Owners as of December 31, ~~2024~~2025

None

List of Outlets That Were Terminated, Canceled, Not Renewed, or Ceased Operations for Other Reasons as of December 31, ~~2024~~2025

None

List of Franchisees Who Have Signed Franchise Agreements But Are Not Open as of December 31, ~~2024~~2025

None

~~**SCHEDULE D**~~

~~**Former Heart to Home Meals Franchisees**~~

~~**SCHEDULE E**~~

~~Reasons for Closure~~

GENERAL RELEASE FOR TRANSFER OR RENEWAL

This General Release (the "Release") is made as of the ___ day of _____, 20__ ("Effective Date") by and between _____ (the "Franchisee") and HTHM Franchising, LLC, a Delaware limited liability company ("Franchisor").

WHEREAS, Franchisee is a party to a certain Franchise Agreement dated _____, 20__ (the "Franchise Agreement") by and between Franchisee and Franchisor; and

WHEREAS, Franchisee desires to sell and assign the Franchise Agreement or transfer the Franchised Business (as defined in the Franchise Agreement) at the Premises (as defined in the Franchise Agreement) to a third party in accordance with the transfer provisions of the Franchise Agreement, and Franchisor has approved the application of the transferee to succeed to and become the franchisee of the Franchised Business at the Premises; and

WHEREAS, the Franchise Agreement requires that, as a condition to any Transfer (as defined in the Franchise Agreement) under the Franchise Agreement, Franchisee and the transferee must first execute a general release of all claims in favor of Franchisor.

NOW, THEREFORE, for and in consideration of the premises and of the mutual agreements contained herein, the parties covenant and agree as follows:

1. Release of Franchisor. Franchisee hereby releases and forever discharges Franchisor, any subsidiary or affiliate of Franchisor, their respective officers, directors, members, employees, agents, contractors and their respective successors, assigns, heirs and personal representatives from any and all claims, demands, rights and causes of action of any kind that Franchisee now has or hereafter may have on account of or in any way arising out of or related to the offer, sale, administration, performance, default, assignment and termination of the Franchise Agreement. Franchisor and Franchisee mutually intend that this Release shall include, without limitation, claims, demands and causes of action arising out of alleged misrepresentations of any kind or nature whatsoever, alleged breaches of contract (based upon implied, express, estoppel, waiver, or alternative theories of contractual obligation), or breach of any alleged special, trust, agency or fiduciary relationship, whether asserted or proposed to be asserted by way of claim, setoff, affirmative defense, counterclaim, cross-claim or third party claim.

2. No Release of Franchisee. Franchisee is not released from any duty or obligation imposed upon Franchisee by the Franchise Agreement, provided that upon assignment and assumption of the Franchise Agreement by the authorized transferee and delivery of all of the documents and fees required by Franchisor as a condition to the assignment or transfer of the Franchised Business, Franchisee shall have no liability or obligation with respect to any breach of the Franchise Agreement by the transferee arising after the date of transfer or assignment.

3. Survival of Obligations. Franchisee and Guarantor(s) each acknowledge that its obligations under the Franchise Agreement with respect to indemnification, audits (as to accounting periods prior to the Termination Date) and confidentiality of materials disclosed while the Franchise Agreement was in effect, and any other provision that specifies it survives termination of the Franchise Agreement all remain in full force and effect. Franchisee and Guarantor(s) shall contact Franchisor regarding any questions on such surviving obligations. For purposes of this Release, "Confidential Materials" means all materials in all forms, including electronically stored information, that was disclosed to Franchisee and Guarantor(s) in confidence, contains confidential information as described in the Franchise Agreement,

STATE EFFECTIVE DATES

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

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

State	Registration Date
Illinois	~~April 30, 2025~~Pending
Indiana	~~April 30, 2025~~Pending
Maryland	Pending
Michigan	February 14, ~~2025~~2026
Minnesota	~~May 27, 2025~~Pending
New York	Pending
Rhode Island	~~February 20, 2025~~Pending
Virginia	~~June 18, 2025~~Pending
Wisconsin	~~May 1, 2025~~Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT OF FRANCHISE DISCLOSURE DOCUMENT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain English. Read this Disclosure Document and all agreements carefully.

