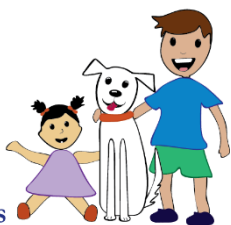


## FRANCHISE DISCLOSURE DOCUMENT

**Oliver's  
Nannies**  
Child Care & Nanny Services



OLIVER'S NANNIES FRANCHISING, INC.  
A New Jersey Corporation  
75 Main St., Suite 301,  
Milburn, NJ 07041  
Telephone: (973) 671-1277  
Website: <http://www.oliversnannies.com>  
Emails: [kathy.livingston@oliversnannies.com](mailto:kathy.livingston@oliversnannies.com)  
[sarah.mulcahy@oliversnannies.com](mailto:sarah.mulcahy@oliversnannies.com)

The franchisee will operate an "Oliver's Nannies" franchised business which offers babysitting and nanny services to families (the "**Franchised Business**").

The total investment necessary to begin operation of a Franchised Business ranges from \$61,800 to \$102,500. This includes \$39,000 which must be paid to the franchisor and its affiliate(s).

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Sarah Mulcahy at 75 Main St., Suite 301, Millburn, NJ 07041, and 973-671-1277.

The terms of your contract will govern your franchise relationship. Do not 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 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](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: April 16, 2024

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## How to Use This Franchise Disclosure Document

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

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

## **What You Need To Know About Franchising *Generally***

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

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

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

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

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

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

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

### **Some States Require Registration**

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

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

## Special Risks to Consider About *This* Franchise

Certain states require that the following risks be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in New Jersey. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in New Jersey 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. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
4. **Sales Performance Requirement.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in the 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 Disclosures” (if any) to see whether your state requires other risks to be highlighted.

# OLIVER'S NANNIES FRANCHISE DISCLOSURE DOCUMENT

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## **ITEM 1**

### **THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES**

To simplify the language in this disclosure document, “we,” “us,” and “our,” means Oliver’s Nannies Franchising, Inc., the “Franchisor.” “You” means the individual, corporation, limited liability company or partnership who buys the franchise, the “Franchisee.” If Franchisee is a corporation, limited liability, or partnership, then “you” also includes Franchisee’s shareholders, members or partners.

#### **The Franchisor**

We are a New Jersey corporation formed on September 15, 2022 with our principal place of business at 75 Main St., Suite 301, Millburn, NJ 07041. We conduct business under the name “Oliver’s Nannies.” Our agents for service of process in the states whose franchise laws require us to name a state agency as agent for service of process are shown on Exhibit A.

The term “Franchised Business” refers to the business that you are operating. Your Franchised Business will provide babysitting and nanny services to customers/families located in your Territory. We have been offering franchises since February 3, 2023. Other than the franchises being offered in this Disclosure Document, we do not offer, and have not offered, franchises in this or any other line of business, and we have not been involved in other business activities. We do operate a business of the type being franchised.

#### **Our Parents, Predecessors and Affiliates**

We do not have any predecessors or parents.

Currently, we do not have any affiliates, parents, or predecessors that are approved as suppliers of products or services to our franchises.

Our affiliate, Oliver's Nannies Inc., has operated a business like the franchise being offered in this Disclosure Document since October 2018. Oliver's Nannies Inc. does not and has not offered franchises in any line of business nor does it conduct business in any other line of business.

#### **The Franchise Offered**

We offer franchises for the right to establish, operate and manage an individual Franchised Business (the “**Franchised Business**”) under a license with us to use one or more of the Principal Trademarks (defined below) and the System (defined below). The Franchised Business will permit you the opportunity to offer babysitting and nanny services to customers/families located within the Territory (defined below) designated to you.

Franchisees will operate their Franchised Business in accordance with those aspects of the Oliver’s Nannies system (“System”) offered by the Franchised Business. The System is our proprietary, confidential, and trade secret information. The System includes, but is not limited to:

the trademarks, service marks, and logos (the “**Principal Trademarks**” or “**Marks**”); the manner and method of training that we deliver to you; the operations manuals (collectively the “**Confidential Operating Manual**”); standards and procedures that you will use in the day-to-day operation of the Franchised Business; standards and procedures for advertising and marketing the Franchised Business; initial and ongoing training for owners and managers of the Franchised Business, the methods to be used for approaching customers to offer your services; the manner and methods you will use to provide babysitting and nanny services; and any copyrighted, trade secret or confidential information owned by us (collectively, the “**System Standards**”). You must operate in accordance with our System. The right to operate in a Territory, the names and personal information of the families you will provide services to, and the rights to provide services offered by the Franchise Agreement also our sole and exclusive property.

You will be subject to an initial criminal background check before you sign the Franchise Agreement. You must sign the credit and criminal background check release form attached to this disclosure document as Exhibit B.

If you are interested in purchasing a Franchised Business, we will require you to sign a franchise agreement, a form of which is attached as Exhibit C (“**Franchise Agreement**”). We will offer a franchise to those who are interested in opening a single Franchised Business to be operated within an area designated by us, in our sole discretion (the “**Territory**”). The Territory may be located within specific zip codes, counties or other natural boundaries, such as rivers or mountains, man-made boundaries such as highways or streets, or otherwise as we deem appropriate in order to describe an area that is a 3-mile radius from the site for a Franchised Business office (the “**Franchised Business Site**”). The Territory may be based in part on density, number of competing businesses within the Territory, current and projected market demand, potential customer base, access and visibility, traffic patterns and other economic, demographic and geographic factors determined by us in our sole discretion. We will assign you a Territory as we deem appropriate for your Franchised Business in our sole discretion.

### **Industry Regulations**

You must obtain the business licenses that are required by the state, city, county, and/or town in which you will be operating your Franchised Business. You will also be required to conform to any taxation requirements of your jurisdiction. Further, some states may require that you have child-care or similar licenses necessary to deliver these services. You must check with the appropriate local or state governmental departments to determine these needs. It is your obligation to determine if you or the Franchised Business must be licensed and to take whatever steps are necessary to meet the requirements of any regulations regarding the Franchised Business.

You should also be aware of federal, state and local labor regulations including minimum age and minimum wage laws. These requirements may apply to your business. The details of these restrictions may vary from state to state and from locality to locality.

You must comply with all local, state, and federal laws that apply to your Franchised Business, including background checks, providing proof of background clearances for each of your babysitters and nannies, arrest notifications, fingerprinting through Live-Scan or other methods.

In addition, you must comply with all local, state, and federal laws that apply to your Franchised Business including EEOC, OSHA, discrimination, employment, and sexual harassment laws. The Payment Card Industry Data Security Standard ("PCI DSS") requires all companies that process, store, or transmit credit or debit card information to maintain a secure environment. PCI DSS applies to all organizations or merchants, regardless of size or number of transactions, that accepts, transmits or stores any cardholder data.

You should consult with your attorney concerning local, state, and federal laws and license requirements that may affect your Franchised Business.

Other than the above, we are unaware of any other specific industry regulations or licensing requirements governing the operation of a Franchised Business.

### **Market Conditions**

The market for goods and/or services that the franchised business will offer is limited in competition from local and national providers. The babysitting and nanny services industry is not seasonal. The target audience for Oliver's Nannies businesses is middle to upper-class families with young children. There are many risks and uncertainties associated with this or any new business. Your Franchised Business may be impacted by many factors including the local economic and market conditions, your experience and knowledge, the geographic location of your Franchised Business, your market competition which includes other franchised businesses, local independent babysitters, and regional businesses, the sales level you reach and your ability to retain customers.

## **ITEM 2** **BUSINESS EXPERIENCE**

### **Kathryn Livingston: President and Co-Founder**

Kathryn is and has been our President and Co-Founder since September 2022. Kathryn is and has been the President and Co-Founder of our affiliate, Oliver's Nannies, Inc. since October 2018. Kathryn is also President and Owner of Aquinas, LLC, a Senior Helpers franchisee, located at 65 Broadway, 1700, New York, NY 1000, since August 2009. Previously, Kathryn worked as a business consultant for three separate franchisors where she gained expertise and management experience in the areas of human resources, recruitment, marketing, sales, advertising, and overall business strategy.

### **Sarah Mulcahy, Director of Franchise Development**

Sarah is and has been our Director of Franchise Development since January 2023. Sarah joined our affiliate, Oliver's Nannies, Inc. in October 2018 as its Executive Director, where Sarah supported the implementation of the Oliver's Nannies concept and oversaw all operations, including but not limited to the recruitment and management of office staff and nannies, revenue generation and operation administration. Prior to joining the Oliver's Nannies system, Sarah's background includes experience in childcare in a center as well as experience in home staff of



pediatric nursing care.

### **Sergio Mormile, Director of Recruitment and Training**

Sergio is and has been our Director of Recruitment since March 2023. Sergio joined the affiliate, Oliver's Nannies Inc. in October 2018 as Director of Community Relations. During his time with the affiliate, Sergio implemented and oversaw all recruitment efforts, including but not limited to phone screening, conducting in person interviews, verifying references and leading orientations for all new nannies. Sergio trained all new employees on the recruitment process at the affiliate location as well. Prior to joining the Oliver's Nannies system, Sergio worked in recruitment since 2016 in a similar fashion recruiting caregivers for a home health agency.

### **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**

#### **Initial Franchise Fee**

Your initial franchise fee (the “**Initial Franchise Fee**”) will be \$39,000 for a Franchised Business.

#### **Discounts**

If you are an honorably discharged U.S. military veteran, qualifying first responder, current or former client, or a minority business owner, we will reduce the Initial Franchise Fee by ten percent (10%). If the veteran, first responder, or current or former client is a principal in an entity that will be the franchisee, the reduced Initial Franchise Fee will be offered to the entity. To qualify as a minority business owner, you must be a United States citizen who is Asian, Black, Hispanic, or Native American. If the minority business owner is a principal in an entity that will be the franchisee, then such owner must have at least fifty-one percent (51%) ownership interest in such entity in order for the entity to receive the reduced Initial Franchise Fee.

2We also offer a twenty percent (20%) discount on the Initial Franchise Fee to qualifying Oliver's Nannies employees as a thank you and as financial incentive.

For any subsequent Oliver's Nannies franchised businesses you open, we will offer a fifty percent (50%) discount on the then-current Initial Franchise Fee.

### **When Paid, Non-Refundable and Uniformly Applied**

The Initial Franchise Fee is paid when you sign the Franchise Agreement. The Initial Franchise Fee is fully earned and non-refundable. Except as explained above, Initial Franchise Fees are uniformly calculated for all franchised businesses currently being offered.

You must attend and pass our initial training program (the “**Oliver’s Nannies Training Program**”) (Item 11). If you attend but fail to complete training to our commercially reasonable satisfaction, we have the right to terminate the Franchise Agreement; except that restrictive and other covenants that must survive termination in order to remain enforceable, will survive. If we terminate the franchise agreement, (i) you will return to us the Operating Manual and all other materials, information, and other items that you received from us and (ii) we will refund to you a sum equal to (x) 50% of (y) the Initial Franchise Fee less expenses incurred by us in connection with the franchise agreement, including but not limited to broker fees/commissions, legal fees and the costs of training. You must pay for all travel, lodging, and other costs of initial training attendance.

### **ITEM 6** **OTHER FEES**

Name of Fee <sup>1</sup>	Amount	Due Date	Remarks
Royalty Fee	5% of Gross Revenues <sup>2</sup> (“Standard Royalty”) until you have been open for 24 full calendar months, then the greater of Standard Royalty or \$1,250 (“Minimum Royalty”).	Wednesday of every other week	Royalty Fees are payable by electronic funds transfer.
National Advertising Fund	1.5% of Gross Revenues or a minimum of \$500, whichever is more	Wednesday of every other week	National Advertising Fund are contributions to the National Advertising Fund payable by electronic funds transfer. We may increase the contribution to the National Advertising Fund to 2% of Gross Revenues upon 60 days’ notice to you.
Local Advertising	1.5% of Gross Revenues or a minimum of \$500 bi-weekly, whichever is more	As incurred	You must spend this amount locally to promote your Franchised Business.
Regional Advertising Cooperative <sup>3</sup>	Up to 1.5% of Gross Revenues or a minimum of \$500 bi-weekly, whichever is more	As incurred	We may allow the cooperative to determine the required contribution, but it will not exceed the greater of

Name of Fee <sup>1</sup>	Amount	Due Date	Remarks
			(i) 1.5% of Gross Revenues or (ii) \$500 bi-weekly. Your regional advertising cooperative contribution will be credited against your local advertising requirements.
Late Fees	\$50	Upon demand	A late fee must be paid on any payment to us that is more than 5 days late.
Interest	18% per annum	Upon demand	In addition to the Late Fee, interest is assessed on any payment to us that is more than 30 days late. The interest accrues from the date the payment was due.
Insurance <sup>4</sup>	Amount of premium paid by us plus 20%	Upon demand	If you do not purchase insurance coverage as required, you must reimburse us this amount to secure insurance coverage.
Additional Training and Conventions <sup>5</sup>	\$500 per day plus travel expenses for additional onsite support; \$500 per attendee of additional training, national conventions, and for new or replacement managers to attend the initial training	Upon your registration for the training or convention	You must pay the current training fee for training and support beyond the initial training and National Conventions.
Transfer Fee	\$15,000	\$5,000 upon Franchisee's request for consent to the proposed transfer of franchise and remaining balance when and/or if the transaction closes.	A transfer includes any sale, assignment, conveyance, giving away, pledging, mortgaging, or otherwise encumbering any interest in ownership in the Franchised Business, Franchise assets outside the ordinary course of business, or ownership rights. The Transfer Fee is non-refundable
Renewal Franchise Fee	\$15,000	At least 9 months before the expiration of the franchise	In addition to paying this fee, other conditions must be met, as listed in the Franchise Agreement.

Name of Fee <sup>1</sup>	Amount	Due Date	Remarks
Interim Royalty Fees	Franchisor's then-current Royalty Fee plus 2%	Wednesday of every other week when applicable	An Interim Royalty Fee applies if your Franchise Agreement expires but is not terminated, no renewal franchise agreement is signed, and you continue the franchise business operation, with our consent to continue on a month-to-month basis.
Relocation Fee	Reimbursement of Franchisor's costs and expenses incurred for reviewing or approving the relocation	When applicable	If you relocate your franchise business, you must reimburse us for the cost and expenses we incur in connection with your relocation.
Supplier Approval	Reimbursement of costs and expenses Franchisor incurs in approving a supplier	When applicable	If you want us to approve a supplier for the purchase of a designated product or service other than the supplier we designate, we may require that you reimburse us for the costs and expenses we incur in approving the supplier.
Business Center Fee	Fee for the establishment and maintenance of a Business Center (as defined in Item 11)	When applicable	In the event that we establish a business call center to handle inbound and outbound calls from and to prospective customers, we may require that you pay us a fee for the cost and expenses we incur in establishing the Business Center.
Step-In Right Fees <sup>6</sup>	Franchisor's personnel and administrative and travel costs, plus fifteen percent (15%) of that Gross Revenues when we are managing the Franchised Business.	As incurred	If you are absent, ill, or unable to operate the Franchised Business or fail to pay taxes or required amounts, or the Franchised Business is having a significant negative impact on the Oliver's Nannies System, in our discretion, we, an affiliate or a designated third-party may step-in to manage the Franchised Business, and

Name of Fee <sup>1</sup>	Amount	Due Date	Remarks
			you must reimburse the manager for its costs and expenses.
Audit	All costs of inspection and audit	Upon demand	You must reimburse us for audit expenses if the audit is initiated due to your non-compliance with the terms herein or the Operating Manual or if an inspection reveals an understatement of Gross Revenues by 3% or more.
System Standard Violation	All costs of inspection and audit	Upon demand	If you fail to adhere to the System Standards, you must reimburse us for any and all costs and expenses associated with counsel, inspection, support, assistance, and enforcement rendered to and against you regarding said System Standards violation and/or non-compliance.
Cost of Enforcement	Cost including attorney fees	Upon demand	If we prevail, you must reimburse us for all costs to enforce obligations under the Franchise Agreement.
Indemnification	Cost including attorney fees	Upon demand	You must defend suits at your cost and hold us harmless against suits involving damages resulting from your operation of the Franchised Business.
Sales/Use Taxes <sup>7</sup>	The amount of federal, state, and local taxes levied on the Royalty Fees and National Advertising Fund paid to Franchisor and other monies paid to Franchisor	Payable with your royalty fee or National Advertising Fund contributions	You must pay any state or local sales or use tax that may be assessed on fees paid to us.

**Notes:**

1. All fees paid to us (or an affiliate if one is established) are payable in one lump sum, uniform, fully earned by us, and non-refundable except as stated in Item 5. Any interest charged by us will not

exceed that allowed by your state law.

2. "Gross Revenues" shall mean all income of any type or nature and from any source that Franchisee derives or receives directly or indirectly from, through, by or on account of the operation of the Franchised Business at any time after the Effective Date, in whatever form and from whatever source, including but not limited to cash, services, in kind from barter and/or exchange, on credit or otherwise as well as business interruption insurance proceeds, all without deduction for expenses including marketing expenses and taxes. Gross Revenues are not reduced by the amount of any discounts to employees, friends or family members. However, the definition of Gross Revenues does not include sales tax that is collected from customers and actually transmitted to the appropriate taxing authorities, proceeds from insurance with respect to your property damage or liability, proceeds from civil forfeiture, condemnation or seizure by governmental entities or the amount of any credits, allowances, adjustments or uncollectable amounts subject to the limitation that such cannot exceed 0.5% of Gross Revenues for any fiscal year. Subsequent collections of these charged off amounts must be included in Gross Revenues when they are collected.
3. For each Oliver's Nannies business operated by us or our affiliates in a geographical area for which a Cooperative has been established, we will make a Cooperative Contribution on the same basis as assessments required of comparable franchises that are members of the same Cooperative. If outlets owned by us have controlling voting power, Cooperative Contribution will not exceed 1.5% of Gross Revenues or a minimum of \$500 bi-weekly, whichever is greater.
4. You must purchase insurance in the amounts and coverage we determine (See Item 8).
5. We provide a tuition-free initial Oliver's Nannies Training Program which includes orientation to the System; customer service; operational management; financial management; computer software use; advertising and marketing; and reporting procedures. The training lasts up to 9 days or less depending on your existing experience level. We also provide onsite assistance at our then-current rate, which currently is \$500 per day, plus reimbursement of our travel expenses, including but not limited to travel, lodging and meals. We may provide additional training programs at reasonable times and at locations selected by us during the term of the Franchise Agreement and will host national conventions at times and locations selected by us. You must attend the national convention. We may require attendance at other additional training programs. You must pay for all travel, lodging, and other costs of attending training and the national convention.
6. We may step in to operate your Franchised Business if we deem it necessary to prevent any interruption or harm to your Franchised Business or to the System. Reasons may include our determination that you: are incapable of operating the franchise; are absent or incapacitated because of illness or death; have failed to pay when due any taxes or assessments against the franchise or property used in connection with the franchise; have failed to pay when due any liens or encumbrances of every kind placed upon or against your business property; or we decide that operational problems require us to operate the franchise for a time. All Gross Revenues derived from our operation of the Franchised Business will be credited to a separate account for your benefit, but we may pay from that account all expenses, debts, and liabilities that we incur during our operation of the Franchised Business and collect an administrative fee of fifteen percent (15%) of the Gross Revenues. We will have no liability to you for our management of the Franchised Business except in the event of gross negligence and/or willful misconduct.
7. The royalties or other fees you pay to us may be entirely or partially subject to state or local sales or use tax, depending upon the laws in your state. If we are required to pay these taxes in your

state, you must add the tax to what you pay us.

## **ITEM 7** **INITIAL INVESTMENT**

### **YOUR ESTIMATED INITIAL INVESTMENT**

TYPE OF EXPENDITURE <sup>1</sup>	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
Initial Franchise Fee <sup>2</sup>	\$31,200 to \$39,000	Lump-sum via Check or Wire	Upon Signing the Franchise Agreement	Us
Real Estate/Rent <sup>3</sup>	\$2,400 to \$7,500	As incurred	Before Beginning Operations	Lessor
Utility Deposits <sup>4</sup>	\$0 to \$300	As incurred	Before Beginning Operations	Utilities
Furniture, Fixtures & Equipment <sup>5</sup>	\$0 to \$500	As incurred	Before Beginning Operations	Suppliers
Insurance <sup>6</sup>	\$2,500 to \$5,000	As incurred	Before Beginning Operations	Insurance Companies
Office Equipment & Supplies <sup>7</sup>	\$300 to \$500	As incurred	Before Beginning Operations	Suppliers
Computer Equipment (Hardware, Software, POS System, etc.) <sup>8</sup>	\$3,000 to \$4,000	As incurred	Before Beginning Operations	Suppliers
Pre-Opening Expenses <sup>9</sup>	\$100 to \$300	As incurred	Before Beginning Operations	Suppliers
Training <sup>10</sup>	\$0 to \$5,000	As incurred	Before Beginning Operations	Airlines, Hotels, and other Suppliers
Licenses & Permits <sup>11</sup>	\$300 to \$900	As incurred	Before Beginning Operations	Licensing Authorities
Legal &	\$1,500 to \$7,000	As incurred	Before	Attorney,

TYPE OF EXPENDITURE <sup>1</sup>	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
Accounting <sup>12</sup>			Beginning Operations	Accountant
Grand Opening Advertising <sup>13</sup>	\$500 to \$2,500	As incurred	Before opening and during the first 3 months of operation	Vendors
Additional Funds – three months <sup>14</sup>	\$20,000 to \$30,000	As incurred	As Necessary	Us, Vendors, Lessor, Etc.
TOTAL <sup>15</sup>	\$61,800 to \$102,500			

#### Notes:

1. Payments to us (or to an affiliate) are not refundable. Payments made to third party vendors are subject to the terms and conditions of those vendors. We do not provide any direct or indirect financing for the initial franchise fee, other fees or other costs paid to us or to third parties, except as stated in Item 10.

2. The Initial Franchise Fee is fully earned, non-refundable and is uniformly applied for all similarly situated franchisees. For certain franchisees we offer a discount. See Item 5 for more information. The low estimate assumes that you are an employee of our affiliate, Oliver's Nannies, Inc. The high estimate assumes that no discount applies.

3. You will operate the Franchised Business from an office, which is typically a 250 square foot office space with access to a conference room space and a lobby. The office space may be a shared office space. The estimate is for a three-month period of rental payments. The upper estimate is based on an assumption that you will have to pay a higher security deposit in addition to rent and the lower estimate is based on a lower security deposit. Some lessors may refund the security deposit if you cancel the lease before you occupy the sites.

4. If you are a new customer of your local utilities, you will generally have to pay deposits to obtain services, including electric, telephone, gas, and water. The amount of the deposit and whether the deposit is refundable will vary on the local utilities. You should contact your local utilities for more information.

5. You must purchase and/or lease and install furniture, fixtures and equipment and décor necessary to operate your Franchised Business in accordance with the System Standards. The cost of the furniture, fixtures and equipment will vary according to local market conditions, the size of the facility, suppliers, and other related factors. We do not know if the amounts you pay for furniture, fixtures or equipment are refundable. Factors determining whether furniture, fixtures and equipment are refundable typically include the condition of the items, level of use, length of time of possession and other variables. You



should inquire about the return policy of the suppliers at or before the time of purchasing or leasing. We reserve the right to require that you purchase your furniture, fixtures and equipment from us or our affiliate.

6. You must purchase insurance in the amounts and coverage we determine (See Item 8).

7. You must purchase general office supplies including stationery, business cards and typical office equipment. Factors that may affect your cost of office equipment and supplies include market conditions, competition amongst suppliers and other factors. Office supply expenses are typically not refundable.

8. You must purchase the computer equipment, hardware, and software necessary for operating the franchise. We currently require you to have and use MatrixCare, 2 Window based laptops, 1 cell phone, 2 office phones, and wireless router. We cannot guarantee if the amounts you pay for the computer equipment are refundable. The amounts you pay for computer equipment are typically non-refundable, or if refundable, may be subject to a “restocking” fee. You should inquire about the return and refund policy of the suppliers at or before the time of purchase. You must use the POS system that we designate.

9. Included in this estimate are expenses related to pre-opening payroll, cleaning and preparation, telephone and other communication expenses, and electricity. Monies paid for pre-opening payroll, cleaning and preparation, telephone and other communication expenses, and electricity are typically not refundable.

10. The cost of initial training for you and your Owners and Designated Manager is included in the Initial Franchise Fee. The amount in the table above reflects your travel and stay expenses during the initial training. You must pay us additional tuition for additional trainees beyond you and your designee at our then-current rate, which is currently \$500 per training, per person and \$500 per day plus travel expenses for onsite training. Monies paid for travel may be refundable if you have or purchase travel insurance or by policy of the hotel or airline. You should contact the airline or hotel for more information.

11. State and local government agencies typically charge fees for occupancy permits, operating licenses, health department licenses and construction permits. Your actual costs may vary from the estimates based on the requirements of state and local government agencies. These fees are typically non-refundable. You should inquire about the cancellation and refund policy of the agencies at or before the time of payment.

12. You will need to employ an attorney, an accountant, and other consultants to assist you in establishing your franchise. These fees may vary from location to location depending on the prevailing rates of local attorneys, accountants, and consultants. These fees are typically non-refundable. You should inquire about the refund policy of the attorney, accountant, or consultant at or before the time of hiring.

13. This is the required amount that you spend on advertising upon opening, in addition to local, regional, and national advertising spending. You may choose to spend more. Factors that may affect your decision on the amount to spend include local media cost, the location of the Franchised Business, and customer demographics in the surrounding area. The range will also depend on your Territory and local market demographics. Monies paid for advertising may be refundable if advertising is customized or if you contract the provider before publication deadlines. You should contact advertisement vendors for more information.

14. The estimate of additional funds is for the first three (3) months of operating your Franchised Business which includes such items as debt service, initial payroll taxes (including payroll to cover the pre-opening training period for some of your staff), professional fees, including accounting fees, additional advertising, marketing and/or promotional activities, credit card processing fees, health and workers' compensation insurance, bank charges, miscellaneous supplies and equipment, initial staff recruiting expenses, state tax and license fees, deposits and prepaid expenses (if applicable) and other miscellaneous items. The estimate of additional funds does not include an owner's salary or draw. The additional funds required will vary by your management skill, experience and business acumen, your relative effectiveness as a salesperson, local economic conditions, the local market for your services, competition, and the sales level in your Territory that you reach during this period. The items included above are by no means all-inclusive of the extent of the expense categorization. In compiling these estimates, we have relied upon the experience of predecessor in offering franchises of the kind being offered in this disclosure document.

15. In compiling this chart, we relied on the historical experience of our principals in developing and operating the affiliate-owned location as well as on research and investigation regarding the operating history, knowledge and experience of similar businesses and the startup operation of an Franchised Business. The amounts shown are estimates only and may vary for many reasons, including the size and condition of your Franchised Business Site, the capabilities of your management team, and your business experience and acumen. These figures are estimates only and we cannot guarantee that you will not have additional expenses in starting your Franchised Business. The total figures listed in the table above do not include compensation for your time or labor nor do the total figures take into account any finance charges, interest, debt service, or other costs which you may incur to finance all or any portion of your investment. In addition to the initial investment itemized in the table above, you must have additional monies available, whether in cash or through a line of credit, or have other assets that you can liquidate or against which you can borrow, to cover your personal living expenses and any operating losses sustained during the initial phase of your Franchised Business. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We do not offer direct or indirect financing for any of your initial investment. All amounts paid to us are nonrefundable. Typically, amounts paid to third parties will not be refundable unless agreed.

## **ITEM 8**

### **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

#### **Required Purchases and System Changes**

You must open and operate your Franchised Business in accordance with the System. To ensure that you maintain the highest degree of consistency, quality and service, you must obtain all goods, services, supplies, materials, fixtures, furnishings, equipment (including computer hardware and software, including but not limited to customer registration systems/software and other software that we designate) and other products used only from our designated or approved suppliers, vendors, manufacturers, printers, contractors, and distributors ("Suppliers"), including an affiliate(s) or us who demonstrate to our continuing reasonable satisfaction, the ability to meet our then current standards.

You must sell and offer for sale all services and products required by us in the manner and style we require. You may only sell and offer for sale services and products authorized by us. You must not deviate from our standards and specifications without obtaining our written consent first.

We may direct you in writing at any time to discontinue selling and offering for sale any services and products. We can and expect to modify our standards and specifications, at any time and on a local, regional, or national basis, all as we deem necessary. We will provide you with notice of any changes as they occur. We may also require you from time to time to participate in the test marketing of services and products at your expense.

We may communicate our standards, specifications and purchase requirements directly to Suppliers who wish to supply you with goods or services. We will communicate our standards and specifications to you during training, before you open, during periodic visits to your Franchised Business, through the Confidential Operating Manual, through periodic bulletins and/or other communication channels that we select. We may issue new standards and specifications or modifications to our standards and specifications through written notices to you or through updates, revisions, changes and/or modifications to the Confidential Operating Manual. Once you are notified, you must make the change that is specified. We may also add and remove vendors at any time.

We have the right, in our sole discretion and as we may deem in the best interests of the System or a specific franchisee to vary required purchases, standards or specifications based upon that franchisee's qualifications, special circumstances, the demographics of a particular territory, geographic area or development region, business potential, or any other condition we determine, in our business judgment. We will not be required to disclose or grant to you a like or similar variance.

### **Franchised Business Site**

You will operate the Franchised Business from an office, which may be a private office or a shared office space, that access to conference room and a lobby (the "Franchised Business Site"). We do not select the Franchised Business Site for your Franchised Business; however, you must send us the location of the Franchised Business Site for our approval.

### **Suppliers**

We reserve the right to have items sourced exclusively from our Suppliers including a single Supplier (which may be us or one of our affiliates) or a limited number of Suppliers, in order to achieve uniformity or better pricing, simplify inventory and purchasing or for other legitimate business reasons. This is discussed in greater detail below.

We have the sole right to enter into strategic alliances, corporate alliances, product supply or product sourcing agreements for pricing, purchasing and leasing of equipment, products, services and supplies for franchisees of the System. We are not obligated to consult with you or other franchisees about any of these alliances or agreements. You may not enter into any strategic alliances, corporate alliances, product supply or product sourcing agreements without our prior approval. You will not purchase or lease from any Supplier, goods or services to be used for any other business.

If you want to independently source any items from someone other than one of our

Suppliers, you must obtain our prior approval. We do not promise to evaluate or approve proposed suppliers, vendors, manufacturers, printers, contractors and/or distributors (“Proposed Suppliers”) on your request and we may decline to do so. However, if we elect to evaluate a Proposed Supplier at your request, you must provide us with adequate information and product samples to evaluate the Proposed Supplier. To approve a Proposed Supplier, we require a sample of the product(s), information regarding the product or service’s quality standards, availability, terms, and conditions of purchase, and other information we may request. If desired, we may request a physical inspection of the supplier’s place of business or manufacturing facility. Upon submitting samples and information required for approval, we will notify you within 30 days of our approval or disapproval of a Proposed Supplier. As a condition of approval, we require reimbursing any costs or expenses we incur in approving the Proposed Supplier. We may revoke the approval of any Proposed Supplier upon 30 days’ written notice to franchisees.

We estimate that assuming the estimated minimum initial costs to begin operations and other financial obligations are within the ranges described in Item 7 of this disclosure document, the proportion of your purchases and leases of goods and services from approved suppliers or of products that meet our specifications to be approximately 80% of all the purchases and leases in establishing your Franchised Business and approximately 8% to 10% of your ongoing costs of operating your Franchised Business.

Neither the Franchisor nor its affiliates derived any revenue, rebates, or other material consideration from required purchases and leases to Oliver’s Nannies franchisees or suppliers in the calendar year 2023.

None of the Franchisor’s officers, directors, or managers have an interest in any of the Oliver’s Nannies approved or designated vendors.

### **Gift Cards and Loyalty Programs**

You must participate in all gift certificates, loyalty programs, and gift card administration programs, as we may designate from time to time. You must honor all coupons, gift certificates, loyalty promotions, gift cards, and other programs or promotions we direct. You must fully participate in all guest loyalty, consumer relations management programs (CRM), or frequent customer programs now or in the future adopted or approved by us. You may not create, honor, accept, or issue any gift certificates or gift cards and may only sell gift certificates or cards that have been issued or approved by us. You must not issue, honor, or accept any coupons or discounts except as approved by us in writing.

### **Uniforms**

We may require that your nannies, babysitters and other staff members wear uniforms that conform to the System Standards, as described in the Confidential Operating Manual.

### **Purchasing Arrangements**

Currently, we have not negotiated any purchase arrangements with suppliers, including prices or terms that benefit franchisees. We reserve the right to negotiate other purchase

arrangements in the future. There are no formal or mandatory purchasing or distribution cooperatives, but we reserve the right to institute cooperatives in the future.

## Material Benefits

We do not provide or withhold material benefits to you (including renewal rights or the right to open additional businesses) based on whether you purchase through the sources we designate or approve. However, purchases of unapproved services, the use of unapproved vendors, or supplying to customers unapproved services will be a violation of the Franchise Agreement, and you may be terminated as a result.

## Insurance

Before you open your Franchised Business, you must obtain insurance coverage for your Franchised Business in at least the amounts specified in the Franchise Agreement. This insurance coverage must be maintained during the term of the Franchise Agreement and must be obtained from a responsible carrier or carriers rated “A+” or better by A.M. Best & Company, Inc. and be approved by us.

You must purchase insurance in the following amounts and coverage:

Coverage	Amount or Limits
<b><u>Commercial Package Policy</u></b>	
<b>General Liability</b>	
Liability Each Claim	\$ 1,000,000
General Aggregate	\$ 2,000,000
Products Completed Operations Aggregate	\$ 2,000,000
Personal and Advertising Injury	\$ 1,000,000
Hired and Non Owned Auto Liability Per Claim / Aggregate	\$ 1,000,000
Fire Damage	\$ 100,000
Medical Payments	\$ 5,000
Employee Benefits Liability Per Claim / Aggregate	\$ 1,000,000
Physical & Sexual Abuse	\$ 1,000,000
Blanket Additional Insured Endorsement	Included
AOP Deductible	\$ 5,000

<b>Professional Liability</b>	
Liability Each Claim	\$ 1,000,000
General Aggregate	\$ 2,000,000
Coverage	Amount or Limits
<b><u>Employment Practices Liability</u></b>	
Employment Practices Liability per claim / aggregate	\$ 1,000,000
Retention	\$ 15,000
Defense Costs Additional Limit / \$0 Retention	\$ 1,000,000
Third-Party Claim / \$15k Retention	\$ 1,000,000
Wage and Hour Claim / \$25k Retention	\$ 100,000
Training Costs / \$0 Retention	\$ 10,000
Employee Privacy / \$15k Retention	\$ 100,000
Immigration Investigation / \$15k Retention	\$ 100,000
Mass Action or Class Action / \$15k Retention	\$ 1,000,000
Workplace Violence Expense	\$ 250,000
Coverage	Amount or Limits
<b><u>Cyber Liability</u></b>	
First Party	\$ 1,000,000
Third Party	\$ 1,000,000
Social Engineering	\$ 250,000

Coverage	Amount or Limits
<b><u>Crime Liability</u></b>	
Employee Theft of Client Property	\$ 25,000
Single Loss Retention	\$ 1,000
Claim Expense	\$ 5,000
Coverage	Amount or Limits
<b><u>Workers Compensation</u></b>	
Employer's Liability Bodily Injury Limit	

Each accident	\$	1,000,000
Policy limit	\$	1,000,000
Each employee	\$	1,000,000

You will maintain Workman's Compensation, Unemployment Compensation, disability insurance, social security, and other similar insurance coverage in such amounts as may now or hereafter be required by any applicable law. Employment Practice Liability coverage must extend to us.

Evidence of this insurance must be initially provided to us at least 10 days before you begin the operation of your Franchise Business. A renewal certificate must be provided to us no later than 10 days before the expiration date of each policy. Each required liability insurance policy must name us as an additional insured and provide that we will be given at least 30 days' notice before the policy's cancellation, modification, or amendment. Insurance must be provided on a primary and non-contributory basis as per signed written contract and/or agreement. All policies waive the right to recovery or subrogation as per signed written contract against us. In General Liability / Auto the additional Insured language must be in favor of us.

### **Computer Hardware, Software and POS Systems**

You must buy and use MatrixCare, 2 Window based laptops, 1 cell phone, 2 office phones, and wireless router. You may not install or permit to be installed any devices, software, mobile, internet, and other applications, or other programs not approved by us for use with the Computer Systems. From time to time, we may develop or authorize others to develop proprietary software, mobile, internet, and other software programs for use in the System, which you may be required to purchase or license and use. You may be required to execute any license, sublicense, or maintenance agreement, install, and pay any applicable fees for maintenance, updates, upgrades, and support required by us or any other approved licensor or approved supplier of such proprietary software programs.

## **ITEM 9** **FRANCHISEE'S OBLIGATIONS**

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

<b><u>Obligation</u></b>	<b><u>Article in Agreement or Agreement Location</u></b>	<b><u>Item in FDD</u></b>
a. Site selection and acquisition/lease	Article II of the Franchise Agreement	Items 6 and 11
b. Pre-opening purchases/leases	Articles V and VI of the Franchise Agreement	Items 5, 6, 7 and 8
c. Site development and other pre-opening requirements	Article V of the Franchise Agreement	Items 11 and 17
d. Initial and on-going training	Article VI of the Franchise Agreement	Items 11 and 17
e. Opening	Article VII of the Franchise Agreement	Items 11 and 17
f. Fees	Article IV of the Franchise Agreement	Items 5, 6, 7 and 17
g. Compliance with standards and policies/Confidential Operating Manual	Articles VI, VII and VIII of the Franchise Agreement	Items 11 and 17
h. Principal Trademarks and proprietary information	Articles I and XII of the Franchise Agreement	Items 1, 13 and 14
i. Restrictions on products/services offered	Article VII of the Franchise Agreement	Items 8, 16 and 17
j. Warranty and customer service requirements	Not applicable	Not applicable
k. Territorial development and sales quota	Not applicable	Not applicable



<b><u>Obligation</u></b>	<b><u>Article in Agreement or Agreement Location</u></b>	<b><u>Item in FDD</u></b>
l. Ongoing product/service purchases	Article VI of the Franchise Agreement	Item 8 and 17
m. Maintenance, appearance, and remodeling requirements	Articles VII of the Franchise Agreement	Item 11 and 17
n. Insurance	Articles VII of the Franchise Agreement	Items 7, 8 and 17
o. Advertising	Articles VI and VII of the Franchise Agreement	Items 6, 7, 8, 11, 12, 13 and 17
p. Indemnification	Articles VII and XXIII of the Franchise Agreement	Items 6, 8 and 13
q. Owner's participation/management/staffing	Article VII of the Franchise Agreement	Item 15
r. Records and reports	Article VII of the Franchise Agreement	Items 6, 11 and 17
s. Inspections and audits	Article VII of the Franchise Agreement	Items 11 and 17
t. Transfer	Article X of the Franchise Agreement	Items 6 and 17
u. Renewal	Article II of the Franchise Agreement	Items 6 and 17
v. Post termination obligations	Article IX of the Franchise Agreement	Item 17
w. Non-competition covenants	Articles VIII, IX and XIII of the Franchise Agreement	Item 17

<b><u>Obligation</u></b>	<b><u>Article in Agreement or Agreement Location</u></b>	<b><u>Item in FDD</u></b>
x. Dispute resolution	Article XXIII of the Franchise Agreement	Item 17
y. Other - Licensing and Legal Compliance	Articles V and VII of the Franchise Agreement	Item 9

## **ITEM 10** **FINANCING**

We do not offer any direct or indirect financing. We do not guarantee your note, lease, or obligation.

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

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

### **Pre-Opening Obligations:**

Before you open your Franchised Business, we will:

1. Designate a Territory for the operation of your Franchised Business. (Franchise Agreement Sections 1.1, 2.1 and 6.4 and Exhibit 3 to the Franchise Agreement);
2. Review and approve a Site for your Franchised Business. We do not select the Site of your Franchised Business (Franchise Agreement Section 6.4).
3. Provide building specifications for your Franchised Business Site and review your design plans (Franchise Agreement Section 6.4);
4. Design Advertising Materials and Social Media Materials used in the System. We will provide you with standards for Advertising Materials, Social Media Materials and use of Social Media Platforms. We will make available to you approved Advertising Materials and Social Media Materials for use by franchisees. (Franchise Agreement Section 6.4);
5. Provide our Training Program as described below, for you and any other Owners and a Designated Manager at no additional charge to you. You must be trained to operate the Franchised Business; if you intend to have a Designated Manager then the Designated Manager must

also fulfill all training requirements. (Franchise Agreement Sections 6.2 and 6.4);

6. Establish standards and specifications for the System, which we may enforce in our sole discretion. (Franchise Agreement Section 6.4 and 6.5);

7. Loan you a copy of the Confidential Operating Manual, handbooks and other related materials in hard copy, electronic copy or other versions at our option. (Franchise Agreement Sections 6.1 and 6.4);

8. Provide you with a list of Suppliers, as revised from time to time. (Franchise Agreement Sections 6.4 and 6.5);

9. Provide you with a list of approved products and services (Franchise Agreement Sections 6.4 and 6.5); and

10. Specify minimum policy limits for certain types of insurance coverage required to meet our minimum standards. You will submit for our approval, which will not be unreasonably withheld, any insurance policy prior to purchasing such policy. We may in our sole discretion, revise our insurance requirements for franchisees and we may in our sole discretion, require you to obtain additional or different insurance policies. (Franchise Agreement Sections 6.4 and 7.12).

#### **Pre-Opening Optional Assistance:**

Before you open your Franchised Business, we may:

1. Conduct advertising, marketing, promotional and/or public relations activities in local, regional and national print publications, use Social Media Platforms and develop and use Advertising Materials and Social Media Materials. (Franchise Agreement Section 6.4);

2. Review all Advertising Materials and Social Media Materials developed by you and all requests to use Social Media Platforms. (Franchise Agreement Sections 6.4 and 7.7); and

3. Supply reasonable support by telephone and email (Franchise Agreement Section 6.4).

#### **Post-Opening Optional Assistance:**

After you open your Franchised Business, we may:

1. Conduct advertising, marketing, promotional and/or public relations activities in local, regional and national print publications, use Social Media Platforms and develop and use Advertising Materials and Social Media Materials. (Franchise Agreement Section 6.5);

2. Offer additional conferences, seminars or programs, at a frequency that we determine, on various topics relevant to you as the Franchisee. Some of these conferences,

seminars or programs may be mandatory and others may be optional. There may be a tuition fee for these seminars (Franchise Agreement, Section 5.3).

3. Provide updates to the Confidential Operating Manual, the System, the Principal Trademarks, at a frequency which we will determine (Franchise Agreement, Section 5.3).

4. Review all Advertising Materials and Social Media Materials developed by you and all requests to use Social Media Platforms. (Franchise Agreement Sections 6.5 and 7.7);

5. Provide periodic counseling to you in the operation of your Franchised Business. This periodic counseling may be provided individually or in a group setting. This periodic counseling may be provided in person, via telephone, seminar, newsletter, bulletins, through an intranet or any other method selected by us. (Franchise Agreement Section 6.5);

6. Provide you, your staff and managers with additional training. (Franchise Agreement Section 6.2);

7. Provide you with additional guidance as to the operation of your Franchised Business regarding but not limited to: (a) new products, services and/or methods developed for the System; (b) the purchase and use of supplies, uniforms, equipment and products; (c) the formation and implementation of marketing, advertising and promotional programs; (d) maintenance of your financial and accounting records; and (e) other general operating issues you may encounter, including but not limited to permits, licenses or certifications. (Franchise Agreement Section 6.5.);

8. If you do not resolve a dispute with a client, we may investigate and resolve the dispute (Franchise agreement Section 6.5);

9. We may provide recommended and suggested pricing for the Franchised Business products and services. If provided, you must fully participate, honor, and comply with any and all System, local, regional, seasonal, promotional, and other programs, initiatives, and campaigns adopted by us that we require you to participate in. You honor all and only the currency, credit, charge, courtesy, and cash cards approved by us in writing (Franchise agreement Section 6.5); and

10. Establish and maintain or have a third party maintain a business center to handle inbound and outbound calls from and to prospective customers and/or franchisees, send emails, handle strategic account programs and conduct surveys (the "Business Center"). (Franchise Agreement Section 6.5).

### **Lease Requirements:**

You must submit any proposed site for your Franchised Business Site for our review and respond to any objections raised by our review before you acquire the site. The Franchised Business Site is typically 250 square feet of office space with access to a conference room space and a lobby. The office may be a private office or a shared office. Generally, we do not own and lease the Franchised Business site to you. The factors we consider in approving sites are general location and neighborhood, competition, trade area demographics, traffic patterns, parking, size,

physical characteristics of existing buildings, and lease terms. The time limit for us to approve or disapprove your proposed site is 30 days after you submit all of our required documents and information.

If you do not secure a Site, we do not approve a Site, you and we do not agree on a Site for your Franchised Business within 2 months from the signing of your Franchise Agreement, or you do not open your Franchised Business within 4 months of the signing of your Franchised Business, we may terminate your Franchise Agreement and retain all monies that you have paid us or our affiliates.

For your Franchised Business Site, we provide building specifications for your real property space and we review your design plans for the Franchised Business Site of your Franchised Business. You are responsible for conforming the Franchised Business Site premises to local ordinances and building codes and obtaining any required permits for constructing, remodeling, or decorating the Franchised Business Site premises. We may but are not obligated to provide you with assistance to ensure that your Franchised Business Site conforms to local ordinances and building codes or obtain any required permits for construction or remodeling. You must also submit for our review any lease or contract of sale for the Franchised Business Site before you sign the lease or contract. You may not enter into a lease or contract of sale for the Franchised Business Site without our prior written consent. The lease must have an initial term of no less duration than the initial term of your Franchise Agreement.

Unless we consent in writing to exclude any required provision, any lease or amendment thereto must include the following terms and conditions: (i) that the premises shall be used exclusively for the operation of the Franchised Business; (ii) that the lessor consents to the use of the Principal Trademarks, signs, décor, color scheme and related components of the System as we may prescribe for the System; (iii) that the lessor agrees to furnish us with copies of all notices under the lease and at such time that such notices are sent to the franchisee; (iv) that we shall have the right to enter the premises to make any modification necessary to protect the System and the Principal Trademarks or to cure any default under the lease, the franchise agreement, or under any agreement between us and you without being guilty of trespass or any other crime or tort; (v) that you may not sublease or assign all or any part of your rights or extend the term of or renew the lease without our prior written consent which shall not be unreasonably withheld; (vi) at our option, that you shall have collaterally assigned the lease to us by entering into a collateral assignment of lease annexed to the Franchise Agreement as Exhibit 6B and that if prior to the expiration of the lease, you default under your lease, the Franchise Agreement expires or the Franchise Agreement is otherwise terminated, we will have the option to assume your occupancy rights and the right to sublease for all or any part of the term of the lease without lessor having any right to impose conditions on such assignment or assumption or to obtain a payment from you or us, including any payment for past due rent or additional rent, replenishment of the security deposit or any other payment; (vii) that you and lessor shall not amend or otherwise modify the lease in any manner that would materially affect any of these requirements without our prior written consent; and (viii) that lessor acknowledges and agrees that any furniture, fixtures, equipment or personal property maintained by you on the leased premises, whether leased or owned by you, are not the property of lessor and shall be subject to our security interest and a purchase option provided for in the Franchise Agreement in the event of your default under the lease or Franchise Agreement and may be removed upon expiration or termination of the lease so long as such removal is accomplished

without damage to the leased facility.

We may require that the lease have a rider attached to it in a form to be provided by us which will reflect our requirements.

Our approval of your location is not a guarantee that your location or your Franchised Business will be successful. Our review of the lease does not constitute an approval of the lease or the terms contained therein including but not limited to any legal, economic or rental terms. Our approval is solely for our benefit and is only provided to ensure that your location meets our minimum standards. We recommend that you work with your own independent advisors in determining if the location of your restaurant meets your standards as well as ours. We will require you to hold us harmless from any claim arising from the lease.

### **Schedule for Opening:**

We estimate that the time from the signing of the Franchise Agreement to the opening of the Franchised Business will be approximately four (4) months from the date of your Franchise Agreement. This time may be significantly shorter or longer depending upon the time necessary to obtain permits, licenses and certifications necessary for the operation of the Franchised Business. You will be required to open for business within one (1) month after completing the training program, but in no event more than four (4) months after signing the Franchise Agreement (the "Opening Date").

If you do not secure a Site, we do not approve a Site, you and we do not agree on a Site for your Franchised Business within two (2) months from the signing of your Franchise Agreement, or you do not open your Franchised Business within four (4) months of the signing of your Franchised Business, we may terminate your Franchise Agreement and retain all monies that you have paid us or our affiliates.

The factors that affect the Opening Date may include location schedules, weather conditions and shortages or delays in obtaining equipment. Unless otherwise agreed to in writing by us, you must secure all necessary permits, licenses and certifications, purchase or lease and have installed and in operating order all of the required equipment and obtain and provide to us evidence of the required insurance prior to the Opening Date.

### **National Advertising Fund:**

We will institute, maintain and administer a separate fund for advertising, marketing, promotional, public relations programs, lead generation programs and for using Social Media Platforms as we in our sole discretion may deem necessary or appropriate to advance enhance, promote and protect the goodwill and public image of the System, the Oliver's Nannies brand and the intellectual property ("National Advertising Fund"). We will direct all such programs with sole discretion over all operational and advertising decisions, including: (1) the creative concepts, materials, endorsements and media used in connection with such programs (which may include television, radio, print and Internet advertising, maintenance of a website as well as the use of

Social Media Platforms, as funds permit); (2) the source of the advertising, marketing, promotional, public relations or lead generation efforts (which may be in-house or through an outside agency located locally, regionally or nationally); (3) the placement and allocation of such programs (which will be local, regional or national); and (4) the composition of all geographic territories and market areas for the development and implementation of such programs.

The National Advertising Fund may be used in any of the following ways: (1) to create and implement Advertising Materials and Social Media Materials, including but not limited to door hangers, mailers, FSIs, inserts and coupons, brochures, promotional material, labeling, public relations and signage, in any form that we may, in our sole discretion, determine; (2) to assist franchisees in developing Advertising Materials and Social Media Materials and using Social Media Platforms; (3) in connection with radio, television, print, Internet advertising, cable programs, other forms of production and media as well as Social Media Platforms; (4) to review any and all locally produced Advertising Materials and Social Media Materials; (5) for website design and maintenance and to conduct search engine optimization; (6) to use Social Media Platforms and develop Social Media Materials; (7) to conduct market research; (8) to undertake sponsorships; (9) to engage in and develop sweepstakes, competitions, and an affinity program; (10) to design and develop merchandise, logo wear, other branded apparel, premium items and other items; (11) to pay related retainers; (12) to conduct customer surveys, customer interviews and to retain mystery shoppers to conduct inspections of the System as well as competitors; (13) to retain celebrities for endorsement purposes; (14) to pay for membership dues to associations, including but not limited to the International Franchise Association; (15) to establish a third-party facility to customize Advertising Materials and Social Media Materials; (16) to establish and maintain or to pay a third party to establish and/or maintain the Business Center; and (17) reimburse us or our affiliates for salaries, overhead and administrative expenses relating to the National Advertising Fund or otherwise related to advertising and marketing programs intended to benefit the System.

We are responsible for administering the National Advertising Fund. Advertising Materials, Social Media Materials, merchandise, logo wear, branded apparel, premium items and other items, if developed by the National Advertising Fund, may be sold to franchisees at a profit and the profit on such sales will be contributed to the National Advertising Fund.

We and/or an affiliate may receive payment for providing goods or services to the National Advertising Fund. We and/or our affiliate(s) may sell Advertising Materials, Social Media Materials, merchandise, logo wear, branded apparel, premium items and other items directly to franchisees or to the National Advertising Fund, at a profit and is not obligated to contribute any profit to the National Advertising Fund.

We are not required to spend any amount on advertising, marketing or promotional programs or Social Media Platforms directly in the Territory or to spend pro rata with your individual National Advertising Fund contributions. Any unused portion of the National Advertising Fund in any calendar year or earnings on sales of Advertising Materials and Social Media Materials by the National Advertising Fund will be applied to the following year's National Advertising Fund.

As indicated in Item 6 above, you will be required to contribute to the National Advertising Fund, on a bi-weekly basis, the greater of (i) up to 1.5% of Gross Revenues or (ii) a minimum of \$500. All company-owned and affiliate-owned Oliver's Nannies outlets will contribute to the National Advertising Fund at the same rate required from franchisees. We may contribute or loan additional funds to the National Advertising Fund on any terms we deem reasonable. Funds loaned to the National Advertising Fund may earn interest at the then-prevailing commercial rate, as reasonably determined by us. We may reduce the National Advertising Fund contribution at any time. If the National Advertising Fund contribution is reduced for franchisees, we may reduce the rate of contribution for company-owned and affiliate-owned businesses accordingly. We may modify the National Advertising Fund contributions for any franchisee based on a reallocation of the franchisee's overall advertising expenditure.

National Advertising Fund contributions are not revenue to us and there is no requirement for the National Advertising Fund to be independently audited. Franchisees who contribute to the National Advertising Fund may obtain a copy of the fund's unaudited financial statements after April 30<sup>th</sup> of each year upon your written request.

We may suspend (and reinstate) or discontinue the National Advertising Fund but will not do so until all the monies in the National Advertising Fund have been expended or rebate the balance of the National Advertising Fund to the then current franchisees based on a formula that allows for the pro-rata rebate based on contributions to the National Advertising Fund during the National Advertising Fund's last fiscal year. We will have no fiduciary duty with respect to National Advertising Fund proceeds and are administering these funds as an accommodation to franchisees and the System only. We will assume no direct or indirect liability or obligation to you with respect to collecting amounts due to the National Advertising Fund or with respect to maintaining, directing or administering the National Advertising Fund.

The National Advertising Fund did not collect any contributions in 2023. If excess amounts remain in the National Advertising Funds at the end of the year, the unused monies shall be retained by the National Advertising Fund. All expenditures in the following year(s) shall be made first out of accumulated earnings from the previous year(s), next out of earnings in the current year, and finally from contributions.

We may advertise on the website that unit franchises are available or make other similar statements on the website.

We may establish a franchisee advisory council or subcommittee to participate in the National Advertising Fund management and advertising decisions. The purpose of the franchise advisory council is to facilitate communication between our franchisees and us, which will lead to mutual growth, development, and profitability of the entire System. At your sole expense, you shall participate in local, regional, and national franchise advisory committees or councils if established or sanctioned by us. The franchise advisory council serves in an advisory capacity only and does not have the authority to establish or modify our policies. We have the power to determine membership, the election of council officers, and change or dissolve the franchise advisory council. However, we will have sole discretion over the operation of the National Advertising Fund and all advertising decisions.



### **Local Marketing and Advertising:**

All business stationery, business cards, advertising plans and materials, marketing plans and materials, public relations programs, sales materials, signs, decorations and paper goods, script, branding tools, meeting leave behinds and public relation materials (such materials whether created by Franchisor, Franchisee or any third-party are collectively defined as “Advertising Materials”), use of Social Media Platforms, Social Media Materials, and other items we designate must bear the Principal Trademarks in the form, color, location and manner we prescribe. In addition, all of your advertising, marketing and promotional activities in any medium as well as your Social Media Platform usage, must be conducted in a dignified manner and must conform to the standards and requirements in the Confidential Operating Manual or otherwise approved by us in writing.

You must obtain our prior approval before: (i) you use any Advertising materials or Social Media Materials if we have not prepared or approved such Advertising Materials or Social Media Materials within the previous twelve (12) months; and (ii) before you initially use any Social Media Platform. You must submit all unapproved Advertising Materials, Social Media Materials and requests to use Social Media Platforms to us via certified or electronic mail. We will approve or disapprove such request within ten (10) days after submission. If you do not receive written approval within ten (10) days after submission of your request for approval, your request is deemed denied. We may withhold our approval of your use of any Advertising Materials, Social Media Materials or Social Media Platform for any reason or no reason at all. You may not use any unapproved Advertising Materials, Social Media Materials or Social Media Platforms. You must promptly discontinue use of any Advertising Material, Social Media Material and/or Social Media Platform, whether or not previously approved, on notice from us. We have the right to require you to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by us in our sole discretion, including but not limited to any previously approved Social Media Material. We have the right to access your Social Media Platform accounts to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by us in our sole discretion, including but not limited to any previously approved Social Media Material. You are required to give us your usernames, passwords, account information and all other information we may require to access your Social Media Platforms accounts upon your initial use of a Social Media Platform and immediately upon our request.

All Advertising Materials, Social Media Materials and use of Social Media Platforms must indicate that you operate the Franchised Business as an independent franchisee of us. You will not employ any person to act as your representative in connection with local promotion of the Franchised Business in any public media without our prior written approval.

### **Grand Opening**

In addition to your local, regional and national advertising spend, described above, it is required that you spend at least \$500 to \$2,500 on grand opening advertising during the first three (3) months of operation. You may choose to spend more. Factors that may affect your decision on the amount to spend include local media cost, the location of the Franchised Business, and customer

demographics in the surrounding area.

### **Regional Advertising Cooperative:**

There are currently no advertising cooperatives in our System, nor are there currently any advertising councils comprised of franchisees. We may establish regional advertising cooperatives to increase brand awareness at the regional state levels. We have the right to determine the composition of all geographic territories and market areas included in a particular regional cooperative and to require that you participate if the same is established by us. The members of a regional cooperative will consist of all Franchised Businesses located within the area associated with that regional cooperative. Company-owned and/or affiliate-owned units may be active members of any cooperative and may possess voting power in accordance with the rules of the cooperative as we may determine in our sole discretion.

You will not have the right to change, dissolve or merge any regional advertising cooperative. We have the right to change, dissolve, or merge any regional advertising cooperative. If we establish a regional cooperative, we may require you to contribute to the regional cooperative, on a bi-weekly basis, the greater of (i) up to 1.5% of your Gross Revenues or (ii) \$500. If we permit the cooperative to determine the amount of the required contribution, in no event will the contribution exceed the amounts described above in this paragraph. Your regional advertising cooperative contribution will be credited against your local advertising requirements.

All contributions to the regional cooperative will be maintained and administered in accordance with the documents governing the regional cooperative, if any. Currently, there are no governing documents for regional cooperatives available for your review. If we require regional cooperatives to be formed, we will either (a) prepare a form of governing document for your use or (b) require that you prepare a governing document, subject to our approval. If we manage the funds of a regional advertising cooperative, we will prepare unaudited financial statements and will deliver the same to you no earlier than one hundred twenty (120) days of its year-end.

We will have the right, in our sole discretion, to determine how funds paid into any regional advertising cooperative are expended.

### **Computer Requirements:**

You will be required to purchase the following equipment in order to operate your Franchised Business: (i) MatrixCare; (ii) two Windows-based laptops; (iii) one cell phone; (iv) two office phones; and (v) wireless router.

The computer and computer software are referred to as the "Computer System". You may already have a Computer System that is adequate. If not, we estimate the cost of leasing or purchasing the Computer System is approximately \$3,000 to \$4,000 (Item 7).

You will be required to maintain each component of the Computer System to keep it operational. The cost of, and the frequency of such maintenance cannot be estimated as various factors, such as the age of the entire Computer System and its treatment while in operation cannot

be determined. We do not have any contractual obligation for the maintenance, repair, update or upgrade to your computer and computer system.

We may also require you to update the Computer System hardware no more often than once every five (5) years. We estimate the cost to be approximately \$2,000. The computer software update will occur no more often than once every two (2) years. The cost of any such update will vary depending upon the age of the software that you originally installed, and the cost charged by the software vendor. We estimate that the cost to maintain, update and/or upgrade your software to be between \$300 to \$500 per year.

We may at any time change the configuration of the hardware or the software and will notify you in writing of the same after which you will have a reasonable amount of time (not to exceed sixty (60) days) within which to make the changes. Your Computer System must give us independent access to your databases; we will never disclose any personally identifiable information. If your databases are passcode protected, you will provide the code to us upon request. The information accessed will include scheduling information, attendees, and the identity of venues at which your services are offered. There are no other contractual limitations on our right to access such information.

You are solely responsible for protecting yourself from viruses, computer hackers and other computer-related problems and you may not sue us for any harm caused by such computer-related problems.

Franchisees will be provided with an Oliver's Nannies email account to be used for all business communications. You must use the email address provided by us in connection with the operation of your Oliver's Franchised Business. You will be prohibited from using any other email address. We will have unlimited access to the content of all email accounts.

We may acquire or develop software for use by franchisees, including but not limited to customer registration systems/software. The type and/or source of this software may change from time-to-time. If we acquire or develop software for franchisees, you will be required to pay our then current fee for software provided by us and you will be required to enter into a software license agreement with us, an affiliate or a third-party supplier and pay a fee in connection with any software.

**Website:**

We will be the web master for the Oliver's Nannies website or any on-line equivalent, either directly or through our supplier. We will be the only authorized user of the Oliver's Nannies URL or any derivation of the Oliver's Nannies name or marks on the worldwide web. You will be required to participate in and provide assistance with the Oliver's Nannies website, as we may require. You may not establish or maintain an independent website or URL for your Franchised Business or use the Principal Trademarks (or any similar version) or other proprietary information in any way other than as provided in the Franchise Agreement, including on the Internet.

We may provide from the Oliver's Nannies website, a landing page or a link to a website

for your Franchised Business, which will be maintained by us or our supplier. We may provide guidelines for updating your specific landing page or website and we may make changes to your specific landing page or website, in our discretion. The location and telephone number of your Franchised Business will be posted on our website as we may determine. You will be required to abide by our policies, including its privacy policy regarding customer information.

You will have no rights to market any products or services on the Internet without our permission and it is unlikely at this time that such permission will be granted. You will be required to comply with our policies and programs concerning search engine optimization.

### **Confidential Operating Manual:**

We will loan you one copy of the Confidential Operating Manual though it will always remain our property. It is part of the System and it contains our confidential, proprietary and trade secret information. The Table of Contents of the Confidential Operating Manual is found in Exhibit D to this Disclosure Document. The Table of Contents will state the number of pages devoted to each subject contained in the Confidential Operating Manual and will also state the total number of pages in the Confidential Operating Manual, which is approximately 156 pages.

### **Training Program:**

We provide a tuition-free initial Oliver's Nannies Training Program, which includes orientation to the System, customer service, operational management, financial management, computer software use, advertising, and marketing and reporting procedures. The training lasts up to 9 days or less, depending on your current experience level. Classroom training, as shown in the table below, typically lasts up to 5 days or less and is currently held in Millburn, New Jersey. On the job training, as shown in the table below, is typically held at the Franchised Business Site and/or virtually. We may hold the training program, or portions of the training program, at one of our other locations in the future. Instructional materials may include manuals, videos, scripts, and PowerPoint presentations. Training is not scheduled regularly but will be offered to you before the opening of your Franchised Business. You and your Franchised Business Owners and Designated Manager must attend and successfully complete to our satisfaction the initial training before the opening of the Franchised Business. Other employees of yours may attend the training but are not required to attend training or complete the training to our satisfaction. You must pay for all travel, lodging, and other costs of initial training attendance. After that, we may charge a fee for attendance at the initial training for new and replacement managers. Our current fee for a replacement and new managers is \$500 per attendee.

**TRAINING PROGRAM**

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Industry Review	1		Millburn, New Jersey
Scope of Services	3	3	Millburn, New

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
			Jersey, and the Franchised Business Site
Recruitment & Human Resources	10	8	Millburn, New Jersey, and the Franchised Business Site
Sales & Revenue Generation	10	8	Millburn, New Jersey, and the Franchised Business Site
Care Management	8	8	Millburn, New Jersey, and the Franchised Business Site
Financial Administration	8	5	Millburn, New Jersey, and the Franchised Business Site
Total	40 Hours	32 Hours	

Instructors for Initial Training Program are:

Kathryn Livingston: Kathryn is our co-founder as well as the co-founder of our affiliate, Oliver's Nannies, Inc. Kathryn's extensive background in franchising has led to her love and passion for the industry. Kathryn started as a business consultant working with three franchisors where she gained expertise and management experience in the areas of human resources, recruitment, marketing, sales, advertising, and overall business strategy. Kathryn has also managed and provided consulting services pertaining to financial analysis, cost savings and business administration. Kathryn also currently operates a franchise established in 2008 in a separate system in New York City. Kathryn has over 16 years of industry experience and over 5 years of experience in the Oliver's Nannies System. Kathryn is fully familiar with each aspect of the training program.

Sarah Mulcahy: Sarah is our Director of Franchise Development. Sarah joined our affiliate, Oliver's Nannies Inc. in October 2018 as its Executive Director. Sarah supported in the implementation of the Oliver's Nannies concept and oversaw all operations, including but not limited to the recruitment and management of office staff and nannies, revenue generation and operation administration. Additionally, Sarah is proficient in client acquisition, client management and client satisfaction. Sarah has a background in both childcare in a center and in home staff of pediatric nursing care. Sarah has over 10 years of industry experience and over 5

years of experience in the Oliver's Nannies System. Sarah is fully familiar with each aspect of the training program.

Sergio Mormile: Sergio is our Director of Recruitment and Training. Sergio joined the affiliate, Oliver's Nannies Inc. in October 2018 as its Director of Community Relations. During his time with the affiliate, Sergio implemented and oversaw all recruitment efforts, including but not limited to phone screening, conducting in person interviews, verifying references and leading orientations for all new nannies. Sergio trained all new employees on the recruitment process at the affiliate location as well. Sergio has over 8 years of experience in recruiting and training and over 5 years of experience in the Oliver's Nannies System. Sergio is fully familiar with the recruitment and human resources portion of the training program.

We may change, add to, or make substitutions for the subjects and instructors listed in the above tables as necessary or appropriate. All instructors and substitute instructors will have a minimum of one year of experience in the Oliver's Nannies System or the subject matter for which they provide training and instruction.

We may provide additional training programs at reasonable times and locations selected by us during the Franchise Agreement term. We will host national conventions at times and locations selected by us. You must attend the national convention. We may require attendance at other additional training programs. You must pay for all travel, lodging, and other costs of attending training and the national convention. We may charge a reasonable per diem fee for other training programs.

After executing the Franchise Agreement, you are encouraged to schedule your training as soon as possible. We will not be liable for your costs or expenses if we terminate the Franchise Agreement because mandatory training is not completed to our satisfaction.

You are responsible for all expenses you and your employees incur to attend the initial training, including wages, benefits, transportation, meals, accommodations, and entertainment. Other than providing initial training, we do not provide any other assistance with the hiring or training of your employees.

## **ITEM 12** **TERRITORY**

You will be granted an exclusive Territory. The Franchise Agreement will grant you certain limited rights to operate a Franchised Business from an approved Site for the Franchised Business within a specific Territory.

You may relocate the Site of your Franchised Business as long the new Franchised Business Site meets our then-current site requirements, and you reimburse us for any costs and expenses we incur in your relocation. Currently, for relocation and site selection purposes, the new site must be approved by us, and we provide building specifications for your real property space and we review your design plans. You are obligated to reimburse us for any cost and expense that we incur reviewing or approving your relocation as a relocation fee.

Subject to the Franchise Agreement, you are granted the right to operate within a Territory, which is an a 3-mile radius from the Franchised Business Site. You may advertise, solicit, offer, accept orders, and sell within the Territory. You do not have the right to use other channels of distribution such as the internet, catalog sales, telemarketing, or other direct marketing, to make sales outside of your Territory unless we give you written consent to serve another specified area where no other Oliver's Nannies franchise or company-owned unit is located. If you are granted consent to service another specified area, you shall be obligated to pay royalty fees and other fees to us for the services performed or products sold.

If you are in compliance with the Franchise Agreement, you meet the performance standards outlined in your Franchise Agreement, and are subject to the limitations stated below, we promise and agree not to operate or authorize anyone else to operate a business using the same Oliver's Nannies model concept and System as your Franchised Business in the Territory during the Term of your Franchised Agreement. We are not obligated to ensure that no other franchise will conduct operations in your Territory. Although such activities are discouraged, we reserve the right to determine how to respond to any such situation. We do not have to compensate you for us or other franchisees soliciting or accepting orders in your Territory.

We reserve the right for ourselves and our affiliates to do the following:

(i) Own, acquire, establish, operate, and license others to establish and operate businesses like the Franchised Business or substantially similar to the Franchised Business, whether under the Principal Trademarks or other proprietary marks outside the Territory;

(ii) Acquire a system of Competitive Businesses with units located within your Territory (but not under the Principal Trademarks) or outside the Territory;

(iii) Establish and operate any business within your Territory that does not utilize the Principal Trademarks, including a business that offers goods and services similar to those offered by the System;

(iv) Advertise, promote, market, or sell goods or services using the Principal Trademarks over the internet, the World Wide Web, or any other electronic network;

(v) Offer and sell the services and products authorized for Franchised Business using the Principal Trademarks or other trademarks, service marks, and commercial symbols to Special Accounts;

(vi) Own, acquire, establish, operate, and license others to establish and operate businesses like the Franchised Business or substantially similar to the Franchised Business, whether under the Marks or other proprietary marks, in Special Venues, unless the Franchised Business is located in a Special Venue in New York, then it will not operate under the Principal Trademarks;

(vii) Retain all other rights not specifically granted to you.

Neither we nor our affiliate operate or plan to operate or franchise businesses under a different trademark that sells or will sell goods or services that are the same as or similar to those that Oliver's Nannies franchisees sell. We and our affiliates do not operate or have plans to operate or franchise others to operate a business selling the same goods or products under a different name or solicit customers within your Territory except as stated above.

### **Special Venues:**

We or other franchisees or licensees may own, acquire, establish or operate businesses like the Franchised Business or substantially similar to the Franchised Business, whether under the Marks or other proprietary marks in any temporary or permanent venues where there is a captive audience and where the primary purpose is other than patronizing an Oliver's Nannies business (referred herein as a “**Special Venue**”), in the way of examples, but not an exhaustive list: recreation centers, schools, commercial or business locations or centers within or outside of the Territory or Development Area. In the event that we or other franchisees or licensees establish such business in a Special Venue located in your Territory in New York, then the business will not be under the Principal Trademarks.

### **Special Accounts:**

The Franchisor has the exclusive right to contract with customers, businesses and/or vendors whose offices, stores, plants, buildings, or other physical facilities are not confined to the territory of a single Oliver's Nannies territory, Franchisor-owned, or affiliate-owned business (referred to herein “**Special Accounts**”). If Franchisor establishes a contract for facilities of a Special Account located in the Territory, Franchisor shall offer Franchisee the first option of providing the services to the Special Account at those facilities in the Territory at the prices and subject to the contract requirements negotiated by Franchisor with the Special Account. If Franchisee accepts the project, Franchisor will collect all amounts due from the Special Account and remit to Franchisee the amount due for products and services rendered Special Account, less the amount of Royalties and other fees due under this Agreement. All amounts collected from Special Accounts on Franchisee’s behalf or by Franchisee from Special Accounts will be included in Franchisee’s Gross Revenues to calculate Royalties and other fees due under this Agreement.

If Franchisee declines to accept the project, Franchisor will have the unfettered right to fulfill the contract requirements to the Special Account in the Territory in any manner it deems suitable, including through another Oliver's Nannies franchisee, the Franchisor, an affiliate-owned business, or a third-party contractor. Additionally, if at any time a Special Account for any reasonable requests that services in the Territory be provided by someone other than Franchisee, Franchisor may revoke Franchisee’s option or right to provide or continue to provide the services and may fulfill the contract requirements of the Special Account in the Territory in any manner Franchisor deems suitable.

### **Gift Cards and Loyalty Programs**

You must participate in all gift certificates, loyalty programs, and gift card administration



programs, as we may designate from time to time. You must honor all coupons, gift certificates, loyalty promotions, gift cards, and other programs or promotions we direct. You must fully participate in all guest loyalty, consumer relations management programs (CRM), or frequent customer programs now or in the future adopted or approved by us. You may not create, honor, accept, or issue any gift certificates or gift cards and may only sell gift certificates or cards that have been issued or approved by us. You must not issue, honor, or accept any coupons or discounts except as approved by us in writing.

### **Acquisition of Competing System:**

If you are in compliance with the Franchise Agreement and we acquire a system of Competitive Businesses (an “Acquired Systems”) during the term of the franchise agreement, we will offer you the option to purchase and operate as an Oliver's Nannies Franchise, any unit of the Acquired Systems (an “Acquired Unit”) that is both purchased by us for operation by us or our Affiliate (e.g., the unit will not be operated by a licensee of the Acquired Systems) and is located within your Territory. We shall provide you with written notice of our purchase of the Acquired Systems, the terms and conditions applicable to your option to purchase Acquired Units, and other information that we believe must be included in the notice. If you do not elect to purchase or fail to complete the purchase of an Acquired Unit within two (2) months after notice, we can operate through an Affiliate or third-party licensee, the Acquired Unit under any trade name or trademark other than Principal Trademarks. You have no right to purchase, and we are not obligated to offer you any option to purchase any Acquired Unit that a licensee operates under the Acquired Systems. We may license such units to be operated under any trade name or trademarks other than Principal Trademarks. We may also license additional units of the Acquired Systems to be developed and operated within your Territory.

If you are in good standing under the Franchise Agreement and meet our financial qualifications, you may request that we sell you another Oliver's Nannies franchise. We reserve the right to determine whether to sell you another franchise. If you buy an additional franchise, it will be under the then-current form of the Franchise Agreement and other applicable agreements that may differ from those described in this disclosure document.

Neither we nor our affiliates have established, or presently intend to establish, other franchised or company-owned businesses under a different trade name or trademark, which sell services or products similar to those that you will offer, but we may do so in the future, without first obtaining your consent.

### **No Rights of First Refusal; Performance Obligations**

Your Franchise Agreement does not give you any other options, rights of first refusal, or similar rights to acquire additional franchises within the territory or contiguous territories. To maintain your Territory you must continue to meet the requirements of the Franchise Agreement and meet the specific financial performance requirements imposed upon you. We may establish another franchise or company-owned location in the Territory if you fail to comply with the Franchise Agreement or you fail to achieve a minimum of \$25,000 Gross Revenues bi-weekly 3 years post the opening of the Franchised Business and every bi-weekly period thereafter. Except


as disclosed in Item 12, no other circumstances permit us to modify your territorial rights.

### **ITEM 13**

#### **TRADEMARKS**

We grant you the right to operate your Franchised Business under the name “Oliver’s Nannies” and to use all of the Principal Trademarks identified below in the operation of your Franchised Business. The term “Principal Trademarks” as used in this disclosure document means the symbols, trademarks, service marks, logos, emblems, trade names and indicia of origin that we will license to you. We own the Principal Trademarks and license the Principal Trademarks to our franchisees. The existing Principal Trademarks consists of what is indicated below.

The following is a description of the registered Principal Trademarks, each of which has been registered on the Principal Register of the United States Patent and Trademark Office (“USPTO”):

Principal Trademarks	Registration Number	Registration Date
	7,247,205	December 19, 2023
Oliver's Nannies (Standard Characters, mark)	7,247,209	December 19, 2023

There are no existing or pending material determinations of the United States Patent and Trademark Office, Trademark Trial and Appeal Board, the Trademark Administrators of New Jersey or any court. There are no pending infringement, opposition or cancellation actions nor any pending material litigation involving the Principal Trademarks.

All required affidavits for the Principal Trademarks have been filed. We have filed all renewal applications for the Principal Trademarks when renewal has been required and we intend to file renewal applications for the other Principal Trademarks when they become due.

The Franchise Agreement will require you to notify us of the use of or claims of rights to a Principal Trademark or a mark confusingly similar to a Principal Trademark licensed to you. We will take affirmative action as we deem necessary when notified of these uses or claims. We will remain in control of any such proceeding. We will indemnify and hold you harmless for any expense associated with a claim made against you relating to the use of the Principal Trademarks by you, unless the claim is based upon your misuse of the Principal Trademarks in a manner not permitted under the Franchise Agreement.

We know of no superior prior rights or infringing uses that materially affect your use of the Principal Trademarks in any jurisdiction.

We reserve the right to modify or change the Principal Trademarks and compel you to accept and adopt such modifications or changes at your expense.

#### **ITEM 14**

#### **PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

There are no pending patent applications or registrations material to the franchise. We do not own any patents material to the franchise. We do not own any copyright registration material to the franchise. We do have unregistered copyrights in the Oliver's Nannies Confidential Operating Manual, and all printed, audiovisual, and other materials developed and distributed for use by our franchisees or us (collectively called the “**Proprietary Information**”). Information not protected by copyright but confidential to us, such as information about our methods, policies, and marketing programs, is also part of the Proprietary Information.

The Confidential Operating Manual, operating methods, business procedures, and all client information, including names, addresses, and financial information, are confidential and proprietary. The Proprietary Information is our trade secret. You may not use this information in any other business or in any other way not authorized by us in writing.