If HTHM Franchising, LLC ("Franchisor") offers you a franchise, we must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the Franchisor or an affiliate in connection with the proposed franchise sale. New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Iowa requires that we give you this Disclosure Document at the earlier of the first personal meeting or 14 days before you sign a binding contract or pay any consideration. Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Franchisor does not deliver this Disclosure Document on time or if it contains a false or misleading statement or a material omission, a violation of federal law and state law may have occurred and you should report it to the Federal Trade Commission, Washington, D.C. 20580, and the applicable state agency listed on Exhibit D to this Franchise Disclosure Document.

Franchisor is located at 289 Elm Street, Suite 102, Marlborough, MA 01752. Its telephone number is (508) 658-3000. The franchise seller for this offering are: Christopher Webb at 289 Elm Street, Suite 102, Marlborough, MA 01752, (617) 990-6783, and Rick Peroe at 289 Elm Street, Suite 102, Marlborough, MA 01752, (757) 818-5088.

Issuance Date: April ~~28~~20, ~~2025~~2026

Franchisor has authorized the persons listed on Exhibit D to this Disclosure Document to receive service of process for us in Massachusetts and states where our franchise is registered.

I have received Franchisor's Disclosure Document, dated April ~~28~~20, ~~2025~~2026 (or the later date set forth for each applicable state on Exhibit D to this Franchise Disclosure Document), which includes the following exhibits:

A. Franchise Agreement

B. Disclosure ~~——~~ Document ~~—— and Addenda Required by Certain States~~ State Addenda

C. Financial Statements

D. State Administrators and Agents for Service of Process

E. Table of Contents of Operations Manual

F. Names and Addresses of Franchisees

G. Closing Acknowledgement

H. General Release

I. ~~PreSale~~Pre-Sale Confidentiality Agreement

Date of Signature (Do not leave blank)	Signature of Prospective Franchisee (for the prospective franchisee and any corporation, partnership or other business entity having or proposed to have an interest in the franchise or any proposed franchised location)
	Printed Name: _____

You may return the signed receipt either by signing, dating, and mailing it to HTHM Franchising, LLC at 289 Elm Street, Suite 102, Marlborough, MA 01752 or by scanning and emailing a copy of the signed and dated receipt to HTHM Franchising, LLC at chris.webb@hearttohomemeals.com.

RECEIPT OF FRANCHISE DISCLOSURE DOCUMENT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain English. Read this Disclosure Document and all agreements carefully.

If HTHM Franchising, LLC ("Franchisor") offers you a franchise, we must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the Franchisor or an affiliate in connection with the proposed franchise sale. New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Iowa requires that we give you this Disclosure Document at the earlier of the first personal meeting or 14 days before you sign a binding contract or pay any consideration. Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Franchisor does not deliver this Disclosure Document on time or if it contains a false or misleading statement or a material omission, a violation of federal law and state law may have occurred and you should report it to the Federal Trade Commission, Washington, D.C. 20580, and the applicable state agency listed on Exhibit D to this Franchise Disclosure Document.

Franchisor is located at 289 Elm Street, Suite 102, Marlborough, MA 01752. Its telephone number is (508) 658-3000. The franchise seller for this offering are: Christopher Webb at 289 Elm Street, Suite 102, Marlborough, MA 01752, (617) 990-6783, and Rick Peroe at 289 Elm Street, Suite 102, Marlborough, MA 01752, (757) 818-5088.

Issuance Date: April ~~28~~20, ~~2025~~2026

Franchisor has authorized the persons listed on Exhibit D to this Disclosure Document to receive service of process for us in Massachusetts and states where our franchise is registered.

I have received Franchisor's Disclosure Document, dated April ~~28~~20, ~~2025~~2026 (or the later date set forth for each applicable state on Exhibit D to this Franchise Disclosure Document), which includes the following exhibits:

A. Franchise Agreement

B. Disclosure Document ~~and~~State Addenda ~~Required by Certain States~~

C. Financial Statements

D. State Administrators and Agents for Service of Process

E. Table of Contents of Operations Manual

F. Names and Addresses of Franchisees

G. Closing Acknowledgement

H. General Release

I. Pre-Sale Confidentiality Agreement

Date of Signature (Do not leave blank)	Signature of Prospective Franchisee (for the prospective franchisee and any corporation, partnership or other business entity having or proposed to have an interest in the franchise or any proposed franchised location)
	Printed Name:

You may return the signed receipt either by signing, dating, and mailing it to HTHM Franchising, LLC at 289 Elm Street, Suite 102, Marlborough, MA 01752 or by scanning and emailing a copy of the signed and dated receipt to HTHM Franchising, LLC at chris.webb@hearttohomemeals.com.