There are no material determinations of the United States Patent and Trademark Office, the United States Copyright Office, or a court regarding our copyright materials.

You must promptly notify us of any infringement of the Oliver's Nannies copyright-protected materials, Confidential Operating Manual, advertising materials, and other proprietary documents by any person or legal entity or any litigation instituted by any person or legal entity against you or us involving the Oliver's Nannies copyright-protected materials, Confidential Operating Manual, advertising materials, or other proprietary documents. We will control any litigation or proceeding. We are not required to defend Oliver's Nannies copyright-protected materials, Confidential Operating Manual, advertising materials, or other proprietary documents. If we undertake the defense, prosecution, or settlement of any litigation relating to the Oliver's Nannies copyright-protected materials, Confidential Operating Manual, advertising materials, or proprietary documents, you agree to assist as necessary to carry out such defense, prosecution, or settlement. We are not required to indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving the Oliver's Nannies copyright-protected materials, Confidential Operating Manual, advertising materials, or other proprietary documents or if the proceeding is resolved unfavorably to you.

We retain the right to modify the Oliver's Nannies copyright-protected materials, Confidential Operating Manual, advertising materials, and other proprietary documents. Upon demand by us, you shall discontinue the use of Oliver's Nannies copyright-protected materials, Confidential Operating Manual, advertising materials, or other proprietary documents at your sole cost and expense, as directed by us. We are not required to reimburse or compensate you for any

modification or discontinuation of Oliver's Nannies copyright-protected materials, Confidential Operating Manual, advertising materials, or proprietary documents.

We have no actual knowledge of superior prior rights or infringing uses of the Oliver's Nannies copyright-protected materials, Confidential Operating Manual, advertising materials, or other proprietary documents that could materially affect your use of such copyrights or proprietary information. You will not acquire any interest in the Proprietary Information. All Proprietary Information must be returned to us immediately upon the termination of the Franchise Agreement for any reason. The Proprietary Information is disclosed to you solely on the condition that you (1) will not use it in any other business or capacity; (2) will maintain the absolute confidentiality of the information during and after the term of your Franchise Agreement; (3) will not make unauthorized copies of any portion of the Confidential Operating Manual or any other written communication from us; (4) will not disclose or duplicate any part of the Proprietary Information other than disclosure to an employee of the franchised business to the extent necessary to do his or her job; and (5) will adopt and implement all reasonable procedures we may require preventing unauthorized use or disclosure of the information, including restrictions on disclosure of the information to employees of the franchised business and the use of nondisclosure and non-competition clauses in employment agreements. All shareholders, officers, directors, partners, and members of the franchise are presumed to have access to Proprietary Information and must sign a Confidentiality, Non-Use, Non-Competition Agreement to maintain the confidentiality of the Proprietary Information and conform to the noncompetition covenants.

You must inform us in writing if anyone breaches the Confidentiality, Non-Use, Non-Competition Agreement or any other violation of the obligations regarding any of the Proprietary Information or if you learn about any improper use of any of it.

If we require you to modify or discontinue using the subject matter covered by the patent or copyright. In that case, we are not required to reimburse or compensate you for the modification or discontinuation.

#### **ITEM 15**

#### **OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS**

You must maintain a designated full-time on-premises manager of the Franchised Business who we approve, devotes his/her full-time and energy to the operation of the Franchised Business, and successfully complete our Training Program to our satisfaction. The designated on-site manager must sign a Confidentiality, Non-Solicitation, And Non-Competition Agreement attached to the Franchise Agreement as Exhibits 7 and 8. The manager need not have an ownership interest in the franchise. No individual franchisee or any shareholder, partner, member, or other owner of a business entity franchisee may compete with us or own an interest in any competitor of ours anywhere during the term of your Franchise Agreement or within 25 miles of any Oliver's Nannies franchise territory for two years after the expiration or termination of your Franchise Agreement.

You are not required or obligated to participate personally in the direct operations of the Franchised Business; however, we strongly recommend that you do so. You and each shareholder,

partner, member, and other equity owners of the franchise, and each individual shareholder, partner, member, and other equity owners of any shareholder, partner, member, and other equity owners that is itself a business entity, must personally guarantee all of the franchisee's obligations and performance under the Franchise Agreement, agree to be personally liable for any breach of the Franchise Agreement by the franchisee and sign the Guarantee attached to the Franchise Agreement as Exhibit 10.

To prevent any interruption of the Franchised Business that may cause harm to the Franchised Business and to the System and lessen their value, we may step in to operate the Franchised Business when we deem necessary. Reasons may include our determination that you: are incapable of operating the franchise; are absent or incapacitated because of illness or death; have failed to pay when due any taxes or assessments against the franchise or property used in connection with the franchise; have failed to pay when due any liens or encumbrances of every kind placed upon or against your business property; or we decide that operational problems require us to operate the franchise for a time. All Gross Revenues derived from our operation of the Franchised Business will be credited to a separate account for your benefit, but we may pay from that account all expenses, debts, and liabilities that we incur during our operation of the Franchised Business and collect an administrative fee of fifteen percent (15%) of the Gross Revenues.

#### **ITEM 16**

#### **RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must sell only those services and products that we periodically require, as described herein, in the Franchise Agreement, in the Confidential Operating Manual and as may be supplemented. You must notify us immediately if any of the Oliver's Nannies products or services are prohibited, restricted by law or regulation or are adverse to local community standards. You are required to provide assistance to us, upon request, if government or other local approval is required for the offer and sale of any Oliver's Nannies product or service.

You may not offer and sell any products and/or services that we have not specifically authorized. You will not engage in any activities that divert any business or customers to non-affiliated locations, including those owned by you. We may periodically eliminate certain products and/or services, or add additional products and/or services, in either case in our sole discretion and without the necessity of further notice to you. You will immediately discontinue offering for sale any product or service upon notification from us. You will not participate in any resale of Oliver's Nannies products or services or any Grey-marketing activities concerning any Oliver's Nannies products or services.

From time-to-time, we may choose to test new products, sales strategies, equipment, programs, or services. At our discretion, you will be required to participate in any testing and may also be required to make capital expenditures and incur operating and other costs as part of their participation in the test. We are not obligated to reimburse you for those expenditures. You may be required to maintain records and submit reports to us, as part of the test, in a timely manner.

You may not use the Systems or Principal Trademarks for any purpose other than in connection with the operation of the Franchised Business. You must only operate within the

Territory.

We have the right to add, delete, change, or supplement the types of services that you provide, and there are no limits on our right to do so. You will not use the Franchised Business for the sale or promotion of illegal activity or of any other product or service that we decide in our sole discretion may offend an appreciable segment of the public or may adversely affect the public's acceptance, favorable reputation or extensive goodwill associated with the Oliver's Nannies name, brands and Principal Trademarks.

We do not impose any other restrictions in the Franchise Agreement or otherwise, as to the products or services that you may offer or sell or as to the customers to whom you may offer or sell, except as described in Item 12.

### **ITEM 17**

#### **RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION**

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

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	Article III	10 years from the date that we signed the Franchise Agreement.
b. Renewal or extension of the term	Article III	Upon the expiration of the initial term or any renewal term of the Franchise Agreement, you may, at its option, renew the Franchise Agreement for an additional term of 10 years (the "Successor Franchise"), provided that at the end of each term, you meet conditions listed including paying a Successor Fee.
c. Requirements for you to renew or extend	Section II(B)	Renew means upon the expiration of your Franchise Agreement; you may sign an agreement with materially different terms and conditions from the original franchise agreement for an additional 10 years term. The other agreement you must sign to renew may have materially different terms and conditions from the original franchise agreement. In order to renew, we must be offering Oliver's Nannies franchises in the geographic area in which your Franchised Business is located; you must give us written notice between 6 months to 1 year prior to the end of the term; you must not be in default under any provision of the Franchise Agreement or any other

Provision	Section in Franchise Agreement	Summary
		<p>agreement between you and our affiliates, approved suppliers of the Oliver's Nannies System, or the lessor of your Franchised Business Site, and have substantially complied with all of the terms and conditions of Franchise Agreement; you have the right to remain in possession of your Franchised Business Site, or a suitable substitute location that is approved by us and meets our then-current specifications and standards, for the entire term of the Successor Franchise; you must refurbish your Franchised Business to conform to our then-current trade dress, color schemes, and presentation of the Marks and our Systems Standards; you must sign the then-current franchise agreement terms of which may differ from the terms of the Franchise Agreement; you must pay us a Successor Franchise Fee of \$15,000; and you must comply with our then-current qualifications and training requirements for franchisees.</p> <p>When renewing, you may be asked to sign a contract with materially different terms and conditions than your original contract.</p>
d. Termination by Franchisee	Article XIV	You may terminate your Franchise Agreement under any grounds permitted by law.
e. Termination by Franchisor without cause	Not applicable	We will not terminate without cause.
f. Termination by Franchisor with cause	Article XIV	Each of your obligations under the Franchise Agreement is a material and essential obligation, the breach of which may result in termination. We may terminate your Franchise Agreement if you default under the Franchise Agreement or any other agreement with us, our Affiliates or other Suppliers.
g. "Cause" defined curable defaults	Article XIV	Curable defaults, which must be cured on ten (10) days' written notice, unless stated otherwise in the Franchise Agreement or as otherwise provided by law, including (i) failure to maintain required insurance or failure to repay us for insurance premiums paid by us on your behalf; (ii) failure to maintain licenses or certificates; (iii) non-payment within time period required; (iv) failure to provide required reports and information; (v) violation of

Provision	Section in Franchise Agreement	Summary
		transfer requirements; (vi) failure to open and operate the Franchised Business within time period required; (vii) failure to complete training; (viii) abandonment of business; (ix) failure to comply with laws; and (x) failure to meet any other obligation of the Franchise Agreement, the Confidential Operating Manual or otherwise established in writing by us.
h. "Cause" defined non-curable defaults	Article XIV	We may elect to terminate your Franchise Agreement, without opportunity to cure if you fail to locate and secure a Franchised Business Site and get approval or fail to open the Franchised Business within the time limits prescribed by the Franchise Agreement; you fail to satisfy all of the training obligations on three (3) or more separate occasions within any period of twelve (12) consecutive months; you fail to submit reports or other information or supporting records when due or otherwise fail to comply with the Franchise Agreement, whether or not such failures to comply are corrected after notice; you fail to operate your Franchised Business for more than two (2) consecutive days, or otherwise abandon the Franchised Business; you provide for offer or sale any product or service similar to those offered by the Franchised Business at or from a location that is within the territory of another Oliver's Nannies franchisee (except as expressly stated in this Agreement, the Operating Manual, or any other written agreement between Franchisor and Franchisee), or otherwise infringe upon rights granted by us to other franchisees; you are declared bankrupt or insolvent or you are the debtor in a voluntary or involuntary bankruptcy proceeding under the U.S. Bankruptcy Code; a receiver is appointed for you or for any part of your property, or you make any assignment for the benefit your creditors, if not dismissed within fifteen (15) days; you lose the right to possession of the premises upon which the Franchised Business is located, or otherwise forfeit the right to do or transact business in the jurisdiction where the Franchised Business is located; Franchisee fails, for a period of ten (10) days after receipt of notification of noncompliance, to comply with any federal, state or local law or regulation applicable to



Provision	Section in Franchise Agreement	Summary
		<p>the operation of the Franchised Business; you make any transfer or attempted transfer that fails to comply with this Agreement; the Franchised Business is seized, taken over or foreclosed by a government official in the exercise of his duties, or seized, taken over or foreclosed by a creditor, lien holder or lessor; a final judgment against you remains unsatisfied for thirty (30) days (unless superseded as or other appeal bond has been filed), or a levy of execution has been made upon the franchise granted by this Agreement or upon any property used in the Franchised Business that is not discharged within five (5) days of such levy; any conduct or activity by you or any of your principals, directors, or officers that Franchisor believes is reasonably likely to have an adverse effect or reflect unfavorably on the Franchised Business, us, the System, the Marks, or the goodwill associated; you knowingly maintain false books or records, or knowingly submit any false reports to us, or knowingly understate your Gross Revenues reported to Franchisor; any threat or danger to public health or safety resulting from the construction, maintenance, or operation of the Franchised Business, and you have not immediately commenced actions to cure the problem or have not promptly cured or corrected the problem or activity that gave rise to the threat or danger; you make or attempt to make any transfer or assignment of the Franchised Business, Franchise Business assets, rights under the Agreement, or ownership the Franchised Business contrary to the Franchise Agreement; or you or any of your principals violate any of the Covenants of the Franchisee, commit an infringement of the Proprietary Marks, or communicate, divulge, or use Confidential Information contrary to the Franchise Agreement.</p>
i. Franchisee's obligations on termination/nonrenewal	Article XIV	<p>Obligations include: (i) you must pay all sums owed; (ii) cease to be an Oliver's Nannies franchisee; (iii) cease operating the Franchised Business or any other business under the Principal Trademarks or confusingly similar marks; (iv) refrain from representing to the public that you are or were an Oliver's Nannies franchisee; (v) refrain from using in</p>

Provision	Section in Franchise Agreement	Summary
		advertising marketing, promotion or in any manner, any methods, procedures or techniques associated with the System; (vi) cancel any assumed name that contains Oliver's Nannies, within fifteen (15) days; (vii) de-identify the Franchised Business (at our request we are permitted, as provided by the Franchise Agreement, to make required changes at your risk and expense without liability of trespass); (viii) cease using and return to us the following: the Confidential Operating Manual, training materials, database material, customer lists, records, files, instructions, forms, Advertising Materials, Social Media Materials and related items which bear the Principal Trademarks, all trade secrets and confidential materials, and any copies, equipment and other property owned by us or our Affiliates; (ix) notify the telephone company, telephone directories, Internet and website listing services and directories, websites, URLs, domain name registers, email hosts or providers and Social Media Platforms of the termination or expiration of your right to use them; (x) allow us to utilize the Assignment of Telephone and Listings and Advertisements attached to the Franchise Agreement as Exhibit 9; (xi) transfer to us all telephone numbers, website addresses, URLs, domain names, email addresses, Social Media Platform accounts and other similar listings; (xii) take all actions necessary to effectuate the forwarding of all calls and Internet and website searches to telephone number(s), website(s) and URL(s) we designate; (xiii) transfer to us all customer lists and any customer data in whatever form, maintained by you; (xiv) comply with the Confidentiality, Non-Use and Non-Competition Agreement and all other post-term covenants; (xv) permit us to enforce our rights as a secured party, if applicable; and (xvi) provide us with evidence of your compliance with your post-termination obligations.
j. Assignment of contract by Franchisor	Article X	We have the right to transfer or assign the Franchise Agreement to any person or entity including a competitor, without restriction.
k. "Transfer" by	Article X	Includes the sale, assignment, gift, conveyance,

Provision	Section in Franchise Agreement	Summary
Franchisee definition		pledge, mortgage or other encumbrance of any interest in the Franchise Agreement, the Franchised Business or you (if the Franchisee is a business entity).
l. Franchisor approval of transfer by Franchisee	Article X	You must obtain our prior written consent before transferring any interest in the assets of the Franchised Business or you (if the Franchisee is a business entity).
m. Conditions for Franchisor approval of transfer	Article X	Conditions include: (i) notifying us of the proposed transfer and providing us with the terms of the proposed transfer; (ii) transferee must possess sufficient business experience and financial resources to operate the Franchised Business; (iii) payment of all debts and obligations to us, our affiliates, lenders who have provided financing pursuant to an arrangement with us and third-party vendors and curing any breach of the Franchise Agreement or any other agreement between you and us or our affiliates; (iv) you must have satisfied all obligations under the Franchise Agreement or any other agreement between you and us, our affiliates, any Supplier and any lenders who provide you with financing pursuant to an arrangement with us, our Affiliates or our Suppliers; (v) transferee must not have an ownership interest in a competing business; (vi) transferee must complete the then current initial training program and pay the then current rate for initial training; (vii) transferee must enter into the then current franchise agreement and related agreements and comply in all respects with all of our requirements; (viii) transferee must upgrade the Franchised Business to our then current standards; (ix) transferee agrees that Franchisor is not responsible for any representations not included in disclosure document; (x) the transfer fees indicated in Item 6 must be paid to us; (xi) execution of a general release, as required by us, which is subject to state law; (xii) we determine that the terms of the purchase will not adversely affect the operation of the Franchised Business; (xiii) if transferee finances the purchase, transferee agrees that its financing obligations are subordinate to any amounts due according to the Franchise

Provision	Section in Franchise Agreement	Summary
		Agreement; (xiv) you will not identify yourself as an Oliver's Nannies franchisee; (xv) you must comply with all other applicable transfer requirements designated in the Confidential Operating Manual or otherwise in writing; (xvi) we determine that the terms of the transfer are substantially the same as those offered to us pursuant to our right of first refusal; (xvii) transferee must sign any personal guarantees required; and (xviii) transferee must pass credit and criminal background check.
n. Franchisor's right of first refusal to acquire Franchisee's business	Article XI	We have the right, exercisable by written notice to you, to purchase such rights or interests for the price and on the terms and conditions of any offer for your Franchised Business, except we may substitute equivalent cash for any form of payment proposed in such offer. Any purchase by us must be completed within ninety (90) days after your receipt of our written notice. If we do not exercise our right of first refusal, you may complete the sale of interest to the bona fide purchaser, subject to our approval; however, if the sale to the purchaser is not completed within one hundred twenty (120) days after the delivery of the offer to us, we will again have the right of first refusal.
o. Franchisor's option to purchase Franchisee's business	Article XIV	Subject to state law, other than assets on termination, nonrenewal or right of first refusal, we have no right or obligation to purchase your business.
p. Death or disability of Franchisee	Article X	Upon death or permanent disability of Franchisee (or all of its Operating Principal(s), if the Operating Principal(s) own a majority of the equity and voting interests of the Franchisee) distributee must be approved by us or interests must be transferred to someone approved by us within six (6) months after death or notice of permanent disability. Transferee must meet the then current standards for new franchisees. The transfer fee will be waived but we may charge the franchisee or the transferee our then current fee for initial training.
q. Noncompetition covenants during the term of the franchise	Article IX and Exhibit 7	No involvement in a competing business; cannot assist or deal with a competing business; cannot infringe on another franchisee's territorial rights.

Provision	Section in Franchise Agreement	Summary
r. Noncompetition covenants after the franchise is terminated or expires	Article IX and Exhibit 7	No involvement in a competing business for 2 years in or within 25 miles of any Oliver's Nannies; no solicitation of customers of your franchise for 2 years, subject to state law.
s. Modification of the agreement	Article VII and XX	You must comply with the Confidential Operating Manual as amended from time to time. The Franchise Agreement may not be modified unless mutually agreed to in writing, except to the extent that we may reduce the scope of covenants as provided by the Franchise Agreement.
t. Integration/merger clauses	Article XX	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law and FTC regulations). No other representations or promises will be binding unless mutually agreed to. However, nothing in the Franchise Agreement or in any related agreement is intended to disclaim the Franchisor's representations made in this disclosure document.
u. Dispute resolution by arbitration or mediation	Article XXIII	Any claim or controversy arising out of or related to this Agreement must be settled by mandatory binding arbitration in Essex County, New Jersey.
v. Choice of forum	Article XXIII	Any and all suits, actions, or other proceedings concerning, arising out of, or in connection with this Agreement shall be litigated in courts having a situs within Essex County, New Jersey (subject to applicable state law).
w. Choice of law	Article XXIII	The state of New Jersey (subject to applicable state law).

A provision in your Franchise Agreement that terminates the franchise on your bankruptcy may not be enforceable under federal bankruptcy law.

## **ITEM 18** **PUBLIC FIGURES**

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

## **ITEM 19** **FINANCIAL PERFORMANCE REPRESENTATIONS**

The FTC's Franchise Rule permits a franchisor to 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 a possible performance at a particular location or under particular circumstances.

Below are the Total Revenues, Average Billable Hourly Rate, and Average Hourly Nanny/Babysitter Rate for calendar years 2019, 2020, 2021, 2022 and 2023 of our company-owned Oliver's Nannies franchise outlet.

There were no operational franchisees during the time period that these Total Revenues, Average Billable Hourly Rate, and Average Hourly Nanny/Babysitter Rate were derived. These Total Revenues, Average Billable Hourly Rate and Average Hourly Nanny/Babysitter Rate above represent all the only Oliver's Nannies outlet open during the time period that this Financial Performance Representative was taken.

There are no material differences between the company-owned outlet in this financial performance representation and franchises offered in this disclosure document.

The term "Total Revenue" means the total revenue derived from the sale of goods or services less sales tax, discounts, allowances, and returns.

Our management prepared this financial performance representation based on the outlet's historical bookkeeping books and records and financial reports provided to us by franchisees. Written substantiation for the financial performance representation will be available upon a reasonable request.

<b>Total Revenues</b>	\$1,007,916.98				
	Average	Median	Highest	Lowest	No. met or exceeded the Average
<b>Billable Rates</b>	\$34.86	\$35	\$60	\$29	50
<b>Nanny/Babysitter Pay Rate</b>	\$18.05	\$17	\$27.80	\$15.96	38

<b>Total Revenues</b>	\$930,974.99				
	Average	Median	Highest	Lowest	No. met or exceeded the Average
<b>Billable Rates</b>	\$32.61	\$33.00	\$39.00	\$27.41	46
<b>Nanny/Babysitter Pay Rate</b>	\$17.43	\$17.00	\$20.50	\$15.21	18

<b>Total Revenues</b>	\$892,196.38				
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	Average	Median	Highest	Lowest	No. met or exceeded the Average
<b>Billable Rates</b>	\$28.69	\$28.00	\$37.00	\$20.00	46
<b>Nanny/Babysitter Pay Rate</b>	\$15.81	\$15.00	\$25.00	\$15.00	31

<b>Total Revenues</b>	\$532,867.20				
	Average	Median	Highest	Lowest	No. met or exceeded the Average
<b>Billable Rates</b>	\$26.92	\$27.00	\$35.00	\$23.63	39
<b>Nanny/Babysitter Pay Rate</b>	\$15.49	\$15.00	\$17.00	\$15.00	15

<b>Total Revenues</b>	\$255,219.33				
	Average	Median	Highest	Lowest	No. met or exceeded the Average
<b>Billable Rates</b>	\$26.80	\$27.00	\$32.45	\$24.00	33
<b>Nanny/Babysitter Pay Rate</b>	\$15.39	\$15.00	\$17.00	\$15.00	11

Below is a table with the Total Revenues (from the tables above) along with the Gross Margin Percentage for the calendar years 2019, 2020, 2021, 2022 and 2023. Gross Margin Percentage is calculated by (x) deducting (i) wages for nannies and babysitters and related expenses, such as taxes, workers' compensation, and insurance), (ii) credit card processing fees and (iii) reimbursed expenses from Total Revenues and (y) then dividing that amount by the Total Revenues.

	<b>Total Revenues</b>	<b>Gross Margin Percentage</b>
2023	\$1,007,916.98	38.72%
2022	\$930,974.99	33%
2021	\$892,196.38	31.13%
2020	\$532,867.20	20.65%
2019	\$255,219.33	25.46%

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

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

Other than the preceding financial performance representation, Oliver's Nannies Franchising, Inc. does not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also

do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Sarah Mulcahy at 75 Main St., Suite 301, Millburn, NJ 07041 or by telephone at 973-671-1277, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1**  
**SYSTEMWIDE OUTLET SUMMARY**  
For Years 2021 to 2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
<b>Franchised Outlets</b>	2021	0	0	0
	2022	0	0	0
	2023	0	1	+1
<b>Company-Owned</b>	2021	1	1	0
	2022	1	1	0
	2023	1	1	0
<b>TOTAL OUTLETS</b>	2021	1	1	0
	2022	1	1	0
	2023	1	2	+1

**Table No. 2**  
**TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS**  
(Other than Franchisor)  
For Years 2021 to 2023

State	Year	Number of Transfers
<b>All States</b>	2021	0
	2022	0
	2023	0
<b>TOTAL</b>	2021	0
	2022	0
	2023	0

**Table No. 3**  
**STATUS OF FRANCHISED OUTLETS**



State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
New York	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
TOTAL	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1

**Table No. 4**  
STATUS OF COMPANY-OWNED OUTLETS  
For Years 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
New Jersey	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
TOTAL	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1

**Table No. 5**  
PROJECTED OPENINGS  
As of December 31, 2023

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
Florida	0	1	0
Idaho	1*	0	0
Maryland	0	1	0
New Jersey	0	1	0
Texas	0	1	0
Virginia	0	1	0
TOTAL	1	5	0

\*The Idaho franchisee opened for business in January 2024.

The number of new franchised locations projected to be opened in the next fiscal year, as presented in the table above, is an estimate based on the best information we have as of the date of this disclosure document. There is no assurance that the actual number of openings, or the states in which we projected the openings, will be the same as our estimates.

A list of the names, addresses, and telephone numbers of all Oliver's Nannies franchisees is attached to this disclosure document as Exhibit E. A list of the names, last known home addresses, and telephone numbers of every Oliver's Nannies franchise that has had their franchise terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the date of this disclosure document, is attached to this disclosure document as E. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you. As disclosed above, there are no former franchisees. Accordingly, during the last three fiscal years, no former franchisees have signed confidentiality clauses.

Our Franchise Advisory Council has not been established as of the date of this document.

As of the date of this disclosure document, there are no other trademark-specific franchisee organizations associated with the Oliver's Nannies franchise system that we have created, sponsored, or endorsed, and there are no independent trademark-specific franchisee organizations that have asked to be included in our disclosure document.

## **ITEM 21**

### **FINANCIAL STATEMENTS**

Our audited financials as of December 31, 2023 and December 31, 2022 are attached to this disclosure document as Exhibit F.

The franchisor has not been in business for three years or more; and, therefore, cannot include all financial statements required.

Our fiscal year ends on December 31.

## **ITEM 22**

### **CONTRACTS**

The following agreements are attached to this disclosure document: (1) Credit and Criminal Background Check Release Form; (2) The Franchise Agreement; (3) Franchisee Ownership Structure; (4) Territory Attachment; (5) General Release; (6) Authorization for Direct Payment Via ACH; (7) Confidentiality, Non-Use and Non-Competition Agreement; (8) Confidentiality,

Non-Use and Non-Competition Agreement Form; (9) Assignment of Telephone and Internet Listings and Advertisements; (10) Guarantee; and (11) State Amendments.

**ITEM 23**  
**RECEIPTS**

See Exhibit I attached.

**EXHIBIT A**  
**AGENTS FOR SERVICE OF PROCESS/STATE ADMINISTRATORS**

<p><b><u>CALIFORNIA</u></b></p> <p>Department of Financial Protection and Innovation 2101 Arena Boulevard Sacramento, CA 95834 (866) 275-2677</p> <p>Agent: Commissioner Of Financial Protection and Innovation</p>	<p><b><u>MARYLAND</u></b></p> <p>Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360</p> <p>Agent: Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020</p>
<p><b><u>HAWAII</u></b></p> <p>Securities Examiner 1010 Richards Street Honolulu, Hawaii 96813 (808) 586-2744</p> <p>Agent: Director of Hawaii Department of Commerce and Consumer Affairs</p>	<p><b><u>MICHIGAN</u></b></p> <p>Overnight mail: Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street Williams Building, 6<sup>th</sup> Fl Lansing, Michigan 48933 (517) 373-7117</p> <p>Regular mail: Attorney General's Office Consumer Protection Division Attn: Franchise Section P.O. Box 30213 Lansing, Michigan 48909</p> <p>Agent: Michigan Department of Commerce Corporations and Securities Bureau</p>

ILLINOIS

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

Agent: Illinois Attorney General

MINNESOTA

Minnesota Department of Commerce  
85 7<sup>th</sup> Place East  
Suite 280  
St. Paul, Minnesota 55101  
(651) 539-1600

Agent: Minnesota Commissioner of  
Commerce

<u>INDIANA</u>  Franchise Section Indiana Securities Division Secretary of State Room E-111 302 West Washington Street Indianapolis, Indiana 46204 (317) 232-6681  Agent: Indiana Secretary of State	<u>NEBRASKA</u>  Nebraska Department of Banking and Finance 1200 N Street P.O. Box 95006 Lincoln, Nebraska 68509-5006 (402) 471-3445
<u>NEW YORK</u>  NYS Department of Law Investor Protection Bureau 28 Liberty St., 21 <sup>st</sup> Floor New York, NY 10005 (212) 416-8222 Phone  Agent for Service: Secretary of State 99 Washington Avenue, 6 <sup>th</sup> Floor Albany, NY 12231 (518) 473-2492	<u>SOUTH DAKOTA</u>  Division of Insurance Securities Regulation 124 S. Euclid Suite 104 Pierre, South Dakota 57501 (605) 773-3563  Agent: Director of South Dakota Division Securities
<u>NORTH DAKOTA</u>  North Dakota Securities Department 600 East Boulevard Avenue State Capitol Fifth Floor, Dept 414 Bismarck, North Dakota 58505-0510 (701) 328-4712  Agent: Securities Commissioner	<u>TEXAS</u>  Secretary of State P.O. Box 12887 Austin, Texas 78711

<u>OREGON</u>  Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, Oregon 97310 (503) 378-4387  Agent: Director of Oregon Department of Insurance and Finance	<u>VIRGINIA</u>  State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9 <sup>th</sup> Floor Richmond, Virginia 23219 (804) 371-9051  Agent: Clerk of the State Corporation Commission  1300 East Main Street, 1 <sup>st</sup> Floor Richmond, Virginia 23219 (804) 371-9733
<u>RHODE ISLAND</u>  Division of Securities Suite 232 233 Richmond Street Providence, Rhode Island 02903 (401) 222-3048  Agent: Director of Rhode Island Department of Business Regulation	<u>WASHINGTON</u>  Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8760  Agent: Administrator of Securities Department of Financial Institutions 150 Israel Road SW Tumwater, Washington 98501
<u>WISCONSIN</u>  Administrator Securities Division Department of Financial Institutions P.O. Box 1768 Madison, Wisconsin 53701 (608) 266-8559  Agent: Wisconsin Commissioner of Securities	<u>CONNECTICUT</u>  State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, Connecticut 06103-1800 (860) 240-8230  Agent: Banking Commissioner

**EXHIBIT B**

**CREDIT AND CRIMINAL BACKGROUND CHECK RELEASE FORM**



## CREDIT AND CRIMINAL BACKGROUND CHECK RELEASE FORM

I understand that an initial and ongoing credit and criminal background check is a condition of being considered as a franchise candidate (and franchisee) of Oliver's Nannies Franchising, Inc. (ONF).

I consent to ONF obtaining my criminal conviction history from any law enforcement agency, criminal background service provider, municipality, state, or the FBI. I understand that ONF will obtain this information when I apply to become a franchisee and during the term of my franchise agreement. The criminal history record, as received from the reporting entity may include, but not be limited to, arrest and conviction data, plea bargains, deferred adjudication, as well as social security verification. It may also include information regarding driving history. I understand that I will have a limited opportunity to review the criminal history and a process is available for clarification if I dispute the record as received.

I further consent to ONF obtaining my credit history from all three credit reporting agencies. I understand that ONF will obtain this information when I apply to become a franchisee and during the term of my franchise agreement.

I hereby release and agree to indemnify ONF, its parent, its affiliates and their respective officers, directors, employees and agents harmless from and against any and all liability, expense (including court cost and attorneys' fees) and claims for damage of any nature whatsoever resulting from the investigation of my background in connection with my application to become, and ongoing performance as a franchisee.

I certify that the information provided in this form is true and complete. I understand that false or misleading information given in my application to purchase a franchise, any subsequent written documents, any interview(s), any other documents given to ONF, or on this form will render my application void, and will result in my not being able to purchase a franchise or may result in the termination of my franchise. I authorize you to make a criminal background investigation and other such investigations as are necessary in arriving at the decision to permit me to purchase a franchise or to retain my rights as a franchisee.

I further understand and agree that should any criminal or credit background checks done during the term of the franchise agreement disclose any material change in my status, the same may result in the termination of my franchise.

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Initials

Notwithstanding the foregoing, any misuse by the Franchisor of any information obtained during such background check that results in damage or injury to the below-signed shall permit the below-signed such rights as may be available.

ONF will keep this form on file for the term of my franchise agreement and for a period of two (2) years following its termination for any reason.

**DATE:** \_\_\_\_\_

**PRINTED NAME:** \_\_\_\_\_

**SIGNATURE:** \_\_\_\_\_

**DATE OF BIRTH:** \_\_\_\_\_

**SSN:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

\_\_\_\_\_

**DRIVER'S LICENSE**

**STATE & NUMBER:** \_\_\_\_\_

**GENDER:** \_\_\_\_\_

**EXHIBIT C**

**FRANCHISE AGREEMENT AND RELATED MATERIALS**



**OLIVER'S NANNIES FRANCHING, INC.**

**FRANCHISE AGREEMENT**

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- 6A. LEASE RIDER
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9. ASSIGNMENT OF TELEPHONE AND INTERNET LISTINGS AND ADVERTISEMENTS
10. GUARANTEE
11. STATE AMENDMENTS

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("AGREEMENT") IS MADE AND ENTERED INTO THIS \_\_\_\_\_ DAY OF \_\_\_\_ ("EFFECTIVE DATE"), BETWEEN OLIVER’S NANNIES FRANCHISING, INC., A NEW JERSEY CORPORATION WITH ITS PRINCIPAL OFFICE AT 75 MAIN ST., SUITE 301, MILBURN, NEW JERSEY 07041 ("FRANCHISOR"), AND ..... A ..... WHOSE PRINCIPAL ADDRESS IS ..... ("FRANCHISEE").

RECITALS

WHEREAS, Franchisor, as the result of the expenditure of time, skill, effort and money has developed a distinctive, proprietary System (as hereinafter defined);

WHEREAS, the distinguishing characteristics of the System include, but are not limited to, the Principal Trademarks (defined below), the manner and method of training that Franchisor affords to Franchisee; the operations manuals used by the Franchisor (the “Confidential Operating Manual”); the standards and procedures that Franchisee shall use in the day-to-day operation of the Franchised Business; the standards and procedures for advertising and marketing the Franchised Business; initial and ongoing training for owners and managers of the Franchised Business, the methods to be used for approaching customers to offer services and products; the manner and methods Franchisee shall use to provide babysitting and nanny services; and any copyrighted, trade secret or confidential information owned by Franchisor and/or any of its affiliates; all of which may be changed, improved and further developed by Franchisor from time to time at its sole option (the “System”);

WHEREAS, the System is identified by means of certain trade names, service marks, trademarks, logos, symbols, emblems and indicia of origin as are now designated and may hereinafter be designated by Franchisor in writing (the “Principal Trademarks”) which are ownedby Franchisor; and

WHEREAS, Franchisee desires to obtain a franchise to operate and develop a business offering nanny and babysitting services as an Oliver’s Nannies franchisee (the “Franchised Business”);

WHEREAS, Franchisee understands and acknowledges the importance of Franchisor’s high uniform standards of quality and service and the necessity of operating the Franchised Business in conformity with Franchisor’s standards, specifications, operating procedures and rules(the “System Standards”); and

NOW THEREFORE, the parties, in consideration of the mutual undertakings and commitments set forth herein, the receipt and sufficiency of which are hereby acknowledged, agreeas follows:

I. GRANT OF FRANCHISE AND LICENSE

1.1 Grant

Subject to the terms and conditions of this Agreement, Franchisor grants to Franchisee theright and license, and Franchisee accepts the right and obligation, to operate a Franchised Businessunder the Principal Trademarks (identified on Exhibit2), in accordance with the System and the provisions of this Agreement within the geographic area specified in the Territory Attachment in Exhibit 3 (the “Territory”). Franchisee shall have no right or license to operate the Franchised Business or to use the System or the Principal Trademarks to offer or sell any products or services other than those products or services to be offered by Franchisee within the Territory and in accordance with this Agreement. Franchisee may not offer any products or services through alternative channels of distribution.

## **1.2     *Limitation of Grant***

Franchisee agrees and acknowledges that this Agreement does not grant Franchisee any area, market, territory, franchise or other rights except as provided herein and Franchisor shall retain and may convey to any other any right not expressly granted to Franchisee herein.

## **1.3     *Grant of License to Principal Trademarks***

Franchisor hereby grants to Franchisee a limited and non-exclusive license to use the Principal Trademarks during the term of this Agreement subject to the terms, limitations and conditions of this Agreement and all quality control standards and requirements of Franchisor.

## **1.4     *Services Offered by the Franchisee***

### **(a)     General Requirements**

Except to the extent otherwise provided in this Section, Franchisee agrees to offer, sell and furnish all current and future Services, Ancillary Services and Ancillary Products (as these terms are defined in subsections (b) and (c) below), which Franchisor designates as mandatory in this Agreement or in the Confidential Operating Manual. Franchisee may not use the Oliver's Nannies name or the Principal Trademarks for the benefit of any business other than the Franchised Business. Franchisee may not conduct (or permit anyone else to conduct) any business other than the business contemplated by this Agreement in association with the Principal Trademarks without first obtaining Franchisor's written consent, which Franchisor is under no obligation to grant and which Franchisor may in Franchisor's sole discretion subsequently withdraw. Franchisor may periodically eliminate certain products and/or services, or add additional products and/or services, in either case in its sole discretion and without the necessity of further notice to Franchisee.

### **(b)     The Services**

This Agreement authorizes Franchisee to offer, sell and perform all services and products that Franchisor designates to be offered by the Franchised Business, including but not limited to babysitting and nanny services to customers/families located within the Territory (collectively the "Services"). Some states or localities may regulate and/or require the licensing of persons performing the Services. It is Franchisee's obligation to determine if Franchisee must be licensed in its Territory and to take whatever steps are necessary to meet the requirements of any regulations regarding the Services.

### **(c)     Ancillary Services and Ancillary Products**

Franchisor is under no obligation to offer to Franchisee those services or additional products if and when they are established ("Ancillary Services" and "Ancillary Products"). If Franchisor notifies Franchisee of new Ancillary Services or Ancillary Products to be included in the Franchised Business by separate notice or by revised Confidential Operating Manual, Franchisee agrees to offer such Ancillary Services or Ancillary Products if Franchisor describes them as mandatory and Franchisee may choose to offer such Ancillary Services or Ancillary Products if Franchisor describes them as optional. If mandatory, Franchisee agrees at its expense to: (i) obtain all necessary products, services, promotional materials, training and if required, licensed personnel or equipment which Franchisor advises Franchisee is necessary to offer the Ancillary Services or Ancillary Products; and (ii) begin offering, selling, using and furnishing the Ancillary Services or Ancillary Products as soon as is possible in a commercially reasonable manner after receipt of notice to that effect.

## **II.     TERRITORY**

## **2.1     *Territory***

Franchisee's Territory shall be as defined in Exhibit 3 attached hereto or as determined by the terms of this Agreement. Franchisee may market, advertise and solicit customers for the Franchised Business within the Territory in accordance with the terms of this Agreement. In the event the Territory has not been designated at the time of signing this Agreement, Franchisor shall designate a Territory within thirty (30) days of the Effective Date and Franchisee agrees to accept that Territory without condition.

## **2.2     *Limitations on Territory Rights***

(a)     Franchisor may, at any time and in its sole discretion, designate any geographic area outside the Territory as the territory for a franchisee.

(b)     Notwithstanding the territorial grant above and without limiting Franchisor's retention of all other rights not specifically granted to Franchisee, Franchisor reserves the right for itself, company-owned stores, and its affiliates:

(i)     Own, acquire, establish, operate, and license others to establish and operate businesses like the Franchised Business or substantially similar to the Franchised Business, whether under the Principal Trademarks or other proprietary marks outside the Territory;

(ii)    acquire a system of Competitive Businesses with units located within the Territory (but not under the Principal Trademarks) or outside the Territory;

(iii)   establish and operate any business within the Territory that does not utilize the Principal Trademarks, including a business that offers goods and services similar to those offered by the System;

(iv)    advertise, promote, market, or sell goods or services using the Principal Trademarks over the internet, the World Wide Web, or any other electronic network;

(v)     offer and sell the services and products authorized for Franchised Business using the Principal Trademarks or other trademarks, service marks, and commercial symbols to Special Accounts;

(vi)    own, acquire, establish, operate, and license others to establish and operate businesses like the Franchised Business or substantially similar to the Franchised Business, whether under the Marks or other proprietary marks, in Special Venues, unless Franchisee's Territory is located in New York, then the Franchised Business located in a Special Venue will not operate under the Principal Trademarks; and

(vii)   retain all other rights not specifically granted to Franchisee.

(c)     Other franchisees are permitted to advertise, solicit sales and accept business from



outside of their territories, with Franchisor's prior written approval, but not within Franchisee's Territory. Franchisor will take any action or no action at all, based on Franchisor's evaluation of the situation if other franchisees advertise, solicit sales and/or accept business from Franchisee's Territory. Under no circumstances shall Franchisor be liable to Franchisee if another franchisee advertises, solicits sales and/or accepts business from within Franchisee's Territory. Franchisee may not advertise, solicit sales or accept business outside the Territory within a territory whose rights have been granted to another franchisee. Franchisee may solicit sales outside the Territory in areas that are not subject to another franchise agreement (an "unassigned" territory), with Franchisor's written approval. Franchisor reserves the right to grant a franchisee territory rights or the right to advertise in, solicit sales and accept business from any area outside of Franchisee's Territory. Soliciting sales in an unassigned territory does not grant any right of first refusal or any other right to Franchisee for another franchise in an unassigned territory.

(d) When advertising in a publication or medium that has distribution in another franchisee's territory and where that franchisee has chosen to participate, you must include in the written advertising, marketing, promotion or web promotion or oral script utilized, that franchisee's contact information. When that franchisee chooses not to participate in the advertising, marketing, promotion or web promotion, the written or oral advertisement must only include information of participating franchisee(s) whose exclusive territories fall into the distribution area of the publication or medium employed and must also include the disclaimer "participating franchisees only."

(e) Franchisee acknowledges and agrees that in order to remain in good standing and maintain the Territory right granted hereunder, the Franchised Business must achieve a minimum of \$25,000 in Gross Revenues bi-weekly within three (3) of opening the Franchised Business for business and continue to achieve such Gross Revenues every bi-weekly period thereafter. Failure to meet the Performance Standards for six (6) consecutive months is a material default of this Agreement, and Franchisor may grant to another franchise the right to operate an Oliver's Nannies franchised business within the Territory. Franchisee acknowledges that the Performance Standard amounts do not constitute and are not in the nature of "earnings claims" or "financial performance representations." Franchisor disclaims any representation, warranty, or guarantee that Franchisee can or will achieve levels of sales necessary to comply with the Performance Standard amounts above or any other level or range of sales, income, or other measures of performance. As a practical business matter, Franchisor is unable to reliably estimate or predict the future financial or other results of any Oliver's Nannies franchisee and is unable to estimate or predict Franchisee's potential results reliably.

## **2.3 Special Venues.**

*Franchisor, its affiliates, or a franchisee or licensee may own, acquire, establish and operate, and license others to establish and operate businesses like the Franchised Business or substantially similar to the Franchised Business, whether under the Principal Trademarks or other proprietary marks in any temporary or permanent venue where there is a captive audience and where the primary purpose is other than patronizing an Oliver's Nannies business (referred herein as a "Special Venue"), in the way of examples, but not an exhaustive list: recreation centers,*

*schools, commercial or business locations or centers within the Territory or outside of the Territory.*

## **2.4     *Special Accounts***

(a) Franchisor has the exclusive right to contract with customers or third-party delivery carriers and/or vendors whose offices, stores, plants, buildings, or other physical facilities are not confined to the territory of a single Oliver's Nannies territory of a single Franchise, Franchisor-owned, or affiliate-owned business (referred to herein "Special Accounts"). If Franchisor establishes a contract for facilities of a Special Account located in the Territory, Franchisor shall offer Franchisee the first option of providing the services to the Special Account at those facilities in the Territory at the prices and subject to the contract requirements negotiated by Franchisor with the Special Account. If Franchisee accepts the project, Franchisor will collect all amounts due from the Special Account and remit to Franchisee the amount due for products and services rendered Special Account, less the amount of Royalties and other fees due under this Agreement. All amounts collected from Special Accounts on Franchisee's behalf or by Franchisee from Special Accounts will be included in Franchisee's Gross Revenues for purposes of calculating Royalties and other fees due under this Agreement.

(b) If Franchisee declines to accept the project, Franchisor will have the unfettered right to fulfill the contract requirements to the Special Account in the Territory in any manner it deems suitable, including through other Oliver's Nannies Franchisees, a Franchisor or Affiliate-owned business, or a third-party contractor. Additionally, if at any time a Special Account for any reasonable requests that services in the Territory be provided by someone other than Franchisee, Franchisor may revoke Franchisee's option or right to provide or continue to provide the services and may fulfill the contract requirements of the Special Account in the Territory in any manner Franchisor deems suitable.

## **2.5     *Introduction of Other Systems within the Territory***

(a) In the event Franchisor acquires a competing system during the term of this Agreement and such competing system is an established non-franchise business that contains operations within the Territory, then the following shall apply:

(i) Franchisor may, but is not required to, offer Franchisee the business within the Territory at a cost equal to the fully allocated costs associated with the business;

(ii) If Franchisor offers said business to Franchisee, then Franchisee will have thirty (30) days to decide whether or not to acquire the business as an Oliver's Nannies franchise under the then current franchise agreement;

(iii) Franchisor will not charge Franchisee a franchise fee for the acquisition of the business;

(iv) upon the effective date of the purchase, Franchisee will have six (6) months to bring the business up to Franchisor's then current standards for an Oliver's Nannies franchisee

provided for in the then current franchise agreement, Confidential Operating Manual or otherwise in writing by Franchisor;

(v) if Franchisee decides not to acquire the business, then Franchisor, its affiliates and/or licensees (and/or licensees of Franchisor's Affiliates) may operate the business within the Territory or offer the business to a third-party, whether or not under the Principal Trademarks, without compensation to Franchisee.

(b) Notwithstanding the territorial grant above and without limiting Franchisor's retention of all other rights not specifically granted to Franchisee, in the event that Franchisor acquires an established franchised system that uses different brands:

(i) Franchisor will have the unrestricted right but not the obligation to convert the existing business to the System;

(ii) if the business is converted to the System, Franchisee will receive a payment of twenty percent (20%) of the royalties received by Franchisor from the operation of the converting franchise in the Territory for a period of two (2) years from the effective date the business was converted to the System; and

(iii) if the business is not converted to the System, Franchisor reserves the right to allow it to operate without compensation to Franchisee and to receive the services provided to franchisees hereunder.

### **III. TERM AND RENEWAL**

#### **3.1 *Initial Term***

The term of this Agreement shall commence on the Effective Date and shall expire on the earlier of: (i) the tenth (10<sup>th</sup>) anniversary of the Effective Date; or (ii) the termination of this Agreement in accordance with the provisions hereunder.

#### **3.2 *Successor Agreement***

(a) Franchisee shall have the right to enter into one (1) consecutive successor agreement for this franchise at the expiration of the initial term, each for a successive term of ten (10) years, commencing immediately upon the expiration (but not the termination) of this Agreement, provided that at the time each successor agreement is to be executed, all of the following conditions have been fulfilled:

(i) Franchisor is then offering new Oliver's Nannies franchises in the geographical area in which the Franchised Business is located;

(ii) Franchisee (and its Owners) has, during the entire term of this Agreement, substantially complied with all its provisions;

(iii) Within thirty (30) days after delivery to Franchisee of all agreements and documents required by Franchisor for renewal, Franchisee will execute Franchisor's then current form of franchise agreement, which may be materially different from this Agreement, including but not limited to the fee structure, Franchisee's Territory and other material terms;

(iv) At the time of notice as described below, Franchisee agrees in writing to bring the Franchised Business into full compliance with Franchisor's then current specifications and standards for new Oliver's Nannies franchised businesses (regardless of cost), including but not limited to upgrading the equipment packages, updating the methods, procedures and product line and upgrading the computer system. Franchisee shall commence such work as soon after notice is given as is commercially reasonable. Franchisee shall complete the work to bring the Franchised Business into full compliance within three (3) months of executing the then current form of franchise agreement;

(v) By the expiration of this Agreement, Franchisee has satisfactorily completed the then current qualifications and training requirements;

(vi) Franchisee has satisfied all monetary obligations owed to Franchisor, its affiliates, and/or Suppliers (as defined herein) and has in a timely manner met those obligations throughout the term of this Agreement;

(vii) Franchisee and its Owners have executed a General Release, in a form attached as Exhibit 3, of any and all claims against Franchisor, its corporate parents, subsidiaries and affiliates and the respective officers, directors, shareholders, agents, attorneys, contractors and employees of each of the foregoing entities (in their corporate and individual capacities) and Franchisor's heirs, executors, administrators, successors and assigns (the "Released Parties");

(viii) Franchisee notifies Franchisor of its desire to enter into a successor agreement for this franchise not less than six (6) months but not more than one (1) year before this Agreement expires;

(ix) Franchisee maintains all relevant permits, licenses and certifications necessary for the operation of the Franchised Business;

(x) Franchisee has the right to remain in possession of the Site used to operate the Franchised Business, or Franchisee has secured a suitable substitute location approved by Franchisor which meets Franchisor's then-current specifications and standards, for the entire term of the Successor Franchise;

(xi) Franchisee shall refurbish its Oliver's Nannies Franchised Business to conform to the Franchisor's then-current trade dress, color schemes, and presentation of the Principal Trademarks and Oliver's Nannies Systems Standards; and

(xii) Franchisee shall pay Franchisor a successor agreement fee, in the amount of \$15,000.

(b) Within sixty (60) days of its receipt of Franchisee's notice of Franchisee's desire to enter into a successor agreement for this franchise, Franchisor agrees to give Franchisee written notice ("Successor Notice") of Franchisor's decision:

- (i) to grant Franchisee a successor franchise;
- (ii) to grant Franchisee a successor franchise on the condition that Franchisee corrects existing deficiencies of the Franchised Business or in its operation of the Franchised Business;
- (iii) not to grant Franchisee a successor franchise based on Franchisor's determination, in its sole discretion, that it is not offering franchises in the geographical area in which the Franchised Business is located; or
- (iv) not to grant Franchisee a successor franchise based on Franchisor's determination, in its sole discretion, that Franchisee and its Owners have not substantially complied with any of the provisions of this Section 3.2.

(c) If applicable, the Successor Notice will:

- (i) describe the improvements and/or modifications required to bring the Franchised Business into compliance with then applicable specifications and standards for a new Franchised Business; and
- (ii) state the actions Franchisee must take to correct operating deficiencies and the time period in which Franchisee must correct these deficiencies.

(d) If Franchisor elects to grant a successor franchise, Franchisee's right to acquire the successor franchise is subject to Franchisee's full compliance with all of the terms and conditions of this Agreement through the date of its expiration, in addition to its compliance with the obligations described in the Successor Notice.

(e) If the Successor Notice states that Franchisee must cure certain deficiencies of the Franchised Business or its operation as a condition to Franchisor's granting Franchisee a successor franchise, Franchisor will give Franchisee written notice of its decision not to grant a successor franchise, based upon Franchisee's failure to cure those deficiencies not less than thirty (30) days before this Agreement expires. However, Franchisor need not give Franchisee this thirty (30) day notice if Franchisor decides not to grant Franchisee a successor franchise due to Franchisee's breach of this Agreement during the thirty (30) day period before this Agreement expires.

(f) At its option, Franchisor may extend this Agreement's term for the time period necessary to give Franchisee either a reasonable time to correct deficiencies, execute a successor agreement, or to provide Franchisee with thirty (30) days' notice of Franchisor's refusal to grant a successor franchise.

(g) If Franchisee fails to notify Franchisor of its election to acquire a successor franchise within the prescribed time period, Franchisor need not grant Franchisee a successor franchise.

**3.3 Interim Term.** If Franchisee does not execute a successor agreement before the expiration of this Agreement and Franchisee continues to operate the Franchised Business, then at Franchisor's option, this Agreement may be treated either as (i) expired as of the expiration date, with Franchisee then operating without a franchise to do so and in violation of Franchisor's rights; or (ii) continued on a month-to-month basis (the "Interim Term") until terminated by either party with at least one month written notice. In the latter case, all of Franchisee's obligations will remain in full force and effect during the Interim Term as if this Agreement had not expired, except the Royalty Fees, and all other fees shall be at the Franchisor's then-current rates and amounts plus an additional 2% royalty on gross revenues, and all obligations and restrictions imposed on Franchisee upon the expiration of this Agreement will be deemed to take effect upon termination of the Interim Term. Except as described in this Section, Franchisee has no right to continue to operate the Franchised Business following the expiration of the Initial Term. If any applicable law, statute, regulation or code requires a longer notice period, the one-month period will be deemed modified to be the shortest notice period required by the same.

#### **IV. PAYMENTS TO FRANCHISOR**

##### **4.1 Initial Franchise Fee**

Franchisee shall pay to Franchisor an initial franchise fee of \$ \_\_\_\_\_ upon execution of this Agreement. Franchisee acknowledges and agrees that the initial franchise fee is nonrefundable and fully earned upon payment and receipt by Franchisor.

##### **4.2 Royalty**

During the first twenty-four months of the operation of the Franchised Business, Franchisee shall pay a monthly Royalty equal to five percent (5%) of Gross Revenues. Thereafter, Franchisee shall pay a monthly Royalty equal to the greater of (i) five percent (5%) of Gross Revenues or (b) the sum of \$1,250 (hereinafter referred to as the "Minimum Royalty").

##### **4.3 National Advertising Fund Contributions**

Franchisor has established a separate fund for the purpose of conducting advertising, marketing, promotional, public relations programs, lead generation programs and for using SocialMedia Platforms (defined as web based platforms such as Facebook, Twitter, LinkedIn, Instagram, Snapchat, blogs and other networking and sharing sites) using Social Media Materials (defined as any material on any Social Media Platform that makes use of Franchisor's Principal Trademarks, name, brand, products, services or the Franchised Business whether created by Franchisor, Franchisee or any third-party) to enhance, promote and protect the goodwill and public image of the System ("National Advertising Fund"), subject to Section 6.6 herein. Franchisee shall contribute to the National Advertising Fund an amount equal to the greater of (i) 1.5% of Gross Revenues or (ii) \$500 per month (the "Minimum NAF Contribution"). Franchisor reserves the right to increase the National Advertising Fund contribution to 2% of Gross Revenues upon sixty (60) days' prior written notice to Franchisee.

#### **4.4 *Payment of Royalty, National Advertising Fund Contributions and Other Fees***

(a) Royalty payments and National Advertising Fund contributions shall be paid by the Wednesday of every other week based on Franchisee's Gross Revenues for the preceding calendar two-week period, subject to the Minimum Royalty and Minimum NAF Contribution described in Sections 4.2 and 4.3 above. Any other fees required by this Agreement shall also be payable by the Wednesday of every other week, unless otherwise stated herein and in the same manner and date as the Royalty payments. All fees are payable to Franchisor or the National Advertising Fund by authorization for direct payment, as directed in the authorization for direct payment via ACH form ("ACH Authorization") attached hereto as Exhibit 5, or such other method as Franchisor shall designate, from Franchisee's designated bank account on the date due. Franchisor may require other periodic payments at any time upon reasonable notice, which shall be provided for in this Agreement, the Confidential Operating Manual or otherwise in writing by Franchisor.

(b) Franchisor shall not have access to Franchisee's bank checking, savings, operating or other account(s), except that Franchisee authorizes Franchisor to initiate debit entries and credit correction entries to Franchisee's checking, savings, operating or other account for the payment of Royalties, National Advertising Fund contributions and any other amounts due from Franchisee under this Agreement or otherwise. Franchisee shall comply with Franchisor's procedures and instructions in connection with this direct debit and credit process and sign any document or take any action that may be required to affect this authorization.

(c) Franchisor may require Franchisee to pay the Royalty, contribute to the National Advertising Fund and pay other amounts due under this Agreement or otherwise by means other than ACH whenever Franchisor deems appropriate and Franchisee agrees to comply with Franchisor's payment instructions.

(d) Franchisee shall also pay all federal, state, and local sales or use taxes that may be levied or assessed, in whole or in part, on the Royalty Fees or National Advertising Fund contributions payable to Franchisor, regardless of whether such taxes be assessed against or payable by Franchisor or Franchisee.

#### **4.5 *Other Fees and Payments***

##### **(a) Transfer Fees**

In the event of any transfer of the Franchise Agreement and Franchised Business, the transfer fee if required, as defined in Section 10.3(a)(x), must be paid to Franchisor.

##### **(b) Interest**

Franchisee shall pay to Franchisor interest at a rate equal to eighteen percent (18%) per annum or the highest rate of interest allowed by law on all past due amounts.

##### **(c) Accounting Fees**

(i) Franchisor has the right to conduct an audit of the books and records of Franchisee, including all sales and income records and tax returns as provided herein. If Franchisor elects to conduct such audit, Franchisor will provide Franchisee with written notice ten (10) days prior to conducting the audit. The audit may be conducted by Franchisor or other persons designated by Franchisor. Franchisor may conduct the audit in Franchisor's offices, Franchisee's offices or at a third-party provider's office. Franchisee may be required to send such records to such location as Franchisor may designate, in its sole discretion. In the event Franchisee has failed to furnish reports, supporting reports or other information as required by Franchisor, Franchisor may elect to conduct an audit of the books and records of Franchisee and Franchisee shall pay the cost of conducting the audit, including without limitation, travel, lodging, meals, wages, expenses and accounting and legal fees incurred by Franchisor.

(ii) If Franchisee has understated Gross Revenues in any report or statement by:

(1) three percent (3%) or less, Franchisee will be required to immediately pay Franchisor the underreported amount plus interest within fifteen (15) days of written notice of the amount due;

(2) more than three percent (3%), Franchisee will be required to immediately pay Franchisor the underreported amount plus interest along with the cost of conducting the audit, including without limitation, travel, lodging, meals, wages, expenses, and accounting and legal fees incurred by Franchisor within fifteen days of written notice; or

(3) more than three percent (3%), in addition to subsection 4.5(c)(ii)(2) above, Franchisor may, in its sole discretion, require Franchisee to provide periodic audited statements to Franchisor.

(d) Late Fee

In the event Franchisee fails to make timely payment to Franchisor of any sums due, in addition to such owed funds, Franchisee shall pay Franchisor a late fee of \$50 for any payment that is more than five (5) days late. The late fee shall be due and paid immediately.

(e) Reimbursement of Costs and Expenses

If after notice, Franchisee fails to cure any deficiency in the Franchised Business and/or its operation of the Franchised Business, Franchisor may in its sole discretion correct the deficiency. If Franchisor elects to correct the deficiency, Franchisee shall reimburse Franchisor for Franchisor's costs and expenses incurred in correcting the deficiency. If Franchisor and/or its affiliates commence any action against any individual to enforce the terms of any Confidentiality, Non-Use and Non-Competition Agreement or any similar covenants contained in this Agreement, Franchisee and its Owners agree to pay all costs and expenses, including attorneys' fees, expert fees, court costs and all other expenses of litigation that Franchisor or its affiliates incur to secure.

(f) Post-Termination or Post-Expiration Expenses



Upon termination or expiration of this Agreement for any reason, Franchisor will have the right but not the obligation to modify, alter or de-identify the Franchised Business. In the event that Franchisor modifies, alters or de-identifies the Franchised Business, Franchisee shall reimburse Franchisor for its costs and expenses for modifying, altering or de-identifying the Franchised Business.

#### **4.6 Application of Payments**

(a) Franchisee acknowledges and agrees that Franchisor may apply payments received to amounts due and payable in the order Franchisor determines, in its sole discretion.

(b) Unless otherwise provided, all fees and other amounts due to Franchisor hereunder shall be paid in a manner designated by Franchisor in the Confidential Operating Manual or otherwise in writing by Franchisor and such payments shall be accompanied by a statement setting forth in reasonable detail the basis for the computation.

#### **4.7 Gross Revenues**

“Gross Revenues” shall mean all income of any type or nature and from any source that Franchisee derives or receives directly or indirectly from, through, by or on account of the operation of the Franchised Business at any time after the Effective Date, in whatever form and from whatever source, including but not limited to cash, services, in kind from barter and/or exchange, on credit or otherwise as well as business interruption insurance proceeds, all without deduction for expenses including marketing expenses and taxes. Gross Revenues are not reduced by the amount of any discounts to employees, friends or family members. However, the definition of Gross Revenues does not include sales tax that is collected from customers and actually transmitted to the appropriate taxing authorities, proceeds from insurance with respect to your property damage or liability, proceeds from civil forfeiture, condemnation or seizure by governmental entities or the amount of any credits, allowances, adjustments or uncollectable amounts subject to the limitation that such cannot exceed 0.5% of Gross Revenues for any fiscal year. Subsequent collections of these charged off amounts must be included in Gross Revenues when they are collected.

### **V. FRANCHISED BUSINESS SITE**

#### **5.1 Site Evaluation**

Franchisee assumes all cost, liability, expense and responsibility for: (i) locating; (ii) presenting for Franchisor’s review; (iii) obtaining; and (iv) developing a site for the Franchised Business within the Territory and for constructing and equipping the Franchised Business Site. Franchisee acknowledges and agrees that the location, selection, procurement and development of the Franchised Business Site is Franchisee’s responsibility and that in discharging such responsibility Franchisee must consult with real estate and other professionals of Franchisee’s choosing.

#### **5.2 Site Selection Guidelines**

(a) Franchisor may, in its sole discretion, provide Franchisee with site criteria which may define the physical, demographic and geographic characteristics of a Franchised Business Site. Franchisee shall locate a site that satisfies Franchisor’s site selection guidelines. Prior to making a

binding commitment to secure the Franchised Business Site by lease or purchase, Franchisee shall submit to Franchisor in the form Franchisor specifies, the information and materials that Franchisor may reasonably require regarding the proposed Franchised Business Site. Franchisor may, in its sole discretion, provide Franchisee with information about preliminary plans and layouts for the Franchised Business Site, sources of signage, equipment and/or furnishings, standards and specifications for all fixtures, improvements, other products and services and other related items used in a typical Franchised Business Site. Franchisee may submit to Franchisor information and materials relating to more than one proposed Franchised Business Site for Franchisor's review. Franchisee shall submit such information and materials to Franchisor for its review no later than thirty (60) days after the Effective Date. Franchisor will within thirty (30) days after receipt of all necessary information and materials, evaluate the proposed site as the Franchised Business Site and Franchisor will approve or disapprove the location. If the location for the Franchised Business is not approved in writing within thirty (30) days after receipt of the above information, the location is deemed disapproved. By no later than two (2) months from the Effective Date, Franchisee must have obtained Franchisor's approval of a site.

(b) In reviewing the location for the Franchised Business, Franchisor may consider any factor Franchisor determines relevant, including but not limited to the following: potential customer base, lease costs, competition, population density and composition.

### **5.3 Site Acquisition**

(a) Within two (2) months after Franchisor has approved the Franchised Business Site, but no later than four (4) months from the Effective Date, Franchisee shall, at Franchisee's expense, acquire the Franchised Business Site by purchase or lease. Franchisee hereby grants Franchisor an irrevocable power of attorney to amend this Agreement to include the legal description of the Franchised Business Site in Exhibit 2.

(b) Franchisee acknowledges and agrees that Franchisor's evaluation and approval of a prospective location for the Franchised Business and Franchisor's rendering of assistance, if applicable, in the selection of a prospective location is not a representation, promise, warranty, indication or guaranty, express or implied, by Franchisor that the Franchised Business will be profitable or successful as a Franchised Business. Franchisee further agrees and acknowledges that Franchisor's evaluation and approval of the Franchised Business Site is solely for Franchisor's benefit and is only provided to ensure that the Franchised Business Site meets Franchisor's standards as indicated herein, the Confidential Operating Manual or otherwise by Franchisor in writing.

### **5.4 Lease Requirements**

(a) In the event Franchisee leases the Franchised Business Site, Franchisee shall submit a copy of the proposed lease to Franchisor ten (10) days prior to execution of the lease and furnish to Franchisor a copy of the executed lease within ten (10) days after execution. The lease shall have

an initial term of no less duration than the term of this Agreement. Franchisee acknowledges and agrees that as a material condition of Franchisor's approval of Franchisee entering into any lease, the lease shall provide that:

(i) the premises shall be used exclusively for the operation of the Franchised Business;

(ii) the lessor consents to the use of the Principal Trademarks, signs, décor, color scheme and related components of the System as Franchisor may prescribe;

(iii) the lessor agrees to furnish Franchisor with copies of all notices under the lease and at such time that such notices are made;

(iv) Franchisor has the right to enter the premises to, among other things, monitor the use of the Principal Trademarks, make any modification necessary to protect the Principal Trademarks and cure defaults under the lease, this Agreement or any other agreement between Franchisee and Franchisor or its affiliates;

(v) Franchisee shall not sublease or assign all or any part of its rights under the lease or extend the term of or renew the lease without Franchisor's prior written consent, which shall not be unreasonably withheld;

(vi) the lessor consents to the Collateral Assignment and Assumption of Lease defined in Section 5.5 hereof;

(vii) the lease shall not be materially amended or otherwise modified to affect Franchisee's obligations under this Agreement without Franchisor's prior written consent; and

(viii) the lessor acknowledges and agrees that any furniture, fixture, equipment or personal property maintained by Franchisee on the leased premises, including but not limited to the Operating Assets (defined below), whether leased or owned by Franchisee are: (1) not the property of lessor; (2) shall be subject to Franchisor's security interest and a purchase option provided for in Section 14.7 herein in the event of Franchisee's default under the lease, this Agreement or any other agreement between Franchisee and Franchisor or its affiliates; and (3) may be removed upon expiration or termination of the lease, so long as such removal is accomplished without damage to the leased facility.

(b) Franchisor may require Franchisee to ensure that any lease for the Franchised Business has a rider attached to it in the form attached hereto as Exhibit 6A. Franchisee shall not enter into a lease without the prior written authorization of Franchisor. Franchisee acknowledges and agrees that Franchisor's review of the lease does not constitute an approval of the lease or the terms contained therein, including, but not limited to any legal, economic and rental terms. Franchisee agrees to hold Franchisor harmless from any claim arising from the lease.

## **5.5 Collateral Assignment of Lease**

Simultaneously with the execution of a lease, Franchisee shall, at Franchisor's option, enter into a Collateral Assignment and Assumption of Lease Agreement with Franchisor, in the form annexed hereto as Exhibit 6B and Franchisee shall cause its lessor to execute the same. If a Collateral Assignment and Assumption is required by the Franchisor, Franchisee agrees and acknowledges that upon a default by Franchisee under its lease for the Franchised Business Site or upon the termination or expiration of this Agreement, the Collateral Assignment and Assumption of Lease Agreement shall provide Franchisor with the right but not the obligation to take possession of the Franchised Business Site and assume all of Franchisee's rights, title and interest in the lease. In that event, lessor shall have no right to impose any conditions on such assignment and assumption or to obtain payment from Franchisee or Franchisor, including but not limited to any payment for past due rent or additional rent, replenishment of the security deposit or any other payment.

## **5.6 Compliance with Laws**

Franchisee acknowledges and agrees that Franchisee is solely responsible for complying with all laws, including but not limited to the handling, distribution and use of Consumer Data, as defined in subsection 8.1(c) below. Franchisee is also responsible for obtaining all zoning classifications and clearances that may be required by state or local laws, ordinances or regulations or that may be necessary as a result of any restrictive covenants relating to the Franchised Business Site. Prior to beginning construction of the Franchised Business Site, Franchisee shall obtain: (i) all permits, licenses and certifications required for the lawful construction or remodeling and operation of the Franchised Business; and (ii) insurance coverage at least in the amounts specified in this Agreement and otherwise required under its lease. Franchisee shall name Franchisor, its affiliates and the respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of Franchisor and its affiliates as additional insureds on any insurance policy. Franchisee shall provide to Franchisor, at Franchisor's request, copies of insurance policies, certificates of insurance, approvals, clearances, permits, certifications and proof of compliance with applicable law.

## **5.7 Franchised Business Site Design**

Franchisee shall obtain, at its own expense, architectural, engineering and design services necessary for the construction of the Franchised Business Site from a licensed architectural design firm. Franchisor may provide Franchisee with standards and specifications for construction of the Franchised Business Site. If such standards and specifications are provided by Franchisor, then Franchisee at its expense and in cooperation with the architectural design firm, shall adapt the standards and specifications for construction of the Franchised Business Site provided by Franchisor to the extent necessary to be consistent with local building codes and Franchisee shall submit such plans to Franchisor for prior review. Franchisor may communicate with the architectural design firm retained by Franchisee. In the event Franchisor determines in its sole discretion that the architect, architectural design firm and/or the Franchised Business Site plans do not satisfy Franchisor's architectural or design standards and specifications or are not consistent

with the best interests of the System, Franchisor, within thirty (30) days after receiving such plans, shall provide Franchisee with a list of changes necessary. If Franchisor does not disapprove of Franchisee's architectural drawings within thirty (30) days its receipt, Franchisee's architectural drawings are deemed approved. Franchisee acknowledges and agrees that Franchisor's review, approval and proposed changes of the plans are meant to determine Franchisee's compliance with Franchisor's design specifications and shall not constitute an approval of the plans. Franchisor's review and approval of the plans in no way guarantees that Franchisee shall be in compliance with any architectural and/or legal requirement including but not limited to, zoning codes and compliance with the Americans with Disabilities Act. Franchisee agrees and acknowledges that Franchisee shall have no recourse against Franchisor based on the plans or Franchisor's review thereof.

## **5.8 Franchised Business Site Construction or Remodeling**

(a) Franchisee shall provide Franchisor with periodic reports regarding the progress of the construction or remodeling of the Franchised Business Site as may be requested by Franchisor. In the event Franchisor identifies instances where Franchisee's construction or remodeling is inconsistent with, or does not meet Franchisor's standards, Franchisor may notify Franchisee in writing of such deficiencies, in which case Franchisee shall correct such deficiencies prior to opening. Franchisee shall notify Franchisor of the scheduled date for completion of construction or remodeling no later than thirty (30) days prior to such date. Franchisee shall not commence operating the Franchised Business Site without the prior written authorization of Franchisor, which shall not be unreasonably withheld. Franchisee acknowledges and agrees that Franchisor's authorization to commence operating the Franchised Business Site is not any indication of performance or guarantee of Franchisee's success.

(b) Franchisor may in its sole discretion visit the Franchised Business Site prior its opening and conduct an inspection without notice to Franchisee. Franchisor shall have the right to visit the Franchised Business Site and conduct an inspection subsequent to its opening without notice to Franchisee if Franchisor deems in its sole discretion, such a visit is necessary.

## **VI. DUTIES OF FRANCHISOR**

### **6.1 *Confidential Operating Manual***

(a) Franchisor will loan Franchisee its Confidential Operating Manual, handbooks and other related materials, which may be amended from time to time by Franchisor during the term of this Agreement. The Confidential Operating Manual may consist of written materials, compact disks, computer software, electronic media, audiotapes, videotapes and digital video disks. The Confidential Operating Manual is designated a trade secret, is copyrighted and subject to the confidentiality agreements annexed hereto as Exhibit 7 (the "Confidentiality, Non-Use and Non-Competition Agreement") and Exhibit 8 (the "Confidentiality, Non-Use and Non-Competition Agreement Form"). Franchisee must execute the Confidentiality, Non-Use and Non-Competition Agreement and each employee to whom the Confidential Operating Manual is disclosed must execute the Confidentiality, Non-Use and Non-Competition Agreement Form.

(b) The Confidential Operating Manual describes the System Standards that Franchisor periodically prescribes for operating the Franchised Business and information on some of Franchisee's obligations under this Agreement. Franchisee agrees to keep its copy of the Confidential Operating Manual current and in a secure location.

(c) Franchisee acknowledges and agrees that Franchisee will not disclose the Confidential Operating Manual in whole or in part, except as provided for herein and in accordance with the Confidentiality, Non-Use and Non-Competition Agreement (Exhibit 7), the Confidentiality, Non-Use and Non-Competition Agreement Form (Exhibit 8) and Section 9.1 below. Franchisee shall not copy, duplicate, record or otherwise reproduce the Confidential Operating Manual in whole or in part. In the event Franchisee copies, duplicates, records or otherwise reproduces the Confidential Operating Manual in whole or in part or otherwise is in default under the Confidentiality, Non-Use and Non-Competition Agreement, then Franchisor shall have the right to terminate this Agreement in accordance with Article XIV.

## **6.2 Training Program**

(a) Franchisee acknowledges and agrees that it is necessary for the efficient operation of the Franchised Business that Franchisee and the Designated Manager or if Franchisee is an entity, its Owners and Designated Manager receive such training as Franchisor may require. Accordingly, Franchisee agrees that Franchisee and its Owners and Designated Manager will attend and complete, to Franchisor's satisfaction, Franchisor's program. Franchisee agrees and acknowledges that Franchisee is responsible for training its staff, except for any manager trained by Franchisor. Franchisor shall provide the initial training program to the Franchisee, or if the Franchisee is an entity, its Owner(s) without additional charge. If Franchisee desires to have another individual attend the initial training program, and Franchisor agrees to provide the initial training program to such individual, Franchisee reserves the right to charge a fee.

(b) Except as otherwise provided in this Agreement, the initial training program will be conducted by Franchisor at its current headquarters, another location designated by Franchisor and/or virtually. Franchisor shall make available to Franchisee instructors and training materials for the initial training of such persons. All training materials provided are the property of Franchisor and are copyrighted.

(c) The initial training program will consist of nine (9) days of instruction (although the specific number of days depends on Franchisor's opinion of the experience and needs of Franchisee, its Owners, and Designated Manager) and will be conducted prior to the date the Franchised Business is scheduled to commence operating. The initial training program shall be completed at least one (1) month from the Effective Date and before the opening of your Franchised Business. Franchisor may, in its sole discretion and based upon staff availability, elect to conduct a portion or all of Franchisee's initial training via web-based training in addition to or instead of classroom instruction.

(d) Franchisee may request additional training for itself and its Designated Manager, or if Franchisee is an entity, its Owners and Designated Manager, and/or previously trained staff,

which Franchisor shall not be obligated to provide and Franchisor reserves the right to require Franchisee, its Owners, its Designated Manager, and/or previously trained employees to attend and complete, to Franchisor's satisfaction, training courses that Franchisor either periodically chooses to provide or otherwise may require for such Franchisee or its Operating Principal(s) and/or previously trained employees at the times and locations that Franchisor designates. Franchisor shall have the right to charge Franchisee the then current supplemental training fee for such training, which as of the date of this Franchise Agreement is \$500 per attendee. Franchisor reserves the right to amend, modify, change, alter or increase this fee, without limitation, upon sixty (60) days' prior written notice to Franchisee.

(e) For any on-site training provided to Franchisee by Franchisor, Franchisee shall pay to Franchisor a fee of \$500 per day and shall reimburse Franchisor for all travel, room and board, living expenses, employee wages and workers' compensation insurance during the supplemental training period. Franchisor may, in its sole discretion, provide Franchisee with periodic guidance regarding the operation of the Franchised Business. This periodic guidance may be provided individually or in a group setting and may be provided in person, via telephone, seminar, newsletter, bulletins, through an intranet or any other method selected by Franchisor. Franchisee understands and agrees that any specific ongoing training or advice Franchisor provides does not create an obligation (whether by course of dealing or otherwise) to continue to provide such specific training or advice, all of which Franchisor may discontinue and modify from time to time.

(f) Franchisor shall have the right to charge a fee for attendance at the initial training for new and replacement managers. The current fee to train new or replacement managers is \$500 per attendee, which Franchisor may change from time to time.

(g) If during the initial training program or within fifteen (15) days thereafter, Franchisor concludes that Franchisee or the Designated Manager, as the case may be, has not exhibited the aptitude, abilities, or personal characteristics necessary or desirable to operate an Oliver's Nannies Franchised Business per the standards and procedures of the Oliver's Nannies System, Franchisor may, in its sole discretion and judgment, cancel this Agreement and all rights hereunder by giving notice to Franchisee. Upon the cancellation of this Agreement pursuant to this paragraph, (i) Franchisee shall return to Franchisor the Operating Manual and all other materials, information, and other items that Franchisee received from Franchisor, including all copies thereof and notes thereon and (ii) upon Franchisor's receipt of the items set forth in (i) above, Franchisor shall refund to Franchisee a sum equal to (x) 50% of (y) the Initial Franchisee Fee less expenses incurred by the Franchisor in connection with this Agreement, including but not limited to broker fees/commissions, legal fees and the costs of training. Franchisee agrees to maintain the confidentiality of all information strictly received relating to the Oliver's Nannies System and not to use, in connection with the offering or selling of babysitting and nanny services or similar business, any trade secrets or confidential information obtained from Franchisor.

(h) If the Franchisee's operating principal or the Designated Manager ceases active employment in the Franchised Business, Franchisee shall designate a new Designated Manager who meets Franchisor's then-current training requirement and is approved by Franchisor within

a reasonable amount of time after the cessation of such former Designated Manager's employment, but no later than forty-five (45) days. Franchisor reserves the right to review any Franchisee-trained personnel and require that such persons attend and complete, to Franchisor's satisfaction, the initial training programs offered by Franchisor at a location designated by Franchisor, at the then-current cost for the initial training program, which is currently \$500 per attendee plus reimbursement of the Franchisor's costs and expenses.

### **6.3     *Suppliers***

(a) Franchisee must sell and offer for sale all services and products associated with the Program offered by the Franchised Business, in the manner and style required by Franchisor. Franchisee must discontinue selling and offering for sale any services and products that Franchisor disapproves in writing at any time. Franchisor may require Franchisee to purchase certain goods, services, supplies, materials, equipment (including computer hardware and software, including a customer registration system/software) and other products necessary to operate the Franchised Business exclusively from Suppliers (defined as designated or approved suppliers, vendors, manufacturers, printers, contractors and distributors who demonstrate to Franchisor's continuing reasonable satisfaction the ability to meet Franchisor's then current standards), which may be established and modified in Franchisor's sole discretion. Such Suppliers may include Franchisor and its affiliates. Franchisor may, in its sole discretion, provide Franchisee with a list of Suppliers for equipment, services and products necessary to operate the Franchised Business. Franchisor may, in its sole discretion, revise the approved list of Suppliers from time to time as Franchisor deems best, in its sole discretion. Franchisee acknowledges and agrees that Franchisor may also limit the sources of required products, materials, supplies and services to certain Suppliers, including Franchisor and/or its affiliates, in which case Franchisee would be required to acquire such products, materials, supplies and services only from those Suppliers. Franchisor may in its sole discretion, require Franchisee to purchase certain products exclusively from a certain Supplier which may be Franchisor or its affiliate, in which case Franchisee agrees and acknowledges that Franchisee will be obligated to purchase such designated products, materials, supplies and services only from the exclusive Supplier.

(b) In the event that Franchisee wants to independently source any products or services necessary to operate the Franchised Business from a party other than a Supplier, Franchisee must obtain Franchisor's prior written approval. Approval of a proposed supplier, vendor, manufacturer, printer, contractor or distributor proposed by Franchisee as a source of products and/or services ("Proposed Supplier") shall be granted in Franchisor's sole discretion. Franchisor is under no obligation to evaluate any Proposed Supplier. Franchisee must provide Franchisor with all information and product samples adequate to evaluate any Proposed Supplier. In the event Franchisor evaluates Franchisee's Proposed Supplier, Franchisor shall provide Franchisee with written notification of Franchisor's approval or disapproval of the Proposed Supplier within thirty (30) days of Franchisor's receipt of all information and product samples necessary to evaluate the Proposed Supplier. Franchisor may revoke its prior approval upon written notice to Franchisee. If approved, Franchisee's Proposed Supplier shall thereafter be deemed a Supplier for purposes of this Agreement and any other agreement between Franchisee and Franchisor and/or its affiliates.



(c) Franchisor and its affiliates reserve the right to receive rebates, overrides or other consideration on account of Franchisee's purchases from any Supplier. Franchisor and its affiliates are not obligated to provide Franchisee with any material benefit as a result of receiving such rebate, override or other consideration from any approved Supplier. Franchisee acknowledges and agrees that Franchisor and its affiliates have the right to collect any advertising, marketing, promotional or similar allowances paid by Suppliers who deal with the System and with whom Franchisor or its affiliates has an agreement to do so.

(d) Franchisor and its affiliates reserve the right to earn a profit on Franchisee's purchases from any Supplier, which may include Franchisor and/or its affiliates.

(e) Franchisee will not make any claims against Franchisor or our affiliates with respect to any equipment, products, supplies, or services provided or sold or manufactured or rendered, or delivered directly or indirectly from a third-party vendor or supplier, whether approved or designated by Franchisor used in the operation of the Franchised Business. THE FRANCHISOR MAKES NO WARRANTIES REGARDING ANY SAID EQUIPMENT, PRODUCTS OR SUPPLIES, OR SERVICES AND HEREBY DISCLAIMS THE IMPLIED WARRANTY OF MERCHANTABILITY, THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, ANY IMPLIED WARRANTY OF QUALITY OF SAID EQUIPMENT, PRODUCTS OR SUPPLIES, OR SERVICE, AND ANY IMPLIED WARRANTY. FRANCHISEE HEREBY AGREES THAT SUCH DISCLAIMER IS AN ESSENTIAL PART OF THE BARGAIN AND THAT THE FRANCHISOR WOULD NOT HAVE ENTERED INTO THIS AGREEMENT ABSENT SUCH DISCLAIMER. Any claim with respect to any equipment, products, supplies, or services-related and/or similar matters shall be made only against the third-party vendor or manufacturer. Franchisee will provide us with written notice prior to taking any action in connection with such a claim. Franchisor will use diligent efforts in Franchisor's sole discretion to assist Franchisees in resolving any disputes with third-party vendors or manufacturer-approved and/or designated by Franchisor.

#### **6.4 *Pre-Opening Support***

Before Franchisee opens its Franchised Business Site for business, Franchisor shall provide the following assistance and services:

(a) Franchisor shall designate the Territory for the operation of the Franchised Business;

(b) Franchisor shall review and approve a Site for the operation of the Franchised Business;

(c) Franchisor shall provide building specifications for the Franchised Business Site and shall review Franchisee's design plans for the same;

(d) Franchisor may in its sole discretion, conduct advertising, marketing, promotional and/or public relations activities in local, regional and national print publications as well as use

Social Media Platforms and Social Media Materials to promote the System;

(e) Franchisor shall design all business stationery, business cards, advertising plans and materials, marketing plans and materials, public relations programs, sales materials, signs, decorations and paper goods (such materials whether created by Franchisor, Franchisee or any third-party are collectively defined as “Advertising Materials”) and Social Media Materials used in the System. Franchisor shall provide standards for all Advertising Materials, Social Media Materials and use of Social Media Platforms. Franchisor shall make available approved Advertising Materials and Social Media Materials for use by franchisees;

(f) Franchisor may, in its sole discretion, review all Advertising Materials and Social Media Materials developed by Franchisee as well as requests to use Social Media Platforms for the purpose of determining its approval or disapproval for the proposed use. Franchisor reserves the right to rescind its approval of any Advertising Materials, Social Media Materials and/or use of any Social Media Platform at any time;

(g) Franchisor shall provide Franchisee with initial training in accordance with Section 6.2 herein;

(h) Franchisor shall establish standards and specifications for the System, which Franchisor may enforce in its sole discretion;

(i) Franchisor shall loan a copy of the Confidential Operating Manual, handbooks and other related materials in hard copy, electronic copy or other versions;

(j) Franchisor shall provide Franchisee with a list of Suppliers, as revised from time to time;

(k) Franchisor shall provide Franchisee with a list of approved products and services for the Program(s) that shall be offered by the Franchised Business, as revised from time to time;

(l) Franchisor shall specify minimum policy limits for certain types of insurance coverage. Franchisee shall submit for Franchisor’s approval, which shall not be unreasonably withheld, any insurance policy prior to purchasing such policy. Franchisor may in its sole discretion, revise its insurance requirements for franchisees. Franchisor may in its sole discretion, require Franchisee to obtain additional or different insurance policies in accordance with Franchisor’s then current insurance requirements for Franchisees; and

(m) Franchisor may, in its sole discretion, supply reasonable support by telephone and email.

## **6.5 *Post-Opening Support***

Subsequent to Franchisee’s opening of its Franchised Business Site:

(a) Franchisor may, in its sole discretion, conduct advertising, marketing, promotional

and/or public relations activities in local, regional and national print publications as well as use Social Media Platforms and Social Media Materials to promote the System.

(b) Franchisor shall design all Advertising Materials and Social Media Materials used in the System. Franchisor may in its sole discretion, provide standards for all Advertising Materials, Social Media Materials and use of Social Media Platforms. Franchisor shall make available approved Advertising Materials and Social Media Materials for use by franchisees.

(c) Franchisor may, in its sole discretion, offer conferences, seminars or programs, at a frequency determined by Franchisor, in its sole discretion. Some of these conferences, seminars or programs may be mandatory and others may be optional;

(d) Franchisor shall establish standards and specifications for the System, which Franchisor may enforce in its sole discretion;

(e) Franchisor shall loan a copy of the Confidential Operating Manual, handbooks and other related materials in hard copy, electronic copy or other versions;

(f) Franchisor may, in its sole discretion, provide updates to the Confidential Operating Manual, the System, the Principal Trademarks, at a frequency which Franchisor shall determine, in its sole discretion;

(g) Franchisor may, in its sole discretion, review all Advertising Materials and Social Media Materials developed by Franchisee as well as requests to use Social Media Platforms for the purpose of determining its approval or disapproval for the proposed use. Franchisor reserves the right to rescind its approval of any Advertising Materials, Social Media Materials and/or use of any Social Media Platform at any time.

(h) Franchisor may in its sole discretion, provide Franchisee with a list of Suppliers, as revised from time to time;

(i) Franchisor may in its sole discretion, provide Franchisee with a list of approved services and products as revised from time to time;

(j) Franchisor may, in its sole discretion, provide periodic counseling to Franchisee in connection with the operation of the Franchised Business. This periodic counseling may be provided individually or in a group setting. This periodic counseling may be provided in person, via telephone, seminar, newsletter, bulletins, through an intranet or any other method selected by Franchisor;

(k) Franchisor may, in its sole discretion, provide Franchisee or its Owner(s) and Designated Manager with supplemental training, as indicated herein. Franchisee may be charged a fee for supplemental training (plus reimbursement of the Franchisor's costs and expenses).

(l) Franchisor may, in its sole discretion provide Franchisee with additional guidance as to the operation of the Franchised Business regarding, but not limited to: (i) new products,

services and/or methods developed for the System; (ii) the purchase and use of supplies, equipment and products; (iii) the formation and implementation of marketing, advertising and promotional programs; (iv) maintenance of Franchisee's financial and accounting records; and (v) other general operating issues Franchisee may encounter, including but not limited to permits, licenses or certifications;

(m) In the event that Franchisee does not resolve a dispute with a client, the Franchisor shall have the right, but not the obligation, to investigate such dispute and resolve the same;

(n) Franchisor has the right, but not that the obligation, to provide recommended and suggested pricing for the Franchised Business products and services. If provided by the Franchisor, Franchisee shall fully participate, honor, and comply with any and all System, local, regional, seasonal, promotional, and other programs, initiatives, and campaigns adopted by the Franchisor and which Franchisor requires the Franchisee's participation. Franchisee shall honor all and only the currency, credit, charge, courtesy, and cash cards approved by Franchisor in writing or

(o) Franchisor, or a designated third party, may establish and maintain a business call center to handle inbound and outbound calls from and to prospective customers and/or franchisees, send emails, handle strategic account programs and conduct surveys (the "Business Center"). Franchisee agrees to pay a Business Center Fee to be used for the establishment and maintenance of the Business Center, when and if established. Franchisor shall have the right to increase, modify, change and/or alter the Business Center Fee upon not less than sixty (60) days' written notice.

## **6.6 *National Advertising Fund***

(a) Franchisor has established a National Advertising Fund for advertising, marketing, promotional, public relations programs, lead generation programs and for using Social Media Platforms for the purpose of enhancing and promoting the good will and public image of the System. Franchisee agrees to contribute to the National Advertising Fund as specified in Section 4.3. Company and/or affiliate-owned units will contribute to the National Advertising Fund at the same rate as the lowest rate specified for franchisees. If the National Advertising Fund contribution rate is subsequently reduced for franchisees, then the contribution rate required of company and/or affiliate-owned units will be reduced accordingly. Franchisor may contribute or loan additional funds to the National Advertising Fund on any terms that Franchisor deems reasonable. Funds loaned to the National Advertising Fund may earn interest at the then-prevailing commercial rate, as determined by Franchisor.

(b) The National Advertising Fund will be administered by Franchisor or by its designee. Any unused funds in any fiscal year will be applied to the following fiscal year's National Advertising Fund. Since the National Advertising Fund is not audited, Franchisor will not make audited financial statements available to Franchisee. Franchisor will, upon Franchisee's written request, provide once a year within one hundred twenty (120) days after the end of the fiscal year, an un-audited accounting for the National Advertising Fund that shows how the National Advertising Fund proceeds have been spent for the previous year. The Franchisor shall not be required to provide any other periodic accounting of how the National Advertising Fund is spent.

(c) Franchisor or its designee will administer the National Advertising Fund with sole discretion over all operational and advertising decisions including: (i) the creative concepts, materials, endorsements and media used in connection with such programs (which may include television, radio, print and Internet advertising, maintenance of a website and use of Social Media Platforms, as funds permit); (ii) the source of the advertising, marketing, promotional, public relations or lead generation efforts (which may be in-house or through an outside agency located locally, regionally or nationally); (iii) the placement and allocation of such programs (which will be local, regional or national); and (iv) the composition of all geographic territories and market areas for the development and implementation of such programs.

(d) The National Advertising Fund may be used in any of the following ways: (i) to create and implement Advertising Materials and Social Media Materials, including but not limited to door hangers, mailers, FSIs, inserts and coupons, brochures, promotional material, labeling, public relations and signage, in any form that Franchisor may, in its sole discretion, determine; (ii) to assist franchisees in developing Advertising Materials and Social Media Materials and using Social Media Platforms; (iii) to in connection with radio, television, print, Internet advertising, cable programs, or other forms of production and media as well as Social Media Platforms; (iv) to review any and all locally produced Advertising Materials and Social Media Materials; (v) for purposes of website design and maintenance and for search engine optimization; (vi) to use Social Media Platforms and develop Social Media Materials; (vii) to conduct market research; (viii) to undertake sponsorships; (ix) to engage in and develop sweepstakes, competitions, and an affinity program; (x) to design and develop merchandise, logo wear, other branded apparel, premium items and other items; (xi) to pay related retainers; (xii) to conduct customer surveys, customer interviews and mystery shopper inspections of the System as well as competitors; (xiii) to retain celebrities for endorsement purposes; (xiv) to pay for membership dues to associations such as the International Franchise Association; (xv) to establish a third-party facility to customize Advertising Materials and Social Media Materials; (xvi) to establish and maintain or to pay a third party to establish and/or maintain the Business Center; and (xvii) reimburse Franchisor, its affiliates or its parent for salaries, benefits, overhead and administrative expenses, as indicated in Section 6.6(g) below.

(e) The National Advertising Fund may be used by Franchisor to solicit new franchise sales of franchises but will not be primarily used for the purpose of soliciting new franchise sales. Also, Franchisor may advertise on the Oliver's Nannies website that franchises are available or make other similar statements on the website. Franchisor intends the National Advertising Fund to maximize recognition of the Principal Trademarks and patronage of the System in any manner Franchisor determines will be effective, including to expenditures related to the development and maintenance of the Oliver's Nannies website and direct mail programs. Franchisor may structure the organization and administration of the National Advertising Fund in any way it determines best benefits the System. Franchisor will attempt to spend monies in the National Advertising Fund in such a way as to provide benefits to all participating franchisees, but there is no guaranty that Franchisee will benefit pro rata or at all from its National Advertising Fund contributions. Franchisor need not ensure that National Advertising Fund expenditures in or affecting any geographic area are proportionate or equivalent to National Advertising Fund

contributions received from franchisees operating in that geographic area. The National Advertising Fund will not be used to advertise and promote any individual Franchised Business, except to benefit the System as determined in Franchisor's sole discretion.

(f) Franchisee further acknowledges and agrees that the National Advertising Fund may be used to duplicate, print and purchase logo items, including but not limited to Advertising Materials and Social Media Materials to be resold to Oliver's Nannies franchisees and any profits from such sales shall be paid to the National Advertising Fund.

(g) Franchisor will account for the National Advertising Fund separately from its other funds and not use the National Advertising Fund for any of its general operating expenses. However, the National Advertising Fund may be used to reimburse Franchisor, its affiliates or its parent for salaries, benefits, overhead and administrative expenses and pay other parties for the salaries and benefits of personnel who manage and administer the National Advertising Fund, the National Advertising Fund's other administrative costs, travel expenses of personnel while they are on National Advertising Fund business, meeting costs, overhead relating to the National Advertising Fund business, costs related to maintaining the Franchisor website and other expenses incurred in activities reasonably related to administering or directing the National Advertising Fund and its programs including without limitation, conducting market research, public relations, preparing Advertising Materials and Social Media Materials and collecting and accounting for National Advertising Fund contributions. Any Advertising Materials and Social Media Materials developed by use of the National Advertising Fund will be made available to Franchisee at cost.

(h) The National Advertising Fund will not be Franchisor's asset. Although the National Advertising Fund is not a trust, Franchisor will hold all National Advertising Funds contributions for the benefit of the contributors and use the National Advertising Fund only for the purposes described in this Section 6.6. Franchisor does not owe any fiduciary obligation to Franchisee nor shall Franchisor have a fiduciary duty for administering the National Advertising Fund or for any other reason. The National Advertising Fund may spend in any fiscal year more or less than the total contributions made to the National Advertising Fund in that year, borrow from Franchisor or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. Any unused portion of the National Advertising Fund in any calendar year or earnings on sales of Advertising Materials and Social Media Materials by the National Advertising Fund will be applied to the following year's National Advertising Fund. The National Advertising Fund will use all interest earned on contributions made to the National Advertising Fund to pay costs before using the National Advertising Fund's other assets. Franchisor reserves the right to establish an advisory council or subcommittee for advertising, which if established would only have advisory responsibilities and authority.

(i) Franchisee agrees and acknowledges that Franchisors and/or its affiliates may receive payment from the National Advertising Fund for providing services and/or goods to the National Advertising Fund. Franchisee further agrees and acknowledges that Franchisor and/or its affiliates are not obligated to contribute any profit from such sales to the National Advertising Fund.

(j) Franchisor has the right, but not the obligation, to use collection agents and institute legal proceedings to collect National Advertising Fund contributions at the National Advertising Fund's expense. Franchisor also may forgive, waive, settle or compromise all claims by or against the National Advertising Fund. Except as expressly provided in this subsection, Franchisor assumes no direct or indirect liability or obligation to Franchisee for collecting amounts due to, maintaining, directing or administering the National Advertising Fund.

(k) Franchisor may at any time defer or reduce the National Advertising Fund contribution rate. Franchisor may terminate (and if terminated, reinstate) the National Advertising Fund, but Franchisor shall not do so until all monies in the National Advertising Fund have been expended or rebate the balance of the National Advertising Fund to the then-current franchisees based on a formula that allows for the pro rata rebate based on contributions to the National Advertising Fund during the National Advertising Fund's last fiscal year.

## **6.7 Annual Meeting**

Franchisor may require Franchisee (or if Franchisee is other than an individual, the Designated Manager) to attend a regional or national meeting of Oliver's Nannies franchisees at a location within the United States designated by Franchisor. Franchisor reserves the right to charge Franchisee a fee for such meetings. This provision shall not be construed to require the Franchisor to hold, provide, sponsor, host, or organize any such meetings.

## **VII. DUTIES OF FRANCHISEE**

### **7.1 Commencement of Operations**

(a) Franchisee shall commence operation of the Franchised Business no later than four (4) months from the Effective Date as described above in Section 6.2 above) (the "Commencement Date"), unless otherwise provided herein. Franchisor may extend the Commencement Date up to twenty (20) days, in Franchisor's sole discretion, in the event factors beyond the Franchisee's reasonable control prevent Franchisee from opening by the Commencement Date and Franchisee has requested an extension of time from Franchisor at least fifteen (15) days before the Commencement Date. Prior to the Commencement Date, Franchisee must obtain Franchisor's prior written approval to commence operation of the Franchised Business and comply with the provisions of this Agreement, the System Standards, the Confidential Operating Manual and other requirements of Franchisor, including but not limited to the following:

(i) Franchisee has obtained all the necessary permits, licenses and certifications and has complied with all laws applicable to the Franchised Business and must furnish to Franchisor, evidence of such, including copies of all permits, licenses and certifications as may be required for lawful operation of the Franchised Business;

(ii) Franchisee or its Owner(s) and Designated Manager and any other person Franchisor designates must have completed training to Franchisor's satisfaction;

(iii) Franchisee has delivered to Franchisor copies of the required insurance policies, licenses and notifications of having registered the name of the Franchised Business;

(iv) Franchisee has paid all amounts due to Franchisor;

(v) Franchisee has executed all agreements required for the opening of the Franchised Business including this Agreement and any other agreements required by Franchisor; and

(vi) Franchisee is not in default under any agreement with Franchisor, its affiliates or any third-party.

(b) If Franchisee fails to open the Franchised Business prior to the Commencement Date and fails to obtain a written extension of time from Franchisor, which extension Franchisor may decline or give in its sole discretion, Franchisor may in its sole discretion, terminate this Agreement as provided for in Section 14.4 herein.

## **7.2 *Compliance with the Confidential Operating Manual***

(a) Franchisee agrees and acknowledges that the Confidential Operating Manual shall be deemed to have been incorporated by reference into this Agreement. To protect the reputation and goodwill of Franchisor and to maintain high standards of operation for the System, Franchisee expressly agrees to conduct the Franchised Business in accordance with the Confidential Operating Manual, other written directives that Franchisor may issue from time to time and any other manuals and materials created or approved for use in the operation of the Franchised Business.

(b) Franchisor may from time to time revise the contents of the Confidential Operating Manual and the contents of any other manuals and materials created or approved for use in the operation of the Franchised Business. Franchisee expressly agrees to comply with each new or modified standard. Franchisee shall at all times ensure that the Confidential Operating Manual is kept current and up-to-date. In the event of any dispute as to the contents of the Confidential Operating Manual, the terms of the master copy of the Confidential Operating Manual maintained by Franchisor at Franchisor's corporate office will control.

(c) If Franchisee's hard paper copy of the Confidential Operating Manual is lost, destroyed or significantly damaged, Franchisee shall notify the Franchisor in writing. Franchisee shall thereafter rely on an electronic copy of the Confidential Operating Manual.

(d) Franchisee shall at all times treat the Confidential Operating Manual, any written directives of Franchisor and any other manuals and materials and the information contained therein, as confidential and shall maintain such information as a trade secret and confidential in accordance with the terms of the Confidentiality, Non-Use and Non-Competition Agreement. Franchisee agrees and acknowledges that the Confidential Operating Manual and the contents thereof, in whatever form existing, are and shall at all times remain the property of the Franchisor and the copyrighted work of the Franchisor. Franchisee further agrees and acknowledges that the Confidential Operating Manual and the contents thereof may not be reproduced, copied, used (except in accordance with this Agreement) or disseminated in any manner whatsoever and Franchisee shall immediately return all copies of the Confidential Operating Manual in its possession to Franchisor upon Franchisor's request.

## **7.3 *Management Requirements***



(a) If the Franchisee is an entity, Franchisee shall appoint one Designated Manager. Franchisor shall have the right to approve or disapprove the Designated Manager. If Franchisee is other than an individual, prior to beginning the initial training program, Franchisee shall designate, subject to Franchisor's approval, an individual (the "Designated Manager") who shall be responsible for general oversight and management of the operations of the Franchised Business on behalf of Franchisee. Criteria for Franchisor's approval of the Designated Manager may include completion of the Franchisor's initial training and other criteria as stipulated by Franchisor. Franchisee acknowledges and agrees that Franchisor shall have the right to rely upon the Designated Manager to have been given by Franchisee decision-making authority and responsibility regarding all aspects of the Franchised Business. In the event that the person designated as the Designated Manager dies, becomes incapacitated, leaves Franchisee's employ, transfers his/her interest in Franchisee, or otherwise ceases to supervise the operations of the Franchised Business, Franchisee shall promptly, but no event later than forty-five (45) days, designate a new Designated Manager, subject to Franchisor's approval.

(b) Franchisee acknowledges that the grant of the franchise under this Agreement is conditioned upon the successful completion of Franchisor's initial training program by Franchisee or if Franchisee is other than an individual, the Designated Manager. If during the initial training program or within fifteen (15) days thereafter, Franchisor concludes that Franchisee or the Designated Manager, as the case may be, has not exhibited the aptitude, abilities, or personal characteristics necessary or desirable to successfully operate an Oliver's Nannies Franchised Business per the standards and procedures of the System, Franchisor may, in its sole discretion and judgment, cancel this Agreement and all rights hereunder by giving notice to Franchisee. Upon the cancellation of this Agreement pursuant to this paragraph, Franchisee shall return to Franchisor the Confidential Operating Manual and all other materials, information, and other items that Franchisee received from Franchisor, including all copies thereof and notes thereon. Franchisee agrees to maintain the confidentiality of all information strictly received relating to the System and not to use, in connection with the offering or selling of babysitting and nanny services or similar business, any trade secrets or confidential information obtained from Franchisor.

(c) In the event that the person designated as the Designated Manager dies, becomes incapacitated, leaves Franchisee's employ, transfers his/her interest in Franchisee, or otherwise ceases to supervise the operations of the Franchised Business, Franchisee shall promptly, but no event later than forty-five (45) days, designate a new Designated Manager, subject to Franchisor's approval. In the event that a new Designated Manager is appointed by Franchisee and such Designated Manager has been approved by Franchisor, such Designated Manager must complete the Franchisor's then-current initial training program within sixty (60) days of the respective appointment.

(d) The Designated Manager is not required to own, directly or indirectly, any equity in the Franchisee entity.

#### **7.4     *System Standards***

(a) Franchisee agrees to maintain the Franchised Business in accordance with the System Standards. Franchisee agrees to effectuate such reasonable maintenance of the Franchised Business as Franchisor from time to time requires, to maintain equipment or improve the appearance and efficient operation of the Franchised Business. Franchisee shall be required to update its equipment (but not its computer hardware and software) no less than every two (2) years. If the equipment is broken or is reduced to a dangerous condition, Franchisee shall be required to replace such equipment on a more frequent basis, as Franchisor shall determine, in its sole discretion. If required by the Franchisor, Franchisee shall cause its nannies, babysitters and other staff members to wear uniforms that conform to the System Standards, as shall be set forth in the Confidential Operating Manual. If at any time in Franchisor's judgment any aspect of the Franchised Business does not meet the Franchisor's standards, Franchisor shall so notify Franchisee, specifying the action to be taken by Franchisee to correct such deficiency. If Franchisee fails or refuses to initiate and complete such action within ten (10) days after receipt of such notice, Franchisor shall have the right, in addition to all other remedies, to effectuate such action on behalf of Franchisee and Franchisee shall pay all costs thereof on demand.

(b) Franchisor periodically may modify its System Standards, which may accommodate regional or local variations, and these modifications may obligate Franchisee to invest additional capital in the Franchised Business Site and/or incur higher operating costs. Franchisee agrees to implement any mandatory change in System Standards within the time period Franchisor requests as if the same were a part of this Agreement.

(c) Franchisee shall fully participate, honor, and comply with any and all System, local, regional, seasonal, promotional, and other programs, initiatives, and campaigns adopted by Franchisor that Franchisor requires Franchisee to participate in, including but not limited to gift certificates, specials, discounts, loyalty programs, gift card administration programs consumer relations management programs (CRM) or frequent customer programs as Franchisor may be designated from time to time. Franchisee may not create, honor, accept, or issue any gift certificates or gift cards and may only sell gift certificates or gift cards that have been issued or approved by Franchisor. Franchisee shall not issue, honor, or accept any coupons or discounts of any type except as approved by Franchisor in writing.

(d) Franchisee shall purchase and install, at Franchisee's expense, all fixtures, furnishings, signs, computer systems, and other equipment as may be specified by the System Standards from time to time; and shall not permit the installation of any fixtures, furnishings, signs, computer systems, or other equipment not conforming to the System Standards.

(e) Franchisee shall at all times maintain the Franchised Business in a high degree of cleanliness, repair, and condition, and in connection therewith and shall make such additions, alterations, repairs, and replacements thereto (but no others without Franchisor's prior written consent) as may be required for that purpose, including, without limitation, such periodic repainting or replacement of obsolete signs, furnishings, fixtures, equipment, and décor as Franchisor may direct.

(f) At the request of Franchisor, which may be made once every two (2) years during the term of this Agreement (excluding any periods of renewal of the franchise rights, for which additional refurbishment may be required), Franchisee shall refurbish the Franchised Business at its own expense to conform to the trade dress, color schemes, and presentation of the Principal Trademarks in a manner consistent with the image then in effect for new Franchised Businesses. Such refurbishment may include structural changes, installation of new equipment and signs, remodeling, redecoration, and modifications to existing improvements. Franchisee shall complete the refurbishing within the time period specified by Franchisor.

(g) Franchisor disclaims all express and implied warranties and all other liability concerning any defects, malfunctions, or other deficiencies in services, inventory, fixtures, equipment, or other products and services manufactured by and/or rendered either directly or indirectly by anyone other than Franchisor or its affiliates. Franchisee agrees not to make any claims against Franchisor or its affiliates with respect to products or services that Franchisor and its affiliates did not manufacture or render, even if Franchisor or its affiliate sold the product or designated or approved its source. Franchisee is required to assert any claims only against the manufacturer or vendor of the product or service, even if Franchise obtained it through Franchisor or its affiliate.

(h) Franchisee acknowledges that because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege to vary System Standards for any other franchisee in the exercise of the Franchisor's business judgment.

## **7.5 *Franchisor's Right to Inspect and Audit the Franchised Business***

(a) To determine whether Franchisee is in compliance with this Agreement and all mandatory System Standards, Franchisor and its designated agents or representatives may at all times and without prior notice to Franchisee:

- (i) inspect the Franchised Business;
- (ii) photograph, observe and videotape the operation of the Franchised Business for consecutive or intermittent periods as Franchisor deems necessary;
- (iii) interview personnel and customers of the Franchised Business; and
- (iv) inspect and copy any books, records, sales and income tax records and returns, documents relating to the Franchised Business and records relating to Franchisee's customers, clients, suppliers, employees and agents.

(b) If Franchisor exercises any of these rights, Franchisor will not interfere unreasonably with the operation of the Franchised Business.

(c) Franchisee agrees to cooperate fully with Franchisor, Franchisor's representatives and/or independent accountants in any inspection and/or audit of books and records.

(d) Franchisee agrees to present to customers of the Franchised Business the evaluation forms that Franchisor periodically prescribes and to participate and/or request customers to participate in any surveys performed by or for Franchisor.

(e) If any inspection conducted by Franchisor or its designee reveals that the Franchised Business fails to meet System Standards, Franchisor may charge the then-current standard re-inspection fee. Franchisee's failure to achieve or exceed System Standards in two (2) inspections in any twenty (24) month period is a material breach of this agreement, for which Franchisor, in addition to its other legal and equitable remedies, may terminate this Agreement, refuse to renew the Franchise granted under this agreement, or reduce the geographic size of the Territory.

## **7.6 Local Marketing and Advertising**

(a) Franchisee is required to spend the greater of (i) one and one-half percent (1.5%) of Franchisee's Gross Revenues for the previous bi-weekly period or (ii) \$500, on a bi-weekly basis, on local advertising, marketing and promotional programs, including expenditures relating to the use of Social Media Platforms and/or the development and/or use of Social Media Materials ("Local Advertising"). Local Advertising expenditures is based upon an annual plan submitted to Franchisor for approval and will not necessarily have a mandated expenditure per each month of the year. Upon request, Franchisee must submit an itemized report documenting proof of expenditures to Franchisor, in a form Franchisor may, in its sole discretion, require. Upon discovery of Franchisee's non-compliance with its Local Advertising requirements, Franchisor reserves the right to require Franchisee to spend up to three percent (3%) of Franchisee's Gross Revenues of the preceding calendar year on Local Advertising for the succeeding year. All marketing will be conducted as set forth in the Confidential Operating Manual and in an approved annual marketing plan. Costs and expenditures Franchisee incurs for any of the following are excluded from Franchisee's required Local Advertising:

(i) salaries and expenses of Franchisee's employees, including salaries or expenses for attendance at advertising meetings or activities; and

(iii) seminar and educational costs and expenses of Franchisee's employees.

(b) Franchisor reserves the right to require Franchisee to contribute to the National Advertising Fund any amount required, but not spent by Franchisee on Local Advertising during the previous year.

(c) If required, all Advertising Materials, Social Media Materials and other items Franchisor designates must bear the Principal Trademarks in the form, color, location and manner Franchisor prescribes and must meet all of Franchisor's standards and requirements. Franchisee's Advertising Materials and Social Media Materials must be conducted in a dignified manner and conform to Franchisor's standards as stated in the Confidential Operating Manual or otherwise.

(d) Franchisee must obtain Franchisor's written approval (i) before Franchisee uses any Advertising Materials and Social Media Materials if Franchisor has not prepared or approved such materials within the previous twelve (12) months; and (ii) before Franchisee initially uses any Social Media Platform. Franchisee must submit all unapproved Advertising materials, Social Media Materials and requests to use Social Media Platforms to Franchisor via certified mail or electronic mail. Franchisor will approve or disapprove such request within fifteen (15) days after submission. If Franchisee does not receive written approval within fifteen (15) days after submission, the request shall be deemed denied. Franchisor may withhold its approval of any Advertising Materials, Social Media Materials or Social Media Platform for any reason and no reason at all. Franchisee may not use any unapproved Advertising Materials, Social Media Materials or Social Media Platform. Franchisor has the right to revoke its prior approval of any Advertising Materials, Social Media Materials and Social Media Platform. Franchisee must promptly discontinue use of any Advertising Materials, Social Media Materials or Social Media Platform whether or not previously approved, on notice from Franchisor. If required by Franchisor, Franchisee shall grant Franchisor administrator access to the Franchisee's Social Media Platform(s). Franchisor has the right to require Franchisee to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by Franchisor in its sole discretion, including but not limited to any previously approved Social Media Material. Franchisor has the right to access Franchisee's Social Media Platform accounts to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by Franchisor in its sole discretion, including but not limited to any previously approved Social Media Material. Franchisee is required to give Franchisor its usernames, passwords, account information and all other information Franchisor may require in connection with Franchisee's use of Social Media Platforms upon Franchisee's initial use of a Social Media Platform and immediately upon Franchisor's request.

(e) Franchisee may request permission to use a Social Media Platform on an ongoing basis on a specified theme or topic related to the Franchised Business. Franchisor may, in its sole discretion, grant such consent, which remains subject to Franchisor's unconditional right to withdraw consent and require removal and deletion of any objectionable Social Media Material. In the event Franchisor grants such consent, individual entries of Social Media Material on that topic alone would not require pre-approval to be made until such time as that consent is withdrawn.

(f) All Advertising Materials, Social Media Materials and Social Media Platforms must indicate that Franchisee is operating the Franchised Business as an independent franchisee of Franchisor.

(g) Franchisee shall not employ any person to act as a representative of Franchisee in connection with local promotion of the Franchised Business in any public media without the prior written approval of Franchisor.

(h) Notwithstanding anything to the contrary above, Franchisor reserves the right to require Franchisee to make specific Local Advertising expenditures in the event that Franchisor, in its sole discretion, determines that Franchisee's Local Advertising efforts are inadequate. Further, if

Franchisor uses a public figure to promote the System within Franchisee's Territory, Franchisor may require Franchisee pay for the public figure's appearance fee and travel expenses. These expenses, once paid by Franchisee, shall be credited against Franchisee's required Local Advertising expenditures set forth above.

(i) In addition to Franchisee's local advertising spend and contributions to the National Advertising Fund and/or any Regional Cooperative, Franchisee shall spend between \$500 to \$2,500 on grand opening advertising during the first three (3) months of operation. Franchisee may choose to spend more.

## **7.7      *Accounting and Records***

Franchisee must maintain all financial, sales, accounts, books, data, licenses, contracts, product supplier invoices, management reports and records for a period of seven (7) years or longer as required by government regulations.

## **7.8      *Reporting Requirements***

(a) Franchisee will be required to submit financial reports each month to Franchisor indicating the Gross Revenues derived from Franchisee's operation of the Franchised Business for the previous month or as required by Franchisor in the Confidential Operating Manual or otherwise in writing. Franchisee shall submit to Franchisor monthly, quarterly, and/or annual financial reports, including balance sheets, cash flow statements, profit and loss statements, and other reports as required by Franchisor. All reports shall be submitted timely in accordance with Franchisor's schedule, and all reports shall be certified by Franchisee or the Designated Manager to accurately reflect, respectively, the financial condition of the Franchised Business. Additionally, Franchisee shall submit to Franchisor, on or before the Wednesday of every other week during the term of this Agreement, a Gross Revenue Report and statement of operations in the form prescribed by Franchisor and certified by Franchisee or the Designated Manager, accurately reflecting Franchisee's Gross Revenues and the results of operations of the Franchised Business, respectively, during the preceding period, along with such other data or information as Franchisor may require. All reports required herein shall be signed by Franchisee and certified in writing by Franchisee to be accurate. In addition, upon the request of Franchisor, Franchisee shall compile and provide to Franchisor any report that Franchisor may reasonably request for purposes of evaluating or promoting the System in general.

(b) Franchisee must, at its own expense, maintain a bookkeeping, accounting and recordkeeping system, in accordance with Franchisor's standards. Franchisor may, in its sole discretion, require Franchisee to use computer software approved by Franchisor for Franchisee's bookkeeping, accounting and recordkeeping systems. Franchisor may, in its sole discretion, also require Franchisee to use a third party approved by Franchisor for accounting and bookkeeping services. If Franchisor elects to require Franchisee to use a third party provider, Franchisor shall require the third party to provide to Franchisor reports and information in the form and manner Franchisor prescribes.

(c) Franchisor shall have the right to disclose the data contained within and any data derived from any report prepared by Franchisee or a third party, in Franchisor's sole discretion. All such information derived from or pertaining to the Franchised Business shall be the property of Franchisor and Franchisor shall have the right to use such information in any manner that it deems appropriate without compensation to Franchisee.

(d) Unless required due to Franchisee's underreporting, there are no requirements for audited financial statements.

(e) Franchisee will be required, as specified in the Confidential Operating Manual, to provide all reports to Franchisor in the format specified in the Confidential Operating Manual.

(f) Franchisee shall transfer to Franchisor all Consumer Data not automatically collected by software required by Franchisor on a monthly basis, or at such other times and intervals as Franchisor may determine.

(g) Franchisee shall provide to Franchisor, on such forms required by Franchisor, the name, location and all identifying information of each Function and/or facility located within Territory within thirty (30) days of the date that Franchisee agrees to perform Services at such Function and/or facility. Further, each month Franchisee shall also report to Franchisor its efforts to sign up Functions and/or facilities within the Territory.

(h) Franchisee shall submit to Franchisor signed copies of the federal income tax returns for the previous tax year, as filed with the Internal Revenue Service, of Franchisee and of any Principal who owns an ownership interest in Franchisee greater than or equal to fifty percent (50%), on or before April 30 of each year, or, if the taxpayer has received an extension of time to file and submits to Franchisor a signed, file-stamped copy of IRS Form 4868 or 2688, as applicable, then within fifteen (15) days after the final due date for such return, but in no event later than October 30th.

(i) Franchisee hereby authorizes (and agrees to execute any other documents deemed necessary to effect such authorization) all banks, financial institutions, businesses, suppliers, manufacturers, contractors, vendors, and other persons or entities with which Franchisee does business to disclose to Franchisor any requested financial information in their possession relating to Franchisee or the Franchised Business. Franchisee authorizes Franchisor to disclose data from Franchisee's reports if Franchisor determines, in its sole discretion, that such disclosure is necessary or advisable, which disclosure may include disclosure to prospective or existing franchisees or other third parties.

## **7.9 *Use of Operating Assets***

Franchisee agrees to use in operating the Franchised Business only those equipment (including credit card clearing service equipment, computer with high-speed internet connection and facsimile) and signs (collectively, the "Operating Assets") that Franchisor designates or approves for the Franchised Business as meeting its specifications and standards for quality, design, appearance, function and performance. Franchisee agrees to purchase or lease approved brands, types or models of Operating Assets only from designated or approved Suppliers (which may include

or be limited to Franchisor and/or its affiliates).

## **7.10 Computer Software and Hardware**

(a) Franchisee must obtain and maintain computer equipment and software, including administrative software that meets Franchisor's specifications and is compatible with and acceptable by Franchisor's central accounting system. Franchisor may, in its sole discretion, specify the make, model and/or type of the computer equipment, software, including back office, data, voice, audio and video storage, retrieval and transmission systems, cash register systems, security systems, printers and other peripheral devices, archival back-up systems and Internet access mode and speed ("Computer System"). If Franchisor specifies the make, model or type of any part of the Computer System, Franchisee may not utilize any alternate manufacturer, brand or distributor of any part of the Computer System without Franchisor's prior written approval. Franchisee may not install additional software to its Computer System without Franchisor's written approval. Franchisor requires Franchisee to maintain a high-speed connection to the Internet. Franchisor may require Franchisee to utilize specified Internet providers or communications software as Franchisor may determine.

(b) Franchisor may, in its sole discretion, require Franchisee to use hardware and software, including a customer registration system/software and/or an administrative software, which accommodates an online system that gives Franchisor access to Franchisee's records via the Internet. If Franchisor elects to gain access to Franchisee's records via the Internet, Franchisee must allow Franchisor to establish and maintain communication with Franchisee's Computer System via a dedicated data transmission line such as a high-speed internet connection to retrieve information, including but not limited to sales data and financial data. All such information derived from or pertaining to the Franchised Business shall be the property of Franchisor and Franchisor shall have the right to use such information in any manner that it deems appropriate without compensation to Franchisee. This equipment and related software must be purchased and installed in accordance with Franchisor's specifications as may be provided in the Confidential Operating Manual or otherwise by Franchisor in writing. Franchisee must provide Franchisor with any user identification and/or password necessary for Franchisor to gain access via the Internet to Franchisee's Computer System and the records contained therein.

(c) Franchisor shall be the web master for the Oliver's Nannies website or any on-line equivalent, either directly or through our supplier. Franchisor shall be the only authorized user of the Oliver's Nannies URL or any derivation of the Oliver's Nannies name or marks on the worldwide web. Franchisee will be required to participate in and provide assistance with the Oliver's Nannies website, as we may require. Franchisee shall not establish or maintain an independent website or URL for the Franchised Business or use the Principal Trademarks (or any similar version) or other proprietary information in any way other than as provided for herein, including on the Internet.

(d) Franchisor or a designated third-party may design, update and host the Oliver's Nannies website which will contain the location and telephone number of the Franchised Business. Franchisor will approve or disapprove and execute any and all changes to the website and to



Franchisee's information. Franchisee will not have any right to update, upgrade, amend or host the website. Franchisee may provide Franchisor with updated photographs or such items as news and events, promotions and specials, which Franchisor may incorporate into the System website. The Oliver's Nannies website will contain information on the services provided by the Franchisor. The Oliver's Nannies website may also contain information on the awards and achievements of Franchisor, its affiliates, any company-owned or affiliate-owned businesses and any franchisee. The website and its content will be updated based upon Franchisor's judgment of what is appropriate; all changes, deletions and additions are at Franchisor's sole discretion. Franchisor reserves the right to require Franchisee or any hosting service to remove unauthorized websites that contain the Principal Trademarks. Franchisee must assist Franchisor in removing such sites.

(e) Franchisor may provide from the Oliver's Nannies website a landing page or a link to a website for Franchisee's Franchised Business, which will be maintained by Franchisor or a supplier. Franchisor may provide guidelines for updating Franchisee's specific landing page or website and Franchisor may make changes to Franchisee's specific landing page or website, in Franchisor's discretion. Franchisee shall be required to abide by the Oliver's Nannies privacy policy regarding customer information.

(f) Franchisee shall have no rights to market any products or services on the Internet without Franchisor's permission and it is unlikely at this time that such permission will be granted. Franchisee shall be required to comply with the Oliver's Nannies policies and programs concerning search engine optimization.

(g) Franchisee will be assigned an email address for its location. Franchisee must use only this email address to conduct its business. To the extent the e-mail address contains the name "Oliver's Nannies" or any other proprietary designation, Franchisee will only be able to use it as specified by Franchisor and Franchisee will immediately cease use of it when Franchisor so requires.

(h) Franchisee must maintain, upgrade and update the Computer System, including administrative software and Internet service providers or other communications system during the term of the franchise, as Franchisor determines but not more than once every two (2) years, at Franchisee's expense. Franchisee is solely responsible for protecting itself from viruses, computer hackers and other computer-related problems and Franchisee may not assert any claims against Franchisor or its affiliates for any harm caused by such computer-related problems.

(i) Franchisee shall comply with the most current version of the Payment Card Industry Data Security Standards and validate compliance with those standards, as may be periodically required by Franchisor or third-parties.

## **7.11 Insurance**

(a) Prior to Franchisee opening its Franchised Business, Franchisee must obtain insurance coverage for the Franchised Business in at least the amounts specified below. This insurance coverage must be maintained during the term of this Agreement and must be obtained

from a responsible carrier or carriers rated “A+” or better by A.M. Best & Company, Inc. and be approved by Franchisor.

(b) Franchisee may, with Franchisor’s prior written consent, elect to have reasonable deductibles under the coverage required above. All of the policies must name Franchisor, its affiliates and the respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of Franchisor, its parent and its affiliates as additional insureds and must include a waiver of subrogation in favor of all parties.

(c) Franchisee must provide Franchisor with written proof in the form of Accord certificates or as otherwise required by Franchisor of Franchisee’s purchase of the above required insurance policies no later than the business day before Franchisee intends to open the Franchised Business. Franchisee must provide Franchisor with proof of Franchisee’s continued insurance coverage no later than thirty (30) days before the expiration of Franchisee’s insurance policies. For purposes hereof, proof of purchase of insurance and/or continued insurance coverage shall include written evidence of insurance issued by the insurance company to Franchisee showing compliance with the above requirements. In the event that Franchisee fails to purchase the required insurance, Franchisor may, in its sole discretion pay for the required insurance policies on behalf of Franchisee. Franchisor reserves the right to charge Franchisee a reimbursement fee equal to Franchisor’s expenditures in paying for Franchisee’s required insurance policies plus twenty percent (20%) of the Franchisor’s expenditures, which is intended to reimburse Franchisor for its administrative expenses in obtaining insurance on behalf of the Franchisee. Franchisee’s insurance policies will in no way be limited in any way by any insurance policy maintained by Franchisor.

(d) Franchisor may in its sole discretion, revise its insurance requirements for franchisees. Franchisor may, in its sole discretion, and upon thirty (30) days’ notice to Franchisee require Franchisee to obtain insurance policies with increased coverage limits and/or additional or different insurance policies in accordance with Franchisor’s then current insurance requirements for Franchisees.

(e) Franchisee may not reduce any insurance limit, restrict any insurance coverage or cancel any insurance policy without Franchisor’s written consent. Franchisee may alter, amend or upgrade any insurance policy without Franchisor’s written consent provided that Franchisee maintains the minimum insurance required and Franchisee provides Franchisor with notice of such alteration, amendment or upgrade to the insurance coverage upon the issuance of such coverage.

(f) Franchisee shall require its insurance providers to provide written notice to Franchisor in advance of any alteration, amendment, upgrade, termination or expiration of any insurance policy maintained by Franchisee.

(g) Franchisee agrees and acknowledges that Franchisor’s review of and/or consent to any of Franchisee’s insurance policies is solely for Franchisor’s benefit and is not a guaranty that Franchisee’s insurance coverage is sufficient. Franchisee further agrees and acknowledges that it is solely responsible for determining whether or not its insurance coverage is sufficient for the Franchised Business.

(h) Franchisor may, but shall not be obligated to, negotiate preferred purchase arrangements for Oliver's Nannies franchisees for group insurance coverage during the Term. If Franchisor elects to do so, Franchisee shall purchase Franchisee's insurance under the group insurance policies and shall pay Franchisor or the designated insurance company Franchisee's pro-rata share of the annual costs for the insurance, which will generally equal the annual premium for the group insurance coverage during the previous year divided by the number of Oliver's Nannies franchisees who participate in the group insurance policy coverage during the prior year and will depend on factors such as the type of insurance, the limits of such coverage, the number of franchisees participating in the group insurance program and other factors affecting risk exposure. Franchisor may derive revenue or obtain rebates, discounts or allowances from insurance companies as a result of Oliver's Nannies franchisees' purchase of insurance coverage.

#### **7.12 Indemnification**

(a) Franchisee shall indemnify, defend and hold harmless Franchisor, its affiliates and the respective shareholders, officers, directors, employees, agents, successors and assignees of Franchisor, its parent and its affiliates (the "Indemnified Parties") against and reimburse any one or more of the Indemnified Parties for all claims, obligations and damages arising directly or indirectly from the operation of the Franchised Business or Franchisee's breach of this Agreement, including without limitation those alleged to be or found to have been caused by the Indemnified Party's negligence or willful misconduct, unless (and then only to the extent that) the claims, obligations or damages are determined to be caused solely by Franchisor's gross negligence or willful misconduct in a final, un-appealable ruling issued by a court or arbitrator with competent jurisdiction. This provision shall survive termination and expiration of this Agreement.

(b) For purposes of this Section 7.12 and Franchisee's indemnification, "claims" include all obligations, damages (actual, consequential or otherwise) and costs that any Indemnified Party incurs in defending any claim against it, including without limitation fees incurred for accountants, arbitrators, attorneys and expert witnesses, costs of investigation and proof of facts, court costs, travel and living expenses and other expenses of litigation, arbitration or alternative dispute resolution. Each Indemnified Party may defend any claim against it at Franchisee's expense and agree to settlements or take any other remedial, corrective or other actions. This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third-party or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against Franchisee under this subsection. Franchisee agrees that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from Franchisee under this subsection.

#### **7.13 Licensing, Taxes and Compliance with Laws**

(a) Franchisee shall ensure that the Franchised Business and each of Franchisee's employees at the Franchised Business meet and maintain the highest standards and shall satisfy all safety and regulation standards which may be imposed upon the Franchised Business and/or its

employees, including obtaining all required permits, licenses and certifications. It is Franchisee's obligation to determine if Franchisee must be licensed in connection with operating the Franchised Business and to take whatever steps are necessary to meet the requirements of any regulation regarding the operation of the Franchised Business. Franchisee shall provide to Franchisor, within five (5) days of Franchisee's receipt thereof or Franchisor's request, a copy of all inspection reports, warnings, citations, certificates and/or ratings required by law or which result from inspections, audits or inquiries conducted by federal, state or municipal agencies with jurisdiction over the Franchised Business.

(b) Franchisee shall comply with all federal, state and local laws and regulations that generally apply to babysitting and nanny services businesses. Further, Franchisee shall comply with the Americans with Disabilities Act; the Fair Labor Standards Act; Equal Employment Opportunities Commission; Occupational Safety and Health Administration; Gramm-Leach-Bliley Act; The Patriot Act; Truth in Lending Act 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; and, any advertising or content related rules and regulations, etc.

(c) Franchisee acknowledges that Franchisee is aware of federal, state and local labor regulations including minimum age and minimum wage laws that may affect the Franchised Business. Franchisee shall comply with all such federal, state and local labor regulations.

(d) Franchisee shall also pay when due all taxes levied or assessed, including unemployment and sales taxes and Franchisee shall file when due all tax returns due from any individual or entity related to the Franchised Business. Franchisee shall pay to Franchisor an amount equal to any sales tax or gross receipts tax imposed upon Franchisor with respect to any payments to Franchisor required under the Agreement.

(e) Franchisee acknowledges and agrees that Franchisee is solely responsible for complying with all laws, including but not limited to the handling, distribution and use of Consumer Data, as defined in subsection 8.1(c) below.

#### **7.14 *Security Interest***

(a) Franchisee hereby grants to Franchisor, its parent and its affiliates a security interest in any and all of Franchisee's inventory, equipment, Operating Assets and all other assets and any proceeds thereof (including but not limited to all accounts receivable and the proceeds of any insurance). The security interest granted herein secures: (1) all of Franchisee's obligations to Franchisor, its parent and its affiliates under this Agreement and any other agreement between Franchisee and Franchisor or its affiliates; and (2) all costs and expenses which Franchisor, its parent and its affiliates may incur in the administration and collection of these obligations. This Agreement shall constitute a security agreement and upon request by Franchisor, its parent and its affiliates, Franchisee shall execute any additional instruments required to perfect this security interest, including without limitation a standard Uniform Commercial Code ("UCC") financing statement. Franchisee authorizes Franchisor, its parent and its affiliates:

(i) To file a copy of this Agreement, a UCC financing statement and any other documents that may be necessary to perfect the security interest granted herein; and

(ii) To sign on behalf of Franchisee and to file in any jurisdiction, with or without signature of Franchisee, financing statements with respect to this security interest and security agreement.

(b) Notwithstanding anything to the contrary in Section 7.14(a) above, in the event that Franchisee elects to obtain financing in connection with the operation of its Franchised Business, Franchisor shall agree to subordinate its security interests set forth above to such financing, provided that (i) Franchisor is provided with notice of Franchisee's intent to obtain such financing at least thirty (30) days prior to the execution of any financing instruments and (ii) Franchisee executes or causes to be executed any agreements, documents or instruments requested by Franchisor to perfect or otherwise in support of its security rights herein.

#### **7.15 *Approved Services and products***

(a) Franchisee must sell and offer for sale all products and services required by Franchisor. Franchisee shall immediately discontinue selling and offering for sale any product and/or service that Franchisor disapproves in writing.

(b) Franchisee must notify Franchisor immediately if any of the services and products approved by Franchisor are prohibited, restricted by law or regulation or are adverse to local community standards. Franchisee is required to provide assistance to Franchisor upon request, if government or other local approval is required for the offer and sale of any product or service approved by Franchisor.

(c) Franchisee shall discontinue selling and offering for sale any products and/or Services that Franchisor disapproves in writing, within a commercially reasonable period of time, as determined in Franchisor's sole discretion.

(d) Franchisee shall not participate in any resale of Oliver's Nannies products or services or any Grey marketing activities concerning any Oliver's Nannies products or services.

(e) From time-to-time Franchisor may choose to test new products, sales strategies, equipment, programs, services or other elements of Oliver's Nannies' intellectual property. Upon such an occurrence, Franchisee shall be required to participate in any testing at the request of Franchisor and may also be required to make capital expenditures and incur operating and other costs as part of their participation in the test. Franchisor is not obligated to reimburse Franchisee for those expenditures. Franchisee may be required to maintain records and submit reports to Franchisor, as part of the test, in a timely manner.

#### **7.16 *Advertising Cooperatives***

*Franchisor may, at its discretion, designate any geographical area in which at least two Oliver's Nannies Franchised Businesses are located for the purpose of establishing a local or regional marketing and advertising cooperative (Cooperative). Franchisee shall take appropriate steps to establish and participate in a Cooperative if required to do so by Franchisor. If a Cooperative for the geographical area in which the Franchised Business is located has already been established when Franchisee opens the Franchised Business, then Franchisee shall immediately become a member of the Cooperative under the terms of its governing documents. If a Cooperative for the geographical area in which the Franchised Business is located is established during the term of this Agreement, Franchisee shall immediately become a member of the Cooperative and take all steps necessary to become a member. In no event shall Franchisee be required to be a member of more than one Cooperative for the Franchised Business established under this Agreement. The following provisions apply to each Cooperative:*

*(a) Each Cooperative will be organized and governed in a form and manner prescribed or approved by Franchisor in writing and will commence operations on a date specified by Franchisor. Any disputes arising between Franchisee on one side, and other franchisees in the Cooperative or the Cooperative on the other side, will be resolved in accordance with the rules and procedures in the Cooperative's governing documents. Each member of a Cooperative, whether Franchisor, an affiliate of Franchisor, or a franchisee of Franchisor, will be entitled to one vote for each Franchised Business operated by the member in the geographical area for which the Cooperative is established.*

*(b) Franchisor, in its sole discretion, shall establish the geographical area covered by each Cooperative by determining the common coverage areas of advertising media relevant to the particular geographic market, the Metropolitan or Metropolitan Statistical Area, industry practices, or Franchisor's advertising policies.*

*(c) Each Cooperative will be organized for the exclusive purpose of administering local or regional advertising programs and developing, subject to Franchisor's approval, standardized promotional materials for use by the members in local or regional advertising and promotion.*

*(d) No advertising or promotional plans or materials may be used by a Cooperative or furnished to its members without the prior approval of Franchisor pursuant to the procedures in this Section of this Agreement.*

*(e) Each month that a Cooperative is in existence for Franchisee's geographical area, Franchisee shall contribute to the Cooperative an amount specified by Franchisor or Cooperative (the Cooperative Contribution). Franchisee's Cooperative Contribution will not be credited toward the National Advertising Fund contribution required under this Agreement.*

*(f) The members of the Cooperative will determine the amount of the Cooperative Contribution in accordance with its governing documents, but the Cooperative Contribution may*

*not exceed the greater of 1.5% of Gross Revenues or \$500 bi-weekly. Franchisee shall pay its Cooperative Contribution, together with any statements or reports that Franchisor or the Cooperative (with Franchisor's prior written approval) may require, on a date each month determined by the Cooperative, but no later than the tenth day of each month. Franchisee's Cooperative Contribution, if any, shall be credited toward Franchisee's Local Advertising requirements, as set forth in Section 7.6 above.*

*(g) Within thirty (30) days after the end of each calendar month, each Cooperative will prepare and submit to Franchisor financial statements presenting the financial position and results of operations of the Cooperative for the preceding month. Each member of the Cooperative will be entitled to receive a copy of the Cooperative's financial statements upon request.*

*(h) For each of Oliver's Nannies Franchised Business operated by Franchisor or an affiliate of Franchisor in a geographical area for which a Cooperative has been established, Franchisor shall make a Cooperative Contribution on the same basis as assessments required of comparable franchises that are members of the same Cooperative.*

*(i) Cooperatives established by Franchisor are intended to be of perpetual duration. However, Franchisor maintains the right to modify, merge, or dissolve any Cooperative. Franchisor shall use any unexpended monies from the dissolved Cooperative only for advertising or promotional purposes for the System.*

*(j) Franchisee acknowledges that Oliver's Nannies Franchised Business operated by other franchisees of Franchisor, even though located in the same geographical area in which the Franchised Business is located, may be operating under franchise agreements containing terms that vary substantially from the terms of this Agreement, and consequently, may not be required to participate in Cooperatives.*

#### **7.17 Franchisee's Employees**

*(a) Franchisee hereby irrevocably agrees, acknowledges, affirms, represents, warrants and covenants that its employees are employed exclusively by Franchisee and that none of its employees are employed, jointly employed or co-employed by Franchisor. Franchisee further agrees, acknowledges, affirms, represents, warrants and covenants that each of its employees are under the exclusive dominion and control of Franchisee and are never under the direct or indirect control of Franchisor. Franchisee is exclusively responsible for, and Franchisor shall not, directly or indirectly, be engaged in, have authority or ability over or otherwise involved with, the hiring of each of its employees, setting their schedules, establishing their compensation, paying all salaries, benefits and employment-related liabilities (workers' compensation insurance premiums/payroll taxes/Social Security contributions/unemployment insurance premiums) associated with such employment, disciplining, suspending and/or terminating employees.*

*(b) Franchisee further hereby irrevocably agrees, acknowledges, affirms, represents, warrants and covenants that any training provided by Franchisor for Franchisee's employees is intended to provide to those employees the various procedures, protocols, systems and operations*

of a Franchised Business and shall not create an employment relationship between the Franchisor and the Franchisee's employees.

(c) Finally, should it ever be asserted that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees in any private or government investigation, action, proceeding, arbitration or other setting, Franchisee irrevocably agrees to assist Franchisor in defending said allegation, including (if necessary) appearing at any venue requested by Franchisor to testify on our behalf (and, as may be necessary, submitting itself to depositions, other appearances and/or preparing affidavits dismissive of any allegation that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees). To the extent Franchisor is the only named party in any such investigation, action, proceeding, arbitration or other setting to the exclusion of Franchisee, should any such appearance by Franchisee be required or requested by Franchisor, Franchisor will recompense Franchisee the reasonable costs associated with its appearing at any such venue.

#### **7.18 Data Security Safeguards**

Franchisee shall exert Franchisee's best efforts to protect its customers against a cyber-event, including, without limitation, a data breach or other identity theft or theft of personal information (collectively, a "Cyber Event"). If a Cyber Event occurs, regardless of whether the Cyber Event affects only the Franchised Business, Franchisor reserves the right, but shall not have any obligation, to perform and/or control and/or cause its third-party consultants to perform and/or control all aspects of the response to the Cyber Event including, without limitation, the investigation, containment and resolution of the Cyber Event and all communications within the Oliver's Nannies franchise system and with vendors and suppliers, Governmental Authorities and the general public. Franchisor's control of the response to a Cyber Event may potentially affect or interrupt operations of the Franchised Business, but shall not create any liability for Franchisor or additional rights for Franchisee, entitle Franchisee to damages or relieve Franchisee of Franchisee's indemnification obligations. Franchisee shall reimburse Franchisor for all of Franchisor's out-of-pocket costs and expenses incurred in responding to and remedying any Cyber Event caused solely by Franchisee or the Franchised Business. Franchisee shall at all times be compliant with (i) the NACHA ACH Security Framework; (ii) the Payment Rules; (iii) Applicable Law regarding data privacy, data security and security breaches; and (iv) Franchisor's security policies and guidelines, all as may be adopted and/or amended from time to time (collectively, "Data Security Safeguards"). Franchisee shall obtain advice from Franchisee's own legal and security consultants to ensure that Franchisee operates the Franchised Business at all times in full compliance with the Data Security Safeguards. Notwithstanding Franchisor's right to perform and/or control all aspects of a response to a Cyber Event, Franchisor shall make commercially reasonable efforts to coordinate its response with Franchisee and Franchisee's insurance carrier(s) and to cooperate with Franchisee's insurance carrier(s) regarding insurance coverage of the Cyber Event to the extent reasonably practicable under the circumstances.

#### **7.19 Crisis Management Event.**



Franchisee agrees to notify Franchisor immediately by telephone and email upon the occurrence of a Crisis Management Event. Franchisor may establish emergency procedures which may, among other things, require Franchisee to temporarily close the Franchised Business, in which case Franchisee agrees that Franchisor will not be held liable to Franchisee for any losses or costs. During a Crisis Management Event, Franchisee shall not communicate to the media nor post any content on any Social Media Platform without the expressed written consent of the Franchisor, which Franchisor may deny for any reason or no reason at all. Franchisor reserves the right to handle all external communications during a Crisis Management Event. For purposes of this Agreement, a Crisis Management Event shall mean any event that occurs at any location at which Franchisee provides the Services that has or may cause harm or injury to children, customers or employees, such as sexual abuse, molestation, the occurrence of an incident which qualifies as a felony, crime of moral turpitude or any other crime (whether or not charges have been brought), contagious diseases, natural disasters, terrorist acts, shootings or any other circumstance which may damage the System, the Principal Trademarks or image or reputation of the Franchised Business, the Franchisor or our affiliates.

#### **7.20 Client Service.**

Franchisee acknowledges that client satisfaction is essential to Franchisee's success as well as the preservation of the reputation and value of the Principal Trademarks, the System, and other Oliver's Nannies franchisees. Accordingly, Franchisee agrees to (i) use its best efforts to ensure the satisfaction of each of Franchisee's customers; (ii) use good faith and fair dealing in all dealings with customers, potential customers, suppliers, and creditors; (iii) respond to client complaints in a courteous, prompt, and professional manner; and (iv) use its best efforts to resolve client disputes promptly and fairly in a mutually agreeable manner. If Franchisee fails to resolve a dispute with a client for any reason whatsoever, Franchisor, in its sole discretion, may (but shall not be obligated to) investigate the matter and require Franchisee to take such actions as Franchisor deems necessary or appropriate to resolve the dispute fairly and promptly. Nothing contained in this Section or any other provision of this Agreement shall be construed to impose liability upon Franchisor to any third party for any action by or obligation of Franchisee.

#### **7.21 Telephone and Electronic Mail, Text and Messaging**

(a) Franchisee shall maintain telephone, electronic mail, text, and messaging services and features for use exclusively by the Franchised Business as required by Franchisor in the Confidential Operating Manual or otherwise communicated to Franchisee from time to time.

(b) Franchisee acknowledges that, at all times, The Franchised Business telephone number(s), electronic mail, text, and messaging account(s), and listing(s) will remain in the name, and sole property, of Franchisor, provided that Franchisee will be responsible for any and all costs, expenses, and deposits associated with the Franchised Business telephone numbers(s), electronic mail, text, and messaging account(s) and listings(s) including without limitation any deposits, connection, installation, maintenance, storage, and usage fees.

(c) Franchisee agrees to advertise the Franchised Business (at the Franchisee's expense) in all telephone directories or other directories as Franchisor designates using only such advertisements as may be approved by Franchisor.

## **VIII. CONFIDENTIAL INFORMATION**

### **8.1 *Restriction on Use of Confidential Information***

(a) Franchisor possesses (and will continue to develop and acquire) certain knowledge, know-how, methods and procedures some of which constitute trade secrets under applicable law regarding: (i) the Franchisor, its affiliates and its subsidiaries; (ii) the development, management and operation of Oliver's Nannies franchised businesses, including without limitation: (a) the Confidential Operating Manual; (b) operational specifications, standards, systems and procedures and knowledge and experience used in developing and operating the System; (c) training and operations materials and manuals; (d) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques; (e) business forms and accounting procedures; (f) Advertising Materials, Social Media Materials and use of Social Media Platforms; (g) database material, customer lists (including but not limited to student lists and any Consumer Data, as defined in subsection 8.1(c) below), records, files, instructions and other proprietary information; (h) identity of suppliers and knowledge of supplier discounts, specifications, processes, procedures and equipment, contract terms, pricing for authorized products, materials, supplies and equipment; (i) any computer software or similar technology which is proprietary to Franchisor or its affiliates, including without limitation digital passwords and identifications and any source code, as well as data, reports and other printed materials; (j) knowledge of the operating results and financial performance of the System other than the Franchised Business; and (k) graphic designs and related intellectual property (collectively "Confidential Information") which Franchisor, its parent and its affiliates consider proprietary.

(b) It is the parties' intention that the Confidential Information be governed by the Confidentiality, Non-Use and Non-Competition Agreement attached hereto as Exhibit 7 and the Confidentiality, Non-Use and Non-Competition Agreement Form attached hereto as Exhibit 8. Franchisee acknowledges and agrees that Franchisor has granted the franchise in consideration of and in reliance upon Franchisee's agreement to execute the Confidentiality, Non-Use and Non-Competition Agreement and abide by its terms. Franchisee shall require any individual to whom Confidential Information is disclosed, or if a corporation, limited liability company or partnership, its officers, directors, shareholders, employees, agents and affiliates to execute the Confidentiality, Non-Use and Non-Competition Agreement Form as a condition of such disclosure, in the form attached hereto as Exhibit 8.

(c) Consumer Data shall mean all personally identifiable information, including but not limited to, names, addresses, email addresses, telephone numbers, corporate information, transaction data, demographic data, behavioral data, customer service data, correspondence, and other documents and information, obtained from consumers, suppliers or others in connection with any Product or Service.

## **8.2     *Acknowledgments***

(a) Franchisee acknowledges that Franchisee has been and/or will be given access to the Confidential Information during the course of the relationship between Franchisee and Franchisor.

(b) Franchisee and its Owners acknowledge that (i) Franchisor, its parent and its affiliates own all right, title and interest in and to the System; (ii) the System consists of trade secrets, Confidential Information and know-how that gives the Franchisor, its parent and its affiliates a competitive advantage; (iii) the Franchisor, its parent and its affiliates have taken all measures necessary to protect the trade secrets, Confidential Information and know-how comprising the System; (iv) all Confidential Information now or hereafter provided or disclosed to Franchisee regarding the System is disclosed in confidence; (v) Franchisee has no right to disclose any Confidential Information to anyone who is not an employee, agent or independent contractor of Franchisee; (vi) Franchisee will not acquire any ownership interest in the Confidential Information and/or System; and (vii) Franchisee's use or duplication of the Confidential Information and/or System or any part of the Confidential Information and/or System in any other business would constitute an unfair method of competition, for which Franchisor would be entitled to all legal and equitable remedies, including injunctive relief without posting a bond.

## **8.3     *Non-Disclosure and Return of Confidential Information***

(a) Franchisee and its Owners agree that for a period commencing on the date of this Agreement and continuing thereafter, in the absence of prior written consent by Franchisor, they: (i) will keep all Confidential Information in strict confidence; (ii) will not communicate or disclose Confidential Information to any unauthorized person or entity and will only disclose those parts of the System that an employee, agent or independent contractor needs to know; (iii) will not use the Confidential Information for any purpose other than as directed by and needed for Franchisor's use; (iv) will not reproduce or use the Confidential Information; (v) will ensure that any employees, agents, independent contractors and professional and financial advisors requiring access to any Confidential Information will, prior to obtaining such access, execute Confidentiality, Non-Use and Non-Competition Agreement Forms in the form attached hereto as Exhibit 8.

(b) Confidential Information provided by Franchisor to Franchisee and its Owners, in the course of the parties' relationship shall be returned to Franchisor immediately upon termination or expiration of the Franchise Agreement. Franchisee and its Owners shall not retain any book, record, report, design, plan, material, copy, note, abstract, compilation, summary, extract or other reproduction, whether in paper or electronic form, of the Confidential Information and shall not retain any copy, note or extract of such Confidential Information, except as the parties hereto may agree in writing.

## **IX.     COVENANTS**

### **9.1     *Covenants***

(a) Franchisee and its Owners acknowledge that Franchisor has granted it the franchise in consideration of and reliance upon the agreement of Franchisee and its Owners to deal exclusively with Franchisor; to maintain the confidentiality of all of the Confidential Information; to refrain from using any Confidential Information in any manner not permitted by Franchisor in accordance with Article VIII above; and to protect and preserve the goodwill of the Franchisor.

(b) Franchisee and its Owners further acknowledge and agree that (i) pursuant to this Agreement, they will have access from the Franchisor, its parent and its affiliates to valuable specialized training and Confidential Information regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; (ii) the System and the opportunities, associations, and experience established by Franchisor and acquired by Franchisee and its Owners under this Agreement are of substantial and material value; (iii) in developing the System, Franchisor, its parent and its affiliates have made and continue to make substantial investments of time, technical and commercial research and money; (iv) Franchisor would be unable to adequately protect the System, its trade secrets and its Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information about Oliver's Nannies franchises if franchisees and its Owners were permitted to hold interests in Competitive Businesses; and (v) restrictions on the right of Franchisee and its Owners to hold an interest in or perform services for Competitive Businesses will not unreasonably or unnecessarily hinder the activities of Franchisee and its Owners.

(c) Accordingly, Franchisee and its Owners covenant and agree that during the term of this Agreement and for an uninterrupted period of two (2) years after the later of: (i) the termination (regardless of the cause for termination) or expiration of this Agreement; (ii) the Transfer, as defined in this Agreement; or (iii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 9.1, Franchisee and each of its Owners shall not directly or indirectly for itself or through on behalf of or in conjunction with any person, firm, partnership corporation or other entity in any manner whatsoever:

(1) Divert or attempt to divert any actual or potential business or customer of Oliver's Nannies to any competitor;

(2) Take any action or engage in any activity injurious or prejudicial to the goodwill associated with the Principal Trademarks and the System;

(3) Solicit, encourage or assist anyone else to solicit or encourage any independent contractor providing services to Franchisor to terminate or diminish their relationship with Franchisor; or

(4) Own, maintain, develop, operate, engage in, franchise or license, make loans or gifts to or have any direct or indirect interest in or render services as a director, officer, manager, employee, consultant, representative, or agent or give advice to any Competitive Business (as defined below). Notwithstanding the foregoing, equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subsection.

(d) During the term of this Agreement, there is no geographic limitation on these restrictions, meaning that Franchisee and each of its Owners shall not engage in the conduct referred to in subsections 9.1(c) at any location. During the two (2) year period following the later

of: (1) the termination (regardless of the cause for termination) or expiration of this Agreement; the Transfer of the franchise; or (3) the date of a final non-appealable judgment or order of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 9.1, these restrictions shall apply:

- (1) at the location of the Franchised Business;
- (2) within the Territory assigned to the Franchised Business and within twenty-five (25) miles of the outer boundaries of the Territory assigned to the Franchised Business;
- (3) within twenty-five (25) miles of the location of any other Oliver's Nannies business, within the territory assigned to any other Oliver's Nannies business and within twenty-five (25) miles of the outer boundaries of the territory assigned to any other Oliver's Nannies business;

owned, in operation, under development or to be developed by Franchisor, its affiliates, franchisees of Franchisor and/or its affiliates as of (i) the date of this Agreement; (ii) as of the date of (a) termination (regardless of the cause for termination) or expiration of this Agreement or (b) a Transfer, as defined herein; or (iii) as of the date of any final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 9.1.

(e) Franchisee and its Owners covenant not to engage in any activity which might injure the goodwill of the Principal Trademarks or the System at any time. This provision shall survive termination and expiration of this Agreement.

(f) Franchisee and its Owners expressly acknowledge that they possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, the enforcement of the covenants made in this Section 9.1 will not deprive Franchisee or its Owners of their personal goodwill or ability to earn a living.

(g) Franchisee and its Owners agree and acknowledge that each of the covenants contained herein are reasonable limitations as to time, geographic area and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the know-how, reputation, goodwill and other legitimate business interests of Franchisor, its parent and its affiliates. Franchisee and its Owners also agree and acknowledge that the legitimate business interests of Franchisor and its Owners, include but are not limited to: (i) maintaining the confidential nature of the Confidential Information; (ii) preserving the Franchisor's ability to develop franchises at or near the Franchisee's former Franchised Business Site, within the Territory assigned to Franchisee and within the territorial boundaries of the restrictive covenant described above in subsection 9.1(d); (iii) preventing potential customer confusion; (iv) protecting other franchisees from competition from Franchisee and its Owners; and (v) protecting the System as a whole including the franchisee network. If any provision of the terms, covenants and/or restrictions of this Section 9.1 (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed and this Agreement modified to the extent necessary to render it valid and enforceable.

(h) Franchisor shall have the right, in its sole discretion to reduce the scope of any covenant contained in this Section 9.1 effective immediately upon Franchisee's receipt of written notice and Franchisee agrees to comply forthwith with any covenants as so modified which will be enforceable notwithstanding the provisions of Section 20.2.

### **9.2 *Enforcement of Covenants Not to Compete***

Franchisee and its Owners acknowledge and agree that Franchisor has a compelling interest in protecting the System and that the provisions of this Article IX protect Franchisor's System. Franchisee and its Owners acknowledge that violation of the covenants contained in this Article IX would result in immediate and irreparable injury to Franchisor, its parent and its affiliates for which no adequate remedy at law will be available. Accordingly, Franchisee and its Owners hereby consent to the entry of an injunction procured by Franchisor and/or its affiliates prohibiting any conduct by Franchisee and its Owners in violation of the terms, covenants and/or restrictions of this Article IX without the need of a bond. Franchisee and its Owners expressly agree that it may conclusively be presumed in any legal action that any violation of the terms of these terms, covenants and/or restrictions was accomplished by and through the unlawful utilization of the Confidential Information. Further, Franchisee and its Owners expressly agree that any claims Franchisee or its Owners may have against Franchisor and/or its affiliates will not constitute a defense to the enforcement of the terms, covenants and/or restrictions set forth in this Article IX by Franchisor and/or its affiliates. Franchisee and its Owners further agree to pay all costs and expenses (including attorneys' fees, experts' fees, court costs and all other expenses of litigation) incurred by Franchisor and/or its affiliates in connection with the enforcement of the terms, covenants and/or restrictions of this Article IX.

### **9.3 *Definitions***

(a) The term "affiliates" (with respect to Franchisee) means any and all corporations, limited liability companies, partnerships, trusts or other entities controlling, controlled by or under common control with Franchisee, including but not limited to subsidiaries, parents and sibling entities. For purposes of this definition, the term "control" shall mean the control or ownership of ten percent (10%) or more of the beneficial interest in the person or entity to which referred.

(b) The term "Competitive Business" means: (a) any business providing nanny and/or babysitting services; or (b) any business granting franchises or licenses to others to operate such a business (other than a Franchised Business operated under a franchise agreement with Franchisor).

(c) The term "Owner" means any individual or entity (including all spouses, partners, members or shareholders of such individual or entity) that has any direct or indirect ownership interest of five percent (5%) or more in Franchisee (or at such later time as they assume such status), whether or not such interest is of record, beneficially or otherwise. The term "Owners" shall also include individuals, partners, members and shareholders and (spouses of such individuals, partners, members and shareholders) with an ownership interest of five percent (5%) or more in any partnership, corporation or limited liability company that holds a controlling interest in the Franchisee entity

### **9.4 *Procurement of Additional Covenants***

Franchisee acknowledges and agrees to require and obtain the execution of the Confidentiality, Non-Use and Non-Competition Agreement Form attached hereto as Exhibit 8: (i) before employment or any promotion, of all personnel Franchisee employs who have received training from Franchisor or who will have access to the Confidential Information; (ii) Franchisee's Owners at the same time as the execution of this Agreement (or at such later time as they assume such status); and (iii) all other personnel designated by Franchisor. Franchisee agrees to furnish Franchisor with copies of all executed Confidentiality, Non-Use and Non-Competition Agreement Forms upon Franchisor's request.

### **9.5     *Franchisee's Enforcement of Confidentiality, Non-Use and Non-Competition Agreements***

Franchisee acknowledges and agrees to vigorously and vigilantly prosecute breaches of any Confidentiality, Non-Use, and Non-Competition Agreement Form executed by any of the individuals referenced herein. Franchisee agrees to prosecute such actions to the fullest extent permitted by law. Moreover, if provisions of the Confidentiality, Non-Use, and Non-Competition Agreement Form have been breached by an individual employed, engaged or otherwise serving the Franchised Business, but who has not executed a Confidentiality, Non-Use, and Non-Competition Agreement Form, Franchisee must nevertheless vigorously and vigilantly prosecute such conduct to the fullest extent permitted by law. Franchisee acknowledges that Franchisor shall have the right, but not the obligation, to enforce the terms of each such executed Confidentiality, Non-Use, and Non-Competition Agreement Forms against any of the individuals referenced herein. Franchisee further acknowledges that Franchisor shall have the right, but not the obligation to bring civil actions to enforce its terms. In the event that Franchisor elects to exercise its rights to enforce the provisions Confidentiality, Non-Use and Non-Competition Agreement Form against any of the individuals referenced herein, Franchisee shall be required to reimburse Franchisor for Franchisor's reasonable attorneys' fees, experts' fees, court costs and all other expenses of litigation in connection with Franchisor's enforcement of the provisions of any Confidentiality, Non-Use, and Non-Competition Agreement Form against any of the individuals referenced herein.

### **9.6     *Lesser Included Covenants Enforceable At Law***

If all or any portion of the covenants set forth in this Article IX are held unreasonable, void, vague or illegal by any court, arbitrator or agency with competent jurisdiction over the parties and subject matter, the court, arbitrator or agency will be empowered to revise and/or construe the covenants to fall within permissible legal limits and should not by necessity invalidate the entire covenants. Franchisee and its Owners acknowledge and agree to be bound by any lesser covenants subsumed within the terms of this Article IX as if the resulting covenants were separately stated in and made a part of this Agreement.

### **9.7     *Severability of Covenants***

The parties agree that each of the covenants contained in this Article IX shall be construed independent of each other and any other covenant or provision within this Agreement.

## **10     ASSIGNMENT AND TRANSFERS**

### **10.1     *By Franchisor***

Franchisee acknowledges that Franchisor maintains a staff to manage and operate the System and that staff members can change as employees come and go. Franchisee represents that it has not signed this Agreement in reliance on any particular shareholder, director, officer or employee remaining with Franchisor in any capacity or no capacity at all. Franchisor may change its ownership or form and/or assign this Agreement and any other agreement to a third-party without restriction. In the event of Franchisor's assignment of this Agreement to a third-party who expressly assumes the obligations under this Agreement, Franchisor shall no longer have any performance or other obligations under this Agreement.

## 10.2 *By Franchisee*

(a) Franchisee understands and acknowledges that the rights and duties this Agreement creates are personal to Franchisee (or, if Franchisee is an entity, to Franchisee's Owners) and that Franchisor has granted to Franchisee the franchise in reliance upon its perceptions of Franchisee's (or its Owners') individual or collective character, skill, aptitude, attitude, business ability and financial capacity. Accordingly, neither this Agreement (nor any interest in this Agreement), the Franchised Business or substantially all of its assets, nor any ownership interest in Franchisee (regardless of its size), nor any ownership interest in any of Franchisee's Owners (if any Owner is a legal entity) may be transferred without Franchisor's prior written approval, which may be withheld for any reason in its sole discretion, subject to the provisions herein. A transfer of the ownership, possession, control, or substantially all of the assets of the Franchised Business may be made only with an appropriate assignment of this Agreement. Any transfer without Franchisor's consent is a breach of this Agreement and shall be considered void and of no effect.

(b) Neither Franchisee nor any Owner shall be permitted or have the power without the prior written consent of Franchisor, to convey, give away, sell, assign, pledge, lease, sublease, devise or otherwise transfer, either directly or by operation of law or in any other manner, including by reason of death, any interest or shares of stock of any kind or nature in Franchisee. In order to assure compliance by Franchisee with the transfer restrictions contained in this Section 10.2, all shares or stock certificates of Franchisee or Franchisee's operating agreement, if Franchisee is a limited liability company, shall at all times contain a legend sufficient under applicable law to constitute notice of the restrictions contained in this Agreement and to allow such restrictions to be enforceable. Franchisee shall provide Franchisor with a copy of its shares or stock certificates, if a corporation, or its operating agreement, if a limited liability company, so that Franchisor may ensure that such share, stock certificate or operating agreement contains the required legend. Such legend shall appear in substantially the following form:

"The sale, transfer, pledge or hypothecation of this stock is restricted pursuant to the terms of Article X of a Franchise Agreement dated \_\_\_\_\_ between Oliver's Nannies Franchising, Inc. and \_\_\_\_\_."

(c) Notwithstanding anything to the contrary above, Franchisee may grant a security interest (including a purchase money security interest) in the assets of the Franchised Business (not including this Agreement) to a lender that finances its acquisition, development and/or operation of the Franchised Business without having to obtain Franchisor's prior written approval as long as Franchisee gives Franchisor thirty (30) days prior written notice and provided that the security interest is subordinate to Franchisor's rights hereunder or under any other agreement by and between Franchisee and Franchisor.

(d) The term "transfer" means to sell, assign, gift, pledge, mortgage or encumber either voluntarily or by operation of law any interest in: (i) this Agreement or the rights created thereunder; (ii) all or substantially all of the assets of the Franchised Business; and/or (iii) any



direct or indirect interest in the ownership of Franchisee.

### **10.3 *Conditions for Approval of Transfer by Franchisee***

(a) If Franchisee (and its Owners) has fully complied with this Agreement and any and all other agreements with Franchisor, its parent and its affiliates, then subject to the other provisions of this Article X, Franchisor may in its discretion approve a transfer that meets the requirements of this Section 10.3. To effectuate any proposed transfer, Franchisee must comply with all of the following conditions either before or concurrently with the effective date of the transfer:

(i) Franchisee shall first notify Franchisor in writing of the proposed transfer and set forth a complete description of the terms of the proposed transfer including the prospective transferee's name, address, telephone number, financial qualifications and previous five (5) years' business experience. Franchisor or its assignees may within thirty (30) days after receipt of such notice, exercise a right of first refusal to purchase the interest being offered by Franchisee pursuant to the provisions of Article XI herein;

(ii) transferee (and its owners if transferee is an entity) has sufficient business experience, aptitude and financial resources to operate the Franchised Business and must meet all of Franchisor's then current standards and requirements for becoming an Oliver's Nannies franchisee (which standards and requirements need not be in writing);

(iii) Franchisee has: (1) paid all Royalties, National Advertising Fund contributions and other amounts owed to Franchisor, its affiliates and any Suppliers; (2) submitted all required reports and statements; (3) cured all other breaches of this Agreement and any other agreement between Franchisee and Franchisor and/or its affiliates and any Suppliers; and (4) satisfied all its obligations under this Agreement and any other agreement with Franchisor, its affiliates or any Suppliers;

(iv) neither the transferee nor its owners (if the transferee is an entity) or affiliates have an ownership interest (direct or indirect) in or perform services for a Competitive Business;

(v) transferee (or its Owner(s)) and any other personnel required by Franchisor completes Franchisor's training program to Franchisor's satisfaction at transferee's own expense, and remit payment to the Franchisor of its then-current training fee, which as of the date of this Franchise Agreement is \$500 per attendee plus reimbursement of the Franchisor's actual travel and accommodation expenses. Franchisor may increase the training fee from time to time;

(vi) transferee shall (if the transfer is of this Agreement) or Franchisee shall (if the transfer is of a controlling ownership interest in Franchisee or one of its Owners), execute Franchisor's then current form of franchise agreement and related documents, the provisions of which may differ materially from those contained in this Agreement for a term equal to the remaining term of this Agreement or in Franchisor's sole discretion, the then current term offered

to new franchisees. If the latter, Franchisee shall pay Franchisor the then current franchise fee and agree to comply in all respects with all of Franchisor's requirements;

(vii) transferee shall upgrade the Franchised Business to meet Franchisor's then current standards for an Oliver's Nannies franchised business;

(viii) transferee (and its owners if transferee is an entity) agree and acknowledge that Franchisor is not responsible for any representations not included in the disclosure document or this Franchise Agreement;

(ix) Franchisee and/or the transferee pays Franchisor the transfer fee. The transfer fee is as follows:

(1) No fee for a transfer to the surviving spouse, parent or child of Franchisee or an Owner upon the death or disability of Franchisee or an Owner;

(2) No fee for a transfer to an entity in which Franchisee: (i) maintains management control; and (ii) owns and controls one hundred percent (100%) of the equity and voting power of all issued and outstanding ownership interests, provided that (a) such entity conducts no other business other than the Franchised Business; (b) all of the assets of the Franchised Business are owned by that single entity; and (c) the Franchised Business is conducted only by that single entity. Further, the transferee entity must expressly assume all of Franchisee's obligations under this Agreement and Franchisee must agree to remain personally liable under this Agreement as if the transfer to this entity did not occur; and

(3) A transfer fee of \$15,000. The transfer fee shall be paid as follows: (i) \$5,000 simultaneously with the delivery of the Franchisee's request to the Franchisor for consent to the proposed transfer upon completion of the Transfer and (ii) the balance of the transfer fee simultaneously with the closing of the transfer.

(x) Franchisee (and its Owners) signs a General Release in the form attached as Exhibit 4, of any and all claims against the Released Parties;

(xi) Franchisor, in its sole discretion, has determined that the terms of the transfer, including but not limited to price, method and the extent of financing will not adversely affect the transferee's operation of the Franchised Business;

(xii) if Franchisee or its Owners finance any part of the purchase price, Franchisee and/or its Owners agree that all of the transferee's obligations under promissory notes, agreements or security interests reserved in the Franchised Business are subordinate to the transferee's obligation to pay the Royalty, National Advertising Fund contributions and other amounts due to Franchisor, its affiliates, Suppliers and otherwise comply with this Agreement;

(xiii) Franchisee and its Owners will not for two (2) years beginning on the effective date of the transfer, engage in any of the activities prohibited in Article IX of this

Agreement;

(xiv) Franchisee and its Owners will not directly or indirectly at any time or in any manner (except with respect to other Oliver's Nannies franchises they own and operate) identify themselves or any business as a current or former Oliver's Nannies franchise or as one of Franchisor's franchisees; use any of the Principal Trademarks, any colorable imitation of a Principal Trademark or other indicia of the Oliver's Nannies System in any manner or for any purpose; or utilize for any purpose any trade name, trademark or service mark, or other commercial symbol that suggests or indicates a connection or association with Franchisor;

(xv) Franchisee shall comply with all other applicable transfer requirements as designated in the Confidential Operating Manual or otherwise in writing;

(xvi) Franchisor in its sole discretion determines that the terms of the transfer are substantially the same as those offered to Franchisor pursuant to Franchisor's right of first refusal in accordance with Article XI herein;

(xvii) transferee (and its owners if transferee is an entity) passes a credit and criminal background check;

(xviii) transferee (and its owners if transferee is an entity) execute a personal guaranty in the form attached as Exhibit 10 guaranteeing the obligations of Franchisee; and

(xix) transferee will replace all equipment used for the Franchised Business by or before the transfer date, if the equipment had not been replaced within two (2) years prior to the date of transfer.

(b) Franchisor may review all information regarding the Franchised Business that Franchisee gives the transferee, correct any information that it believes is inaccurate and give the transferee copies of any reports that Franchisee has given Franchisor or Franchisor has made regarding the Franchised Business.

#### **10.4 *Death or Disability of Franchisee***

(a) **Transfer Upon Death or Disability.**

Upon the death or disability of Franchisee or its last remaining Owner(s), the executor, administrator, conservator, guardian or other personal representative of Franchisee or its Operating Principal must transfer Franchisee's interest in this Agreement or the Operating Principal's ownership interest in Franchisee to a third-party (which may be the heirs, beneficiaries or devisees of Franchisee or the Operating Principal). That transfer must be completed within a reasonable time not to exceed six (6) months from the date of death or disability and is subject to all of the terms and conditions in this Article X. A failure to transfer Franchisee's interest in this Agreement or the Operating Principal's ownership interest in Franchisee within this time period is a breach of this Agreement. The term "disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent Franchisee or the Operating Principal from supervising the management and operation of the Franchised Business.

(b) **Operation Upon Death or Disability.**

If upon the death or disability of Franchisee or its last remaining Operating Principal, a manager trained by Franchisor or Franchisee is not managing the Franchised Business, the executor, administrator, conservator, guardian or other personal representative of the Franchisee or the Operating Principal must within a reasonable time not to exceed fifteen (15) days from the date of death or disability, appoint a manager. The replacement manager must complete Franchisor's standard training program at Franchisee's sole expense, is \$500 per attendee plus reimbursement of the Franchisor's actual travel and accommodation expenses. Franchisor may increase the training fee from time to time. A new Operating Principal acceptable to Franchisor also must be appointed within thirty (30) days. If in Franchisor's judgment, the Franchised Business is not being managed properly any time after the death or disability of Franchisee or the Operating Principal, Franchisor, an affiliate or a third party designated by the Franchisor may but need not assume the management of the Franchised Business. All Gross Revenues from the operation of the Franchised Business while under the management of the Franchisor, an affiliate or a third-party will be kept in a separate account for the benefit of Franchisee, except as set forth herein. Franchisor will pay from such Gross Revenues all expenses, debts, and liabilities that the Franchisor incurs during the Franchisor's operation of the Franchised Business, including but not limited to expenses associated with the Franchisor's personnel and administrative and travel costs, plus fifteen percent (15%) of the Gross Revenues to cover Franchisor's other costs and expenses. Franchisor, an affiliate or a third-party, as applicable, has a duty to utilize only reasonable efforts and will not be liable to Franchisee or its Owners for any debts, losses or obligations incurred by the Franchised Business, or to any of Franchisee's creditors for any products, other assets, or services the Franchised Business purchases while under the management of Franchisor, an affiliate or a third-party.

### **10.5 *Effect of Consent to Transfer***

Franchisor's consent to a transfer of this Agreement, the Franchised Business or any interest in Franchisee or its Owners is not (i) a representation of the fairness of the terms of any contract between Franchisee and the transferee; (ii) a guarantee of the prospects of success of the Franchised Business or transferee; nor (iii) a waiver of any claims Franchisor has against Franchisee (or its Operating Principals) or of Franchisor's right to demand the transferee's full compliance with this Agreement. In the event of a transfer, Franchisee and/or its Owners shall continue to remain obligated to Franchisor in accordance with the terms of this Agreement.

### **10.6 *Proposed Assignment as a Result of Franchisee's Bankruptcy***

(a) Franchisee again acknowledges that the rights and duties along with the Franchise granted in this Agreement are personal to Franchisee (or any of its Owners), and Franchisor has entered into this Agreement in reliance on the representations given by Franchisee to secure the Franchise, the personal and/or collective skills of Franchisee and its Owners, as applicable, and the financial ability of Franchisee and its Owners. Franchisee further acknowledges and agrees that because of the personal nature of the rights and duties associated with the Franchise, this Agreement is not freely assignable by its nature and therefore it would not be appropriate to assign the rights and obligations to any assignee other than in accordance with this Section 10 (and each other applicable provision of this Section 10). In the event that Franchisee shall become a debtor under Chapter 7 of the United States Bankruptcy Code, 11 USC Section 101, et seq., (the "Bankruptcy Code"), and the trustee or Franchisee shall elect to assume this Agreement for the purpose of assigning the same or otherwise, such election and assignment may only be made if all of the terms and conditions of this Agreement are satisfied. No election by the trustee or Franchisee to assume this Agreement, whether under Chapter 7, 11 or 13 of the Bankruptcy Code, shall be effective unless each of the following conditions, and as applicable, any other conditions required in this Section 10, which Franchisor and Franchisee each acknowledge is commercially reasonable in the context of such proceeding, has been satisfied, and Franchisor has so

acknowledged in writing:

(i) the trustee or Franchisee has cured, or has provided Franchisor adequate assurance (as provided below) that: (i) within ten (10) days from the date of such assumption, the trustee will cure all monetary defaults under this Agreement; and (ii) within thirty (30) days from the date of such assumption, the trustee will cure all non-monetary defaults under this Agreement;

(ii) the Franchised Business remains at all times under the primary management of an Owner or a manager trained by Franchisor or Franchisee or who otherwise meets Franchisor's qualifications and has completed, to Franchisor's satisfaction, a training program in substance similar to the initial training program described in Section 6.2;

(iii) the trustee or Franchisee has and will continue to have sufficient unencumbered assets after the payment of all secured obligations and administrative expenses to assure Franchisor that the trustee or Franchisee will have sufficient funds to fulfill the obligations of Franchisee under this Agreement, and to keep the Franchised Business open and operating fully stocked and properly staffed with sufficient employees to conduct a fully-operational Franchised Business, and that the assumption or assignment will not disrupt business operations at the Franchised Business; and

(iv) that assumption or assignment of this Agreement will not breach any term or condition of, or constitute a default under, any term or condition of any contract, agreement, arrangement, or other commitment to which the trustee or Franchisee is a party or by which the trustee or Franchisee is bound (including any agreement not to compete), or constitute an event which, with notice, lapse of time or both, would result in such a breach or event of default nor to the trustee's or Franchisee's knowledge, result in the violation by the trustee or Franchisee of any applicable statute, rule, regulation, ordinance, code, judgment, order, injunction or decree.

(b) If a trustee or Franchisee, pursuant to this Agreement, proposes to assign this Agreement or any right in the Franchise pursuant to the provisions of the Bankruptcy Code, to any person or entity who shall have made a bona fide offer to accept an assignment of this Agreement on terms acceptable to the trustee or Franchisee, then, notice of the proposed assignment setting forth (i) the name and address of such person; and (ii) all of the terms and conditions of such offer shall be given to the Franchisor by the Franchisee no later than twenty (20) days after receipt of such offer by the trustee or Franchisee, but in any event no later than ten (10) days prior to the date that the trustee Franchisee shall make application to a court of competent jurisdiction for authority and approval to enter into such assignment and assumption.

(c) If the trustee or Franchisee, pursuant to this Agreement, proposes to assign this Agreement or any right in the Franchise pursuant to the provisions of the Bankruptcy Code, to any person or entity who shall have made a bona fide offer to accept an assignment of this Agreement on terms acceptable to the trustee or Franchisee, Franchisor shall thereupon have the prior right and option, to be exercised by notice to the trustee or Franchisee given at any time prior to the effective date of such proposed assignment, to accept an assignment of this Agreement upon the same terms and conditions and for the same consideration, if any, as the bona fide offer made by such person.

(d) Any person or entity to which the trustee's or Franchisee's interest in this Agreement is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed without further act or deed to have assumed all of the obligations arising under this Agreement on or after the date of such assignment. As part of providing adequate assurance to Franchisor, any such assignee shall, upon demand, execute and deliver to Franchisor an instrument confirming such assumption.

(e) The following factors may be considered by Franchisor as necessary in order to determine whether or not the proposed assignee has furnished Franchisor with adequate assurances of its ability to perform the obligations of this Agreement, in accordance with Section 10.6(a)(i) above:

(i) the assignee (and its owners if assignee is an entity) has satisfied Franchisor that it meets Franchisor's management, business experience and aptitude, and financial standards for franchisees, has met all of Franchisor's then-current standards and requirements for becoming an Oliver's Nannies franchisee (which standards and requirements need not be in writing) and otherwise possesses the character and capabilities, including business reputation and credit rating, as Franchisor may require to demonstrate ability to conduct the Franchised Business;

(ii) that assumption or assignment of this Agreement is subject to all the provisions hereof, including provisions such as location, use, and the restrictive covenants set forth in Articles 8 and 9, and will not breach any term or condition of, or constitute a default under, any term or condition of any contract, agreement, arrangement, or other commitment to which the assignee or any holder of a legal or beneficial interest in assignee is a party or by which assignee or such holder of a legal or beneficial interest in assignee is bound (including any agreement not to compete), or constitute an event which, with notice, lapse of time or both, would result in such a breach or event of default nor to assignee's knowledge, result in the violation by assignee or any such holder of a legal or beneficial interest in assignee of any applicable statute, rule, regulation, ordinance, code, judgment, order, injunction or decree; and

(iii) demonstration that the assumption or assignment will not disrupt business operations of the Franchised Business.

(f) In the event Franchisor rejects the proposed assignee, to the extent permitted by applicable law, the rights and obligations of the parties hereto shall continue to be governed by the terms of this Agreement, and Franchisee shall have all the rights of a franchisee under applicable law.

## **11 RIGHT OF FIRST REFUSAL TO ACQUIRE FRANCHISEE'S BUSINESS**

### **11.1 *Franchisor's Right of First Refusal***

(a) Franchisor shall have the right, exercisable within thirty (30) days after receipt of notice set forth in Section 10.3(a)(i) and the details of the proposed transfer and bona fide offer, to

send written notice to Franchisee that Franchisor intends to purchase the interest in this Agreement, the Franchised Business or an ownership interest in Franchisee proposed to be transferred. Franchisor may assign this right of first refusal to a third-party either before or after Franchisor exercises such right. However, this right of first refusal shall not apply to transfers among Franchisee's current Owners or to a legal entity wholly owned by Franchisee.

(b) Notice of the bona fide offer must include a description of the interest in the Franchisee or this Agreement and the Franchised Business to be sold, the proposed payment terms, including amount of the contract deposit, the sources and terms of any financing for the proposed purchase price and a description of any conditions to closing which have been requested by the prospective transferee. To be a valid bona fide offer, the proposed purchase price must be stated in U.S. dollars and the prospective transferee must submit with its offer an earnest money deposit equal to five percent (5%) or more of the offering price. The right of first refusal process will not be triggered by a proposed transfer that would not be permitted under Article X. Franchisor may require Franchisee (or its Owners) to send Franchisor copies of any materials or information sent to the proposed prospective transferee regarding the possible transaction.

(b) Franchisor may by written notice delivered to Franchisee or its selling Owner(s) within thirty (30) days after it receives an exact copy of the bona fide offer and all other information Franchisor requests, elect to purchase the interest offered under the same terms or conditions contained in the bona fide offer provided that:

(i) Franchisor may, in its sole discretion, substitute cash, notes payable monthly in no less than five (5) years, or some combination of each for any form of payment proposed in the bona fide offer (such as ownership interests in a privately-held entity) and Franchisor's credit shall be deemed equal to the credit of any prospective transferee (meaning that if the proposed consideration includes a promissory note, Franchisor may provide a promissory note with the same terms as those offered by the prospective transferee);

(ii) Franchisor will have an additional thirty (30) days to prepare for closing after notifying Franchisee of its election to purchase; and

(iii) Franchisor must receive, and Franchisee and its Owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the ownership interests in a legal entity, as applicable, including without limitation representations and warranties regarding:

(1) ownership and condition of and title to ownership interests and/or assets; liens and encumbrances relating to ownership interests and/or assets; and

(2) validity of contracts and the liabilities, contingent or otherwise, of the entity whose assets or ownership interests are being purchased.

(c) If Franchisor exercises its right of first refusal, Franchisee and its selling Owners agree that for two (2) years beginning on the closing date, they will be bound by the covenants

contained in subsection 9.1(d) of this Agreement.

(d) If Franchisor does not exercise its right of first refusal, Franchisor shall, within thirty (30) days after the right of first refusal has expired, notify Franchisee (and/or any of its Owners) in writing of its approval or disapproval of the prospective transferee. Franchisee or its Owners may complete the sale to the prospective transferee on the terms and conditions stated within the bona fide offer provided to Franchisor pursuant to subsection 11.1(a), but only if Franchisor otherwise approves the transfer in accordance with Section 10.3 and Franchisee (and its Owners) and the transferee comply with the conditions of that Section. This means that even if Franchisor does not exercise its right of first refusal (whether or not it is properly triggered as provided above), if the proposed transfer otherwise would not be allowed under Section 10.3, then Franchisee (or its Owners) may not complete the transfer.

(e) If Franchisee (or its Owners) does not complete the transfer to the prospective transferee within sixty (60) days after Franchisor notifies Franchisee (and/or any of its Owners) that Franchisor does not intend to exercise its right of first refusal, or if there is a material change in the terms of the transfer (which Franchisee and/or its Owners agree to promptly advise Franchisor), then Franchisor or its designee will have an additional right of first refusal during the thirty (30) day period following either the expiration of the sixty (60) day period or Franchisor's receipt of notice of the material change(s) in the sale's terms. This additional right of first refusal shall be to purchase on the terms originally offered or the modified terms, at the option of Franchisor or its designee.

## **11.2 Public Offerings**

Despite any other provisions in this Agreement, Franchisee (and its Owners) may not attempt to raise or secure funds by selling or offering to sell any ownership interest in Franchisee (including without limitation common or preferred stock, bonds, debentures, membership interests or general or limited partnership interests) in a public offering for which a registration statement must be filed with the Securities Exchange Commission or with any similar state regulatory authority having jurisdiction over the sale of securities where registration is required as a condition of the sale of securities in that state.

## **12 PRINCIPAL TRADEMARKS AND COPYRIGHTED INFORMATION**

### **12.1 Ownership of the Principal Trademarks and Copyrighted Information**

Franchisee acknowledges and agrees that Franchisor, its parent and/or its affiliates are the owners of the Principal Trademarks and that Franchisor, its parent and/or its affiliates claim copyright protection in certain material used in the System and in the development and operation of Oliver's Nannies businesses, including the Confidential Operating Manual, Advertising Materials, Social Media Materials and similar materials whether created by Franchisor, any franchisee of Franchisor and/or any third-party ("Copyrighted Information"). Franchisor is authorized to license to Franchisee the limited right to use the Principal Trademarks and Copyrighted Information. Franchisee's right to use the Principal Trademarks and Copyrighted Information is derived solely from this Agreement and is limited to the conduct of business by Franchisee pursuant to and in compliance with this Agreement and all System Standards prescribed by Franchisor from time to time during the term of this Agreement. Franchisee agrees not to represent in any manner that Franchisee has acquired any ownership rights in the Principal Trademarks or Copyrighted Information. Any unauthorized use of the Principal Trademarks or Copyrighted Information by Franchisee is a breach of this Agreement and an infringement of the rights of Franchisor in and to



the Principal Trademarks and Copyrighted Information. Franchisee acknowledges and agrees that all usage of the Principal Trademarks and Copyrighted Information by Franchisee and any goodwill established by Franchisee's use of the Principal Trademarks and Copyrighted Information shall inure to the exclusive benefit of Franchisor, its parent and its affiliates; that this Agreement does not confer any goodwill or other interests in the Principal Trademarks or Copyrighted Information upon Franchisee; and that upon the expiration or termination of this Agreement for any reason, no monetary amount shall be assigned to Franchisee as attributable to any goodwill associated with Franchisee's use of the Principal Trademarks or Copyrighted Information. Franchisee shall not, at any time during the term of this Agreement or after its termination or expiration, contest the validity or ownership, or assist another person in contesting the validity or ownership, of any of the Principal Trademarks or Copyrighted Information. All provisions of this Agreement applicable to the Principal Trademarks and Copyrighted Information apply to any additional trademarks, servicemarks, commercial symbols and proprietary information authorized for use by and licensed to Franchisee by Franchisor after the Effective Date.

## ***12.2 Use of Principal Trademarks and Copyrighted Information***

Franchisee shall not use any Principal Trademark or Copyrighted Information: (a) as part of any corporate or trade name; (b) with any prefix, suffix or other modifying words, terms, designs, symbols or in any modified form; (c) in connection with the sale of any unauthorized product or service; (d) as part of any domain name, homepage, electronic address or otherwise in connection with a website (unless in connection with Franchisor's approved System website) or (e) in any other manner not expressly authorized in the Confidential Operating Manual or otherwise in writing by Franchisor. Franchisee agrees to give such notices of trademark and service mark registrations as Franchisor specifies and to obtain such fictitious or assumed name registrations required under applicable law. Franchisee agrees that this Agreement does not convey any right or property interest in the Principal Trademarks or Copyrighted Information licensed hereunder. Franchisee agrees to display the Principal Trademarks prominently as Franchisor prescribes at the Franchised Business Site and on all Advertising Materials, Social Media Materials and other materials Franchisor designates.

## ***12.3 Unauthorized Use of Principal Trademarks and Copyrighted Information***

(a) Franchisee shall immediately notify Franchisor in writing of any apparent infringement or challenge to Franchisee's use of the Principal Trademarks or Copyrighted Information and of any claim by any person of any right in the Principal Trademarks or any similar trade name, trademark or service mark or Copyrighted Information of which Franchisee becomes aware. Franchisee shall not directly or indirectly communicate with any person other than Franchisor, its affiliates and their counsel, in connection with any such infringement, challenge or claim. Franchisor, its parent and its affiliates shall have the right to take such action as they deem appropriate (including no action) and the right to control exclusively any litigation, United States Patent and Trademark Office proceeding or other administrative proceeding arising out of such infringement, challenge or claim or otherwise relating to the Principal Trademarks or Copyrighted Information. Franchisee agrees to execute any and all instruments and documents, render such assistance and do such acts and things as may, in the opinion of Franchisor, its affiliates and their counsel, be necessary or advisable to protect and maintain the interests of Franchisor, its parent and its affiliates in any such litigation, U.S. Patent and Trademark Office proceeding or other administrative proceeding or otherwise to protect and maintain the interests of Franchisor, its parent and its affiliates in the Principal Trademarks and Copyrighted Information, but shall take no action nor incur any expenses on behalf of Franchisor, its parent and its affiliates without Franchisor's prior written consent.

(b) In the event that any third-party makes a claim against Franchisee alleging that

Franchisee's use of the Principal Trademarks or Copyrighted Information infringes upon the rights of such third-party, Franchisor and/or its affiliates agree to defend such claim and indemnify and hold Franchisee harmless therefrom, provided Franchisee has used the Principal Trademarks and Copyrighted Information only as expressly authorized in this Agreement, the Confidential Operating Manual or otherwise in writing by Franchisor and provided further that Franchisee cooperates with Franchisor, its parent and its affiliates in the defense of such claim as set forth in this Section and in any other manner reasonably requested by Franchisor. The obligation of Franchisor and/or its affiliates to defend and indemnify with respect to such claim shall not extend to other claims made by the same third-party against Franchisor, its affiliates and/or Franchisee arising from matters for which Franchisee is responsible under applicable law or this Agreement; as to such other claims, if any, Franchisee agrees to defend the same and indemnify and hold Franchisor, its parent and its affiliates harmless therefrom.

(c) In addition to the other restrictions set forth herein regarding the use of the Principal Trademarks and Copyrighted Information:

- (i) Franchisee shall use only approved signage as designated by Franchisor;
- (ii) Franchisee's use of the Principal Trademarks, Copyrighted Information and other proprietary material is limited to use in conjunction with the Franchised Business;
- (iii) Franchisee shall use the Principal Trademarks and Copyrighted Information as designated by Franchisor;
- (iv) Franchisee shall display notice of independent ownership of the Franchised Business in signage and on all forms and marketing material as designated by Franchisor;
- (v) Franchisee shall acknowledge that any of its customers are customers of the Oliver's Nannies System and upon request transmit to Franchisor any records maintained by Franchisee on such customers, including but not limited to any and all Consumer Data. Franchisee agrees and acknowledges that Franchisee shall only have transactional use of the Consumer Data during the term of this Agreement, which is solely to be used for the purpose of managing and operating the Franchised Business. Franchisee shall abide by the privacy right as established by Franchisor from time to time; and
- (vi) Franchisee acknowledges and agrees that Franchisee's rights to use the Principal Trademarks and Copyrighted Information granted herein shall cease to exist upon the termination or expiration of this Agreement.

#### **12.4 *Franchisor's Right to Modify***

(a) If it becomes advisable at any time in Franchisor's sole discretion for Franchisor and/or Franchisee to modify or discontinue use of the Principal Trademarks, and/or use one or more additional or substitute trade names, trademarks, service marks, other commercial symbols or Copyrighted Information, Franchisee agrees to comply with Franchisor's directions within a reasonable time after notice to Franchisee by Franchisor. Franchisor need not reimburse Franchisee for its direct expenses of changing the signs or other materials of the Franchised

Business, for any loss of revenue due to any modified or discontinued Principal Trademarks or Copyrighted Information or for Franchisee's expenses incurred in promoting a modified or substitute trademark or service mark.

(b) Franchisor's rights in this subsection apply to any and all of the Principal Trademarks (and any portion of any Principal Trademark) and Copyrighted Information that Franchisor authorizes Franchisee to use in this Agreement. Franchisor may exercise these rights at any time and for any reason, business or otherwise, in Franchisor's sole discretion. Franchisee acknowledges both Franchisor's right to take this action and Franchisee's obligation to comply with Franchisor's directions.

### **12.5 *Reservation of Rights***

Franchisee acknowledges and agrees that the license granted to Franchisee to use the Principal Trademarks and Copyrighted Information is non-exclusive and Franchisor, its parent and its affiliates reserve any right not specifically granted to Franchisee under this Agreement, including but not limited to the right to: (a) grant other licenses for use of the Principal Trademarks and Copyrighted Information; (b) develop and establish other systems using the Principal Trademarks and/or Copyrighted Information or other names or marks and to grant licenses thereto without providing any rights to Franchisee; and (c) engage directly or indirectly through its employees, representatives, assigns, agents and others at wholesale, retail or otherwise, in (i) the production, distribution, license and sale of services and products and (ii) the use of the Principal Trademarks and Copyrighted Information (and any and all trademarks, trade names, service marks, logos, insignia, slogans, emblems, symbols, designs and other identifying characteristics as may be developed or used from time to time by Franchisor) in connection with the production, distribution, licensing and sale of such services and products.

## **13 RELATIONSHIP OF THE PARTIES**

### **13.1 *Independent Contractors***

Franchisee and Franchisor understand and agree that this Agreement does not create a fiduciary relationship between the parties, that Franchisee and Franchisor are and will be independent contractors and that nothing in this Agreement is intended to make either party a special agent, joint venture partner, partner or employee of the other for any purpose. No employee of Franchisee will be considered an employee of Franchisor. Franchisor will not have the power to hire or fire Franchisee's personnel. Franchisee agrees to identify itself conspicuously in all dealings with customers, suppliers, public officials, Franchised Business personnel and others as the owner of the Franchised Business under a franchise granted by Franchisor and to place notices of independent ownership on all forms, Advertising Materials, Social Media Materials and other materials Franchisor requires from time to time.

### **13.2 *No Liability for Acts of Other Party***

Franchisee and Franchisor may not make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name or on behalf of the other or represent that their relationship is other than franchisor and franchise owner. Franchisor will not be obligated for any damages to any person or property directly or indirectly arising out of the operation of the Franchised Business.

### **13.3 *Taxes***

Franchisor will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property or other taxes, whether levied upon Franchisee or the Franchised Business, due to the business Franchisee conducts (except for Franchisor's income taxes). Franchisee is responsible for paying these taxes and must reimburse

Franchisor for any taxes that Franchisor must pay to any state taxing authority on account of Franchisee's operation of the Franchised Business or payments that Franchisee makes to Franchisor.

## **14 DEFAULT AND TERMINATION**

### **14.1 *Termination by Franchisee***

Franchisee may terminate this Agreement only upon written notice to and the written consent of Franchisor, which may be granted or withheld by Franchisor in its sole discretion, for any reason or no reason. In that event, Franchisee shall remain obligated to comply with all post-termination covenants and outstanding obligations, which may include but are not limited to the payment of liquidated damages to Franchisor as provided for herein.

### **14.2 *Termination by Franchisor with Cause***

Franchisor may terminate this Agreement if Franchisee defaults under the Agreement as provided herein or is in default under any other agreement with Franchisor, its affiliates or Suppliers. Franchisor's election to terminate this Agreement with Franchisee in no way constitutes a waiver of Franchisor's rights hereunder or any other rights available at law or in equity, including its rights to damages. Termination of this Agreement encompasses termination of any and all rights granted to Franchisee by Franchisor.

### **14.3 *Automatic Termination without Notice***

Franchisee will be in default under this Agreement and all rights granted by this Agreement to Franchisee will automatically terminate without notice to Franchisee immediately upon the happening of any of the following: (i) Franchisee (or any of its Owners) makes an assignment for the benefit of creditors or admits in writing its insolvency or inability to pay its debts generally as they become due; (ii) Franchisee (or any of its Owners) files a voluntary petition in bankruptcy or an involuntary petition in bankruptcy is filed against Franchisee and such petition is not withdrawn within thirty (30) days; (iii) Franchisee (or any of its Owners) consents to the appointment of a receiver, trustee or liquidator of all or the substantial part of its property; (iv) Franchisee (or any of its Owners) fails to pay any financial obligation owed to any lending institution that provided financing to Franchisee under an arrangement with Franchisor within thirty (30) days of when due; or (v) any order appointing a receiver, trustee or liquidator of Franchisee (or any of its Owners) or the Franchised Business is not vacated within thirty (30) days following the order's entry.

### **14.4 *Termination by Franchisor upon Notice***

Franchisor may terminate this Agreement by written notice of termination to Franchisee without an opportunity to cure, effective immediately upon delivery of notice if any of the following occur:

(a) Franchisee (or any of its Owners) has made or makes any material misrepresentation or omission in acquiring the franchise or operating the Franchised Business;

(b) Franchisee underreports Gross Revenues by three percent (3%) or more in any report on three (3) or more occasions within a thirty-six (36) month period during the term of this Agreement, whether or not Franchisee subsequently rectifies such deficiency;

(c) Franchisee underreports Gross Revenues by more than five percent (5%) in any report during the term of this Agreement, whether or not Franchisee subsequently rectifies such deficiency;

(d) Franchisee engages in any business activity not approved by Franchisor, including

the sale of services or products not approved by Franchisor or fails to obtain the written approval of Franchisor as required;

(e) Franchisee (or any of its Owners) is or has been convicted by a trial court of or pleads or has pleaded no contest to a felony, a crime of moral turpitude or any other crime or offense relating to the operation of the Franchised Business;

(f) Franchisee (or any of its Owners) engages in any dishonest or unethical conduct which in Franchisor's opinion adversely affects the reputation of the Franchised Business or the goodwill associated with the Principal Trademarks;

(g) Franchisee fails to pay when due any federal or state income, service, sales or other taxes due on the operation of the Franchised Business unless Franchisee is in good faith contesting its liability for these taxes;

(h) Franchisee (or any of its Owners): (i) fails on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with this Agreement, whether or not such failures are corrected after Franchisor's delivery of notice; or (ii) fails on two (2) or more separate occasions within any six (6) consecutive month period to comply with the same obligation under this Agreement, whether or not such failures are corrected after Franchisor's delivery of notice;

(i) Franchisee violates any health, safety or sanitation law, ordinance or regulation or operates the Franchised Business in an unsafe manner and does not begin to cure the violation immediately and correct the violation within seventy-two (72) hours after Franchisee receives notice from Franchisor or any other party;

(j) Franchisee and/or its Owners fail to comply with the restrictions on use of Confidential Information contained in Article VIII, the covenants contained within Article IX, the Confidentiality, Non-Use and Non-Competition Agreement or otherwise fail to refrain from copying, duplicating, recording or reproducing the Confidential Operating Manual;

(k) Franchisee fails to comply with any of the requirements pertaining to Franchisor's proprietary information or Principal Trademarks;

(l) Franchisee (or any of its Owners) makes or attempts to make an unauthorized assignment of this Agreement, an ownership interest in Franchisee or the Franchised Business; or

(m) Franchisee refuses to allow or cooperate with an inspection or audit of the Franchised Business, or a Franchisee fails to achieve or exceed System Standards in two (2) inspections in any twenty (24) month period or fails to meet the Performance Standard as set forth herein.

#### **14.5 Termination by Franchisor after Notice and Opportunity to Cure**

Franchisee will have ten (10) days or any greater number of days permitted by Franchisor or required by law,

to cure any default for which Franchisor has given written notice of termination under this Section 14.5 and to provide Franchisor with satisfactory evidence of the cure, unless a shorter period of time is specified hereunder. If the default is not cured within the prescribed period, this Agreement will terminate without the need for further notice effective immediately on the expiration date of the cure period. These curable defaults are each of the following:

- (i) Franchisee fails to maintain the insurance Franchisor requires or failure to reimburse Franchisor for insurance premiums paid by Franchisor on behalf of Franchisee;
- (ii) Franchisee fails to maintain any and all licenses required by law;
- (iii) Franchisee fails to pay Franchisor, its affiliates or any Suppliers any amounts due, which must be cured within five (5) days' notice;
- (iv) Franchisee fails to provide any reports and information when due;
- (v) Franchisee fails to comply with the transfer requirements under Article X;
- (vi) Franchisee does not commence operating the Franchised Business by the Commencement Date, unless such time is extended by Franchisor;
- (vii) Franchisee, its Owner(s) and/or its manager do not complete initial training to the satisfaction of Franchisor in its sole discretion;
- (viii) Franchisee abandons or fails actively and continuously to operate the Franchised Business. A failure to operate the Franchised Business for a period in excess of two (2) consecutive days shall be deemed such a default, whether or not as a result of the fault of Franchisee, except where closure is due to fire, riot, flood, acts of terrorism or natural disaster and Franchisee notifies Franchisor within five (5) days after the particular occurrence to obtain Franchisor's written approval to remain closed for an agreed upon amount of time as is necessary under the circumstances before Franchisee will be required to re-open;
- (ix) If Franchisees fail to participate in a promotional campaign, discount program, or honor a coupon in accordance with the standards established by Franchisor within five (5) days of the notice being sent to Franchisee.
- (x) Franchisee fails to comply with laws as required by Sections 5.6 and 7.14 herein;
- (xi) Except as otherwise provided in this Article, Franchisee (or any of its Owners) fails to comply with any other provision of this Agreement, any System Standard or as specified in the Confidential Operating Manual or otherwise by Franchisor in writing; or
- (xii) Franchisee, its affiliates or any guarantor(s) hereof default in any other agreement with Franchisor, its affiliates and/or any Supplier and such default is not cured in accordance with the terms of such other agreement.

#### **14.6      *Franchisee's Obligations on Termination or Expiration***

Franchisee shall have the following obligations on termination or expiration of this Agreement unless as otherwise indicated:

(a) Franchisee shall pay to Franchisor, its affiliates and/or Suppliers within fifteen (15) days after the effective date of termination or expiration of this Agreement all sums owed (including all Royalties and National Advertising Fund contributions) by Franchisee to Franchisor, its affiliates, or Suppliers which are then unpaid. Franchisee shall pay to any lender who had provided financing to Franchisee under an arrangement with Franchisor if applicable, all sums then unpaid. Upon termination for any default by Franchisee, Franchisee shall also pay all actual and consequential damages, costs and expenses including attorneys' fees incurred by Franchisor as a result of the default;

(b) Franchisee shall immediately cease to be an Oliver's Nannies franchisee and shall immediately cease operating the Franchised Business. Franchisee may not directly or indirectly at any time or in any manner identify itself or in any business as a current or former Oliver's Nannies franchisee or as one of Franchisor's current or former franchisees; use any Principal Trademark, any colorable imitation of a Principal Trademark or other indicia of the Franchised Business in any manner or for any purpose; use in any advertising, marketing or promotion any methods, procedures or techniques associated with the System including any Advertising Materials and Social Media Materials; use for any purpose any trade name, trademark or service mark or other commercial symbol that indicates or suggests a connection or association with Franchisor; or use any proprietary software used in the System;

(c) Franchisee agrees to take the action required to cancel all fictitious or assumed names or equivalent registrations relating to its use of any of the Principal Trademarks within fifteen (15) days of termination or expiration;

(d) If Franchisor does not exercise its option to purchase the Franchised Business pursuant to Section 14.7, Franchisee must de-identify the Franchised Business in accordance with Franchisor's then-current deidentification requirements. Franchisee agrees to return to Franchisor (at no charge or cost to Franchisor) within thirty (30) days all sign-faces, sign-cabinets, Advertising Materials, Social Media Materials, forms and other materials containing any of the Principal Trademarks or otherwise identifying or relating to the Franchised Business that Franchisor requests and to allow Franchisor, without liability to Franchisor or third-parties, to make any change Franchisor deems appropriate and to remove any of the aforementioned items from the location of the Franchised Business;

(e) Franchisee shall immediately cease using the Copyrighted Information and related information and/or items which bear the Principal Trademarks, all trade secrets and any Confidential Information and any copies, equipment or other property owned by Franchisor or its affiliates. Franchisee shall transfer such materials, property and data in the form maintained by Franchisee to Franchisor (at no charge or cost to Franchisor) within thirty (30) days of termination or expiration of this Agreement. Franchisee shall retain no copy or record of any of the foregoing; provided however, Franchisee may retain its copy of this Agreement, any correspondence between the parties and any other document which Franchisee reasonably needs for compliance with any

applicable provision of law;

(f) Franchisee and its Owners and employees shall comply with all post-term covenants as set forth in Article IX of this Agreement and the Confidentiality, Non-Use and Non-Competition provisions of Exhibits 7 and 8, all of which shall survive termination or expiration of this Agreement.

(g) Franchisee shall notify the telephone company, all telephone directory publishers, Internet and website listing services and directories, websites, URLs, domain name registers, email hosts and providers and any and all other web based platforms or programs or other media, including but not limited to all Social Media Platforms in which the Franchised Business is listed or Principal Trademarks displayed of the termination or expiration of its right to use any telephone, facsimile or other numbers, telephone directory listings, email addresses, domain names, website addresses, URLs, Internet and website directory listings, web based platform and program accounts, including but not limited to Social Media Platform accounts and other media in which the franchised Business is listed or the Principal Trademarks is displayed;

(h) Franchisee shall allow Franchisor to utilize the Assignment of Telephone and Website Listings and Advertisements attached as Exhibit 9 hereto. Franchisee shall execute an updated Assignment of Telephone and Website Listings and Advertisements, from time to time, as Franchisor may reasonably require;

(i) Franchisee shall authorize and not interfere with the transfer of Franchisee's telephone, facsimile and other numbers, telephone directory listings, email addresses, domain names, website addresses, URLs, Internet and website directory listings, Social Media Platform accounts and other media in which the Franchised Business is listed or the Principal Trademarks displayed to Franchisor;

(j) Franchisor shall instruct the telephone company, all websites, URLs and any other advertising entities or websites to forward all calls made to Franchisee's telephone, facsimile or other numbers as well as Internet and website searches made for Franchisee's websites and URLs, to those telephone number(s) and website(s) and URL(s) that Franchisor specifies and Franchisee shall take all actions necessary to effectuate the forwarding of such calls and Internet and website searches to telephone number(s), website(s) and/or URL(s) Franchisor specifies;

(k) Franchisee shall provide Franchisor with a complete list of employees, clients and customers of the Franchised Business, together with their respective telephone numbers and addresses and a complete list of any outstanding obligations Franchisee may have to any third parties;

(l) Franchisee agrees and acknowledges that in addition to any other rights and remedies to which Franchisor, its parent and its affiliates may be entitled, Franchisor, its parent and its affiliates may enforce any rights and remedies of a secured party under the UCC as enacted



in the state where the Territory is located, pursuant to the security interest granted in Section 7.14 herein, including but not limited to the right to enter the Franchised Business Site to remove and repossess any equipment, products and goods in which Franchisor, its parent and its affiliates have been granted a security interest, without notice to Franchisee. Franchisee hereby waives and releases the Released Parties from any and all claims in connection therewith and arising therefrom. At the request of Franchisor or its affiliates following an event of default, Franchisee shall assemble and make available to Franchisor, its parent and its affiliates all equipment, products and goods in which Franchisor, its parent and its affiliates have been granted a security interest, at a place to be designated by Franchisor or its affiliates which is reasonably convenient to both parties; and

(m) Franchisee shall give to Franchisor, within thirty (30) days after the expiration or termination of this Agreement, evidence satisfactory to Franchisor of Franchisee's compliance with these obligations.

#### **14.7     *Right to Purchase Franchised Business***

Providing Franchisor has not exercised its rights under the security interest defined in Section 7.14 hereof, upon termination of this Agreement (except where Franchisee enters into a successor agreement), then Franchisor shall have the option of acquiring the assets of the Franchised Business, including but not limited to the Operating Assets as Franchisor may determine, at the book value of such assets with no value attributable to goodwill, which the parties hereby agree and acknowledge belongs solely to Franchisor. Franchisor may, in its sole discretion, deliver cash, notes payable monthly in no less than five (5) years or some combination of each as payment for the assets of the Franchised Business.

#### **14.8     *Notice Required By Law***

If any valid, applicable law or regulation of a competent governmental authority with jurisdiction over this Agreement or the parties to this Agreement limits Franchisor's rights of termination under this Agreement or requires longer notice or cure periods than those set forth above, then this Agreement will be considered modified to conform to the minimum notice, cure periods or restrictions upon termination required by applicable laws and regulations. However, Franchisor will not be precluded from contesting the validity, enforceability or application of the laws or regulations in any action, proceeding, hearing or dispute relating to this Agreement or the termination of this Agreement.

#### **14.9     *Liquidated Damages – Lost Future Profits***

(a) The parties recognize the difficulty of ascertaining damages to Franchisor resulting from premature termination of this Agreement before its expiration. For this reason, Franchisor and Franchisee have provided for liquidated damages for the lost benefits of the bargain for Franchisor. Such liquidated damages represent Franchisor's and Franchisee's best estimate as to the damages arising from the circumstances in which they are provided; are only damages for the future profits lost to Franchisor due to the termination of this Agreement before its expiration; are not a penalty or as damages for breaching this Agreement; and are not in lieu of any other payment or remedy.

(b) If at any time, Franchisee terminates this Agreement without Franchisor's written consent or this Agreement is terminated by Franchisor for cause, then Franchisee agrees to pay

Franchisor within ten (10) days of termination an amount equal to the actual number of months remaining in the term of this Agreement times the monthly average amount of the Royalties, National Advertising Fund contributions and other fees owed by Franchisee under the relevant sections of this Agreement for the twelve (12) month period prior to termination (or the entire term prior to termination if less than twelve (12) months), and reduced by a discount of eight percent (8%) to produce the present value of Franchisor's lost profits.

(c) Franchisee will be entitled to a credit against the sums calculated according to subsection (b) for all amounts paid to Franchisor in advance for that period.

(d) These damages are in addition to any monies due to Franchisor for past due payments or any other actual or consequential damages.

#### **14.10 Step-In Rights**

(a) *The parties herein desire to prevent any operation or interruption of the Franchised Business that would cause harm to the Franchised Business and to the System. Therefore, Franchisee authorizes Franchisor, an affiliate of the Franchisor or a third-party designated by the Franchisor to step-in to operate the Franchised Business for as long as Franchisor believes is necessary and practical in Franchisor's exclusive judgment. Franchisor may do so without waiving any other rights or remedies that Franchisor may have.*

(b) *Cause for stepping-in may include Franchisor's determination that: (i) Franchisee is incapable of operating the Franchised Business; (ii) Franchisee is absent or incapacitated because of illness or death; (iii) Franchisee has failed to pay when due any real property, equipment rent or lease payments, suppliers, or inventory payments; (iv) Franchisee has failed to pay to Franchisor when due any franchise, royalty, advertising, or other fees; (v) Franchisee has failed to pay when due any taxes or assessments against the Franchised Business or property used in the Franchised Business; (vi) Franchisee has failed to pay when due any liens or encumbrances placed upon or against Franchised Business property; (vii) the activities of the Franchised Business negatively impact the System and/or its value, as determined by the Franchisor in the exercise of its business judgment; or (viii) Franchisor decides that significant operational problems require the Franchisor to operate the Franchised Business for a time.*

(c) *All Gross Revenues generated during the operation of the Franchised Business will be for Franchisee's account, except as set forth herein. Franchisor, an affiliate or a designated third-*

*party manager will pay from such Gross Revenues all expenses, debts, and liabilities that the Franchisor incurs during the operation of the Franchised Business, including but not limited to expenses associated with personnel, administrative and travel costs incurred by the Franchisor, an affiliate or a designated third-party manager, plus fifteen percent (15%) of the Gross Revenues to the Franchisor to cover the Franchisor's other costs and expenses. In addition, Franchisor will have the option, but not the obligation, to pay to Franchisee any claims owed by Franchisee to any creditor or employee of the Franchised Business. Franchisee will reimburse Franchisor upon demand, including at the rate set forth above, for overdue amounts.*

*(d) In the event Franchisor exercises any of the rights set forth in this Section 14.10, Franchisee agrees to indemnify, defend and hold the Franchisor, an affiliate and/or a designated third-party manager harmless for all acts, omissions, damages, or liabilities during the operation of the Franchised Business by the Franchisor, an affiliate or a designated third-party manager. However, Franchisor, an affiliate or a designated third-party manager, as applicable, has a duty to utilize only reasonable efforts and will not be liable to Franchisee or its Owners for any debts, losses or obligations incurred by the Franchised Business, or to any of Franchisee's creditors for any products, other assets, or services the Franchised Business purchases while under the management of Franchisor, an affiliate or a designated third-party manager. The operation of the Franchised Business pursuant to this Section 14.10 will not operate as an assignment to the Franchisor, its affiliate or such designated third-party manager of any lease or sublease of the Site or any other asset of the Franchised Business. Neither Franchisor, its affiliate or a designated third-party manager shall have any responsibility for payment of any rent or other charges owing on any lease, except as the charges relate to the period of the operation of the Franchised Business. Franchisee agrees to pay the Franchisor's legal and accounting fees as well as any other cost and/or expense incurred by the Franchisor in connection with or arising from the Franchisor's exercise of the rights set forth in this Section 14.10.*

## **15 UNAVOIDABLE DELAY OR FAILURE TO PERFORM (FORCE MAJEURE)**

**15.1** Any delay in performance by Franchisor or Franchisee of any duties under this Agreement or any non-performance of such duties that is not the fault of Franchisee or Franchisor (as applicable) or within Franchisee's or Franchisor's reasonable control, including but not limited to: fire; floods; natural disasters; Acts of God; war; riots or other civil disturbances; acts by public

enemies; compliance with governmental acts, laws, rules or regulations which were not in effect and could not be reasonably anticipated as of the date of this Agreement; inability to secure necessary governmental priorities for materials; any delays or defaults in deliveries by common carriers and/or postal services and/or overnight couriers; computer network outages; strikes or other labor disturbances; interference by civil or military authorities; and any other similar event beyond such party's control without its fault or negligence will not constitute a breach or cause a default under this Agreement, provided, however, that Franchisor or Franchisee (as applicable) will take all steps reasonably possible to mitigate damages caused by such failure or delay.

**15.2** Notwithstanding the foregoing, if any such failure or delay continues for more than one hundred eighty (180) days, then Franchisor will have the right at any time thereafter during the continuance of such failure or delay to terminate this Agreement upon thirty (30) days advance written notice to Franchisee.

## **16 WAIVER AND DELAY**

No waiver or delay in either party's enforcement of any term, covenant or condition of this Agreement which has been breached will be construed as a waiver by that party of any preceding or succeeding breach, or any other term, covenant or condition of this Agreement. Without limiting any of the foregoing, the acceptance of payment of any amounts will not be, nor be construed to be, payment in full or satisfaction of all amounts due and owing or any amounts to become due and shall not be, nor construed to be a waiver of any breach of any term, covenant or condition of this Agreement.

## **17 FRANCHISOR'S WITHHOLDING OF CONSENT: EXCLUSIVE REMEDY**

In no event may Franchisee make any claim for money damages based on any claim or assertion that Franchisor has unreasonably withheld or delayed any consent or approval to a proposed act by Franchisee under the terms of this Agreement. Franchisee waives any such claim for damages. Franchisee may not claim any such damages by way of set-off, counterclaim or defense. Franchisee's sole remedy for the claim will be an action or proceeding to enforce the Agreement provisions, for specific performance or for declaratory judgment.

## **18 NOTICE OF FRANCHISOR'S ALLEGED BREACH AND RIGHT TO CURE AND PERIOD TO BRING CLAIM**

### **18.1 Notice**

Franchisee agrees to give Franchisor immediate written notice of any alleged breach or violation of this Agreement after Franchisee has constructive or actual knowledge of same, or has reason to know, should reasonably know, believes, determines or is of the opinion that there has been an alleged breach of this Agreement by Franchisor including any acts of misfeasance or nonfeasance, whether or not Franchisee believes, determines or is of the opinion that provision of such notice would be futile. Franchisor shall have ninety (90) days from Franchisor's receipt of Franchisee's notice to cure such alleged breach. If Franchisee does not give written notice to Franchisor of any alleged breach of this Agreement within ninety (90) days from the date that Franchisee has constructive or actual knowledge of, or has reason to know, should reasonably know, believes, determines or is of the opinion that there has been an alleged breach by Franchisor then Franchisor's alleged breach will be considered to be condoned, approved, waived and ratified by Franchisee; there will not be considered to be a breach of this Agreement by Franchisor; and Franchisee will be permanently barred from commencing any action against Franchisor for Franchisor's alleged breach or violation or defending any claim brought by Franchisor or its affiliates against Franchisee based on Franchisor's alleged breach or violation. Franchisee agrees that the purported futility of providing Franchisor with notice of an

alleged breach shall not excuse the obligation to provide notice, as required hereunder, and such notice and cure period shall be deemed a condition precedent to any claim made by Franchisee.

### **18.2 *Right to Cure***

In addition to all other remedies granted pursuant to this Agreement, if Franchisee defaults in the performance of any of its obligations or breaches any term or condition of this Agreement or any related agreement, then Franchisor may, at its election, immediately or at any time thereafter, without waiving any claim for breach under this Agreement and without notice to Franchisee, cure the default on Franchisee's behalf. Franchisor's costs and expenses associated with curing the default and all related expenses will be due and payable by Franchisee on demand.

### **18.3 *Periods in which to Make Claims***

(a) Any and all claims and actions arising out of or relating to this Agreement brought by any party against the other or any affiliate, must be commenced within one (1) year from when the party knew or should have known in the exercise of reasonable diligence of such claim or action.

(b) Notwithstanding the foregoing limitations, where any federal, state or local law provides for a shorter limitation period than above described, whether upon notice or otherwise, such shorter period will govern.

(c) The foregoing limitations may, where brought into effect by Franchisor's failure to commence an action within the time periods specified, operate to exclude Franchisor's right to sue for damages but will in no case, even upon expiration or lapse of the periods specified or referenced above, operate to prevent Franchisor from terminating Franchisee's rights and Franchisor's obligations under this Agreement as provided herein and under applicable law nor prevent Franchisor from obtaining any appropriate court judgment, order or otherwise which enforces and/or is otherwise consistent with such termination.

(d) The foregoing limitations shall not apply to Franchisor's claims arising from or relating to: (1) Franchisee's under-payment or non-payment of any amounts owed to Franchisor

or any affiliate or otherwise related entity; (2) indemnification by Franchisee; (3) Franchisee's confidentiality, non-use, non-competition or other exclusive relationship obligations; and/or (4) Franchisee's unauthorized use of the Principal Trademarks.

## **19 INJUNCTION**

Franchisee explicitly affirms and recognizes the unique value and secondary meaning attached to the System and the Principal Trademarks. Accordingly, Franchisee agrees that any non-compliance by Franchisee with the terms of this Agreement, or any unauthorized or improper use of the System or the Principal Trademarks by Franchisee, will cause irreparable damage to Franchisor and other Oliver's Nannies franchisees. Franchisee therefore agrees that if it engages in this non-compliance or unauthorized and/or improper use of the System or Principal Trademarks, during or after the period of this Agreement, Franchisor will be entitled to a declaration, temporary injunctive relief and permanent injunctive relief, without the need of a bond, against Franchisee from any court of competent jurisdiction, in addition to all other remedies which Franchisor may have at law. Franchisee consents to the entry of these temporary

and permanent injunctions.

## **20 INTEGRATION OF AGREEMENT**

### **20.1 *Integration of Agreement***

(a) This Agreement and all ancillary agreements executed contemporaneously with this Agreement constitute the entire agreement between the parties with reference to the subject matter of this Agreement and supersede any and all prior negotiations, understandings, representations and agreements; provided, however, that nothing in this Agreement is intended to disclaim the representations Franchisor made in the franchise disclosure document that Franchisor provided to Franchisee. Franchisee acknowledges that it is entering into this Agreement and all ancillary agreements executed contemporaneously with this Agreement, as a result of its own independent investigation of the Franchised Business and not as a result of any representations about Franchisor made by Franchisor, Franchisor's shareholders, officers, directors, employees, agents, representatives, independent contractors or franchisees which are contrary to the terms set forth in this Agreement or of any offering circular, prospectus, disclosure document or other similar document required or permitted to be given to Franchisee pursuant to applicable law.

(b) The Confidential Operating Manual and the terms contained therein are incorporated by reference in this Agreement, form a part of this Agreement and are enforceable pursuant to the terms of this Agreement.

### **20.2 *No Oral Modification***

This Agreement may not be amended orally, but may be amended only by a written instrument signed by the parties. Franchisee expressly acknowledges that no oral promises or declarations were made to it and that Franchisor's obligations are confined exclusively to the terms in this Agreement. Franchisee understands and assumes the business risks inherent in this enterprise.

## **21 NOTICES**

### **21.1 *Notices***

Any notice required or permitted to be given under this Agreement must be in writing; must be delivered to the other party personally, by certified mail (and return receipt requested, postage prepaid) or by documented overnight delivery with a reputable carrier and will be effective on the date that delivery is documented to have been first attempted. Notwithstanding anything to the contrary above, notices concerning increases to fees or amounts payable by Franchisee hereunder, or changes to the Services, Ancillary Services and/or Ancillary Products may be provided in writing by Franchisor to Franchisee via electronic mail and/or regular mail. Any notice to Franchisor will be addressed to Franchisor at:

Oliver's Nannies Franchising, Inc.  
75 Main St., Suite 301,  
Milburn, New Jersey 07041 Attn:  
Kathy Livingston

With a copy to:  
Michael Einbinder

Einbinder & Dunn LLP  
112 Madison Ave., 8<sup>th</sup> Floor New  
York, New York 10016

Any notice to Franchisee will be sent to:

Franchisee

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Either party to this Agreement may, in writing on ten (10) days' notice, inform the other of a new or changed address to which notices under this Agreement should be sent.

## **22 MISCELLANEOUS**

### **22.1 *Execution, Construction and Interpretation***

(a) This Agreement may be executed in multiple counterparts, each of which will be considered an original and all of which together will constitute one and the same instrument. Facsimile or other electronic execution signatures will be considered as binding and conclusive as if original, provided that any party so executing must use all commercially reasonable efforts to furnish to the other party(ies) the originally executed document at the earliest opportunity.

(b) The titles and subtitles of the various Articles, Sections and subsections of this Agreement are inserted for convenience and will not affect the meaning or construction of any of the terms, provisions, covenants and conditions of this Agreement. The terms used in this Agreement, regardless of the number and gender in which they are used shall be construed to include the other number (singular or plural), and other genders (masculine, feminine, or neuter), as the context or sense of this Agreement or any Articles, Sections or subsections may require. The language of this Agreement will be in all cases construed simply according to its fair and plain meaning and not strictly for or against Franchisor or Franchisee.

(c) It is agreed that if any provision of this Agreement is capable of two (2) constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision will have the meaning which renders it valid.

(d) The parties agree to execute all other documents and perform all further acts necessary or desirable to carry out the purposes of this Agreement.

(e) Each reference in this Agreement to a corporation or partnership will also refer to a limited liability company, general or limited partnership and any other entity or similar organization. Each reference to the organizational documents, shareholders, directors, officers and stock of a corporation in this Agreement will also refer to the functional equivalents of the

organizational documents, shareholders, directors, officers and voting and/or equity rights, as applicable, in the case of a limited liability company, general partnership, limited partnership or any other entity or similar organization (this specifically includes members and managers, general and limited partners, membership interests and general and limited partnership interests).

## **22.2 Severability**

Nothing contained in this Agreement may be construed as requiring the commission of any act contrary to law. Whenever there is any conflict between any provision of this Agreement and any present or future statute, law, ordinance or regulation required to be made applicable to this Agreement, the latter will prevail, but the affected provision of this Agreement will be curtailed and limited only to the extent necessary to bring it within the requirement of the law. If any Article, Section, subsection, sentence or clause of this Agreement is held to be indefinite, invalid or otherwise unenforceable, the entire Agreement will not fail for this reason and the balance of the Agreement will continue in full force and effect. If any court of competent jurisdiction deems any provision of this Agreement (other than for the payment of money) so unreasonable as to be unenforceable as a matter of law, the court may declare a reasonable modification of this Agreement and this Agreement will be valid and enforceable and the parties agree to be bound by and perform this Agreement as so modified.

## **22.3 Similar Agreements**

Franchisor makes no warranty or representation that anything contained in this Agreement may be construed as requiring that all Oliver's Nannies franchise agreements heretofore or hereafter issued by Franchisor to contain terms substantially similar to those contained in this Agreement. Further, Franchisee agrees and acknowledges that Franchisor may, in its reasonable business judgment, due to local business conditions or otherwise, waive or modify comparable provisions of other franchise agreements heretofore or hereafter granted to other Oliver's Nannies franchisees in a non-uniform manner, subject to those provisions of this Agreement which require Franchisor to act toward its franchisees on a reasonably non-discriminatory basis.

## **23 COSTS OF ENFORCEMENT; ATTORNEYS' FEES; GOVERNING LAW; JURISDICTION AND VENUE; CONSEQUENTIAL AND PUNITIVE DAMAGES; AND JURY WAIVER**

### **23.1 Costs of Enforcement**

Franchisor will be entitled to recover from Franchisee all costs and expenses including attorneys' fees for any failure to pay any amounts when due or any other failure to comply with this Agreement, including but not limited to collection costs and expenses, commissions paid to collection agencies, attorneys and third parties. Franchisor will also be entitled to recover from Franchisee attorneys' fees, experts' fees, court costs and all other expenses of litigation if Franchisor prevails in any action instituted against Franchisee to secure or protect Franchisor's rights under this Agreement; to enforce the terms of this Agreement or any agreement between Franchisee and Franchisor; or in any action commenced or joined in by Franchisee against Franchisor.

### **23.2 Attorneys' Fees**

If Franchisor becomes a party to any action or proceeding arising out of or relating to (a) this Agreement or any and all related agreements, as a result of any claimed or actual act, error or omission of Franchisee (and/or any of Franchisee's Owners, officers, directors, management, employees, contractors and/or representatives) or the Franchised Business, (b) by virtue of statutory, "vicarious," "principal/agent" or other liabilities imposed on Franchisor as a result of Franchisor's status as Franchisor, or (c) if Franchisor becomes a party to any litigation or any insolvency proceeding involving Franchisee pursuant to any bankruptcy or insolvency code (including any adversary proceedings



in conjunction with bankruptcy or insolvency proceedings), then Franchisee will be liable to Franchisor and must promptly reimburse Franchisor for the attorneys' fees, experts' fees, court costs, travel and lodging costs and all other expenses Franchisor incurs in such action or proceeding regardless of whether such action or proceeding proceeds to judgment. In addition, Franchisor will be entitled to add all costs of collection, interest, attorneys' fees and experts' fees to Franchisor's proof of claim in any insolvency or bankruptcy proceeding which Franchisee files.

### **23.3 *Governing Law***

This Agreement, all relations between the parties and any and all disputes between the parties, whether sounding in contract, tort or otherwise, are to be exclusively construed in accordance with and/or governed by (as applicable) the law of the State of New Jersey without recourse to New Jersey (or any other) choice of law or conflicts of law principles. If, however, any provision of this Agreement would not be enforceable under the laws of New Jersey, and if the Franchised Business is located outside of New Jersey and the provision would be enforceable under the laws of the state in which the Franchised Business is located, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Section 23.3 is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of law of the state of New Jersey or any other state, which would not otherwise apply.

### **23.4 *Mediation, Arbitration, Jurisdiction and Venue***

(a) If a dispute arises between the parties that cannot be settled through negotiation, the parties shall first try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Procedures before resorting to litigation or other dispute resolution procedures. The party raising the dispute ("Complaining Party") shall give a written notice of such dispute to the other party ("Notice of Dispute"). Within 28 days of giving Notice of Dispute, the Complaining Party shall file with the American Arbitration Association a Request for Mediation. If the Complaining Party fails to file such Request for Mediation within 28 days, the Complaining Party's claims shall be deemed abandoned and shall preclude the Complaining Party from pursuing such claims further. The mediation proceedings shall take place at the American Arbitration Association location nearest Franchisor's principal place of business (presently Essex County, New Jersey). The cost of the Mediation shall be shared equally by the parties. The Mediation shall conclude or be deemed concluded 45 days after the Request for Mediation is filed with the American Arbitration Association.

(b) If a dispute arises between the parties that is not settled through negotiation or mediation, per Section 23.4(a) above, then such claims, controversies or disputes, except for those claims, controversies or disputes provided for in Section 23.4(h), the party asserting the claim shall submit such claim, controversy or dispute exclusively to arbitration, to be held in Essex County, New Jersey, before and in accordance with the Commercial Rules of Arbitration of the AAA.

(c) Any arbitration under this subsection 23.4 shall be conducted by a single arbitrator mutually agreed to by the parties. If within thirty (30) days after a demand for arbitration is made, the parties are unable to agree on a single arbitrator, an arbitrator shall be selected in the following manner: Franchisor and Franchisee shall obtain an identical list of arbitrators from the American Arbitration Association, containing an odd number of arbitrators, and shall take alternating turns striking the name of an arbitrator off the list until one name remains. Franchisee shall strike the first name off the list.

(d) In no event shall the arbitrator be entitled to award punitive, incidental, special or consequential damages against the Franchisor.

(e) Any award rendered in connection with an arbitration pursuant to this Section 23.4 shall be final and binding. The parties may initiate litigation in any court of competent jurisdiction to confirm, enter and enforce such arbitration award.

(f) Franchisor and Franchisee agree that arbitration will be conducted only on an individual, not a class-wide (including, but not limited to, on behalf of or in connection with an association of Oliver's Nannies franchisees, or any other trade association), basis, and that an arbitration proceeding between Franchisor (including its subsidiaries, affiliates, shareholders, officers, directors, managers, representatives and employees) and Franchisee (including its Owners, Owner(s), principals and guarantors, if applicable) may not be consolidated with any other arbitration proceeding between them and any other person or legal entity. No findings, conclusions, orders or awards emanating from any arbitration proceeding conducted hereunder may be introduced, referred to or used in any subsequent or other proceeding as a precedent, to collaterally estop any party from advancing any claim or defense or from raising any like or similar issues, or for any other purpose whatsoever. The parties agree that the principles of collateral estoppel shall not apply in any arbitration proceeding conducted under this Section.

(g) Franchisor and Franchisee hereby agree and acknowledge that this Section 23.4 shall bind Franchisee's guarantors, whether or not such guarantors were named parties to the mediation, arbitration and/or litigation.

(h) Notwithstanding anything to the contrary above, Franchisor may institute litigation (without first proceeding with arbitration) exclusively in a court of competent jurisdiction: (1) to protect the Principal Trademarks, any intellectual property and Confidential Information; (2) to determine the validity of termination of this Agreement and/or any other related agreement; (3) to enforce the termination of this Agreement and/or any other related agreement; (4) to enforce the Confidentiality, Non-Use and Non-Competition Agreement and any other agreement executed by franchisee; (5) to confirm, enter and enforce an arbitrator's award; (6) for monies owed; and (7) to enjoin or restrain Franchisee from otherwise causing immediate and irreparable harm to Franchisor, its parent and/or its affiliates.

(i) Franchisee explicitly affirms and recognizes the unique value and secondary meaning attached to the System, the Principal Trademarks, any intellectual property and the Confidential Information. Accordingly, Franchisee agrees that any non-compliance by Franchisee with the terms of this Agreement and/or the terms of any Confidentiality, Non-Use and Non-Competition Agreement, Franchisee's operation of the franchise post-termination or any unauthorized or improper use of the System, the Principal Trademarks, any intellectual property, or Confidential Information by the Franchisee, will cause irreparable damage to the Franchisor, its affiliates and other Oliver's Nannies franchisees. Franchisee therefore agrees that if it engages in any non-compliant, post-termination operation of the franchise or unauthorized and/or improper use of the System, Principal Trademarks or Confidential Information during or after the period of this Agreement, Franchisor will be entitled to a declaration, temporary injunctive relief and

permanent injunctive relief, without the need of a bond, against the Franchisee from any court of competent jurisdiction, wherever situated, as Franchisor may select, in addition to all other remedies which the Franchisor may have at law.

(j) Except as necessary to protect or enforce Franchisor's or Franchisee's rights in the proceeding, the arbitration proceeding and all information disclosed therein shall be subject to the confidentiality requirements of this Agreement.

(k) The provisions of this Section are intended to benefit and bind certain third party non-signatories (including without limitation Franchisee's Owners and guarantors) and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

(l) The parties agree that for purposes of Section 23.4(h), a court of competent jurisdiction shall mean a court which is either a New Jersey state court in Essex County, New Jersey or in the United States District Court for the District of New Jersey in Newark, New Jersey. Franchisee hereby irrevocably submits itself and its guarantors to the jurisdiction and venue of a New Jersey state court in Essex County, New Jersey or in the United States District Court for the District of New Jersey in Newark, New Jersey. Franchisee hereby waives and covenants never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens).

(m) Notwithstanding Section 23.4(k), if Franchisor determines that another court of competent jurisdiction, wherever situated, is appropriate, Franchisor may bring an action in such court. Franchisee hereby irrevocably submits itself and its guarantors to the jurisdiction and venue of such court as Franchisor may select. Franchisee hereby waives and covenants never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens).

### **23.5 Consequential or Punitive Damages**

IN NO EVENT WILL FRANCHISOR BE LIABLE TO FRANCHISEE FOR CONSEQUENTIAL OR PUNITIVE DAMAGES IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT; ANY BREACH, TERMINATION, CANCELLATION OR NON-RENEWAL OF THIS AGREEMENT; OR IN ANY OTHER ACTION OR PROCEEDING WHATSOEVER BETWEEN THE PARTIES TO THIS AGREEMENT AND/OR ANY OF THEIR AFFILIATES. FRANCHISEE HEREBY WAIVES AND COVENANTS NEVER TO ADVANCE ANY SUCH CLAIM FOR CONSEQUENTIAL OR PUNITIVE DAMAGES.

### **23.6 Waiver of Trial by Jury**

TO THE EXTENT THAT EACH MAY LAWFULLY DO SO, FRANCHISEE AND FRANCHISOR BOTH WAIVE THEIR RIGHT TO A TRIAL BY JURY IN ANY ACTION THAT MAY BE BROUGHT ON OR WITH RESPECT TO THIS AGREEMENT OR ANY OTHER AGREEMENT EXECUTED IN CONNECTION HERewith.

## **24 GUARANTEE**

**24.1** If Franchisee is a partnership, corporation or a limited liability company, personal guarantees shall be required from all Owners. Such personal guarantees must be executed on Franchisor's standard form Guarantee (Exhibit 10) concurrently with the execution of this Agreement.

**24.2** If Franchisee is in breach or default under this Agreement, Franchisor may proceed directly against each such individual and/or entity without first proceeding against Franchisee and without proceeding against or naming in the suit any other such individuals and/or entities. Franchisee's obligations and those of each such individual and/or entity will be joint and several. Notice to or demand upon one such individual and/or entity will be considered notice to or demand upon Franchisee and all such individuals and/or entities and no notice or demand need be made to or upon all such individuals and/or entities. The cessation of or release from liability of Franchisee or any such individual and/or entity will not relieve any other individual and/or entity from liability under this Agreement, except to the extent that the breach or default has been remedied or money owed has been paid.

## **25 SURVIVAL**

Any provision of this Agreement which imposes an obligation following the termination or expiration of this Agreement will survive the termination or expiration and will continue to be binding upon the parties to this Agreement. This Agreement will be binding upon and inure to the benefit of the parties, their heirs, successors and assigns.

## **26 FRANCHISEE'S REPRESENTATIONS AND ACKNOWLEDGMENTS**

### **26.1 *Franchisee's Representations***

Franchisee represents and warrants to Franchisor with the intention that Franchisor is relying thereon in entering into this Agreement that:

(a) If Franchisee is a corporation, limited liability company, general partnership, partnership or limited partnership, then Franchisee is organized under the laws of the state of its principal place of business (or another state which Franchisee has identified to Franchisor) and is in good standing with and qualified to do business in each state and political/governmental subdivision having jurisdiction over the Franchised Business.

(b) If Franchisee is a corporation, limited liability company, general partnership, partnership or limited partnership, Franchisee has all corporate power and authority to execute, deliver, consummate and perform this Agreement and it will be binding upon Franchisee and its successors and assigns when executed.

(c) Franchisee does not have any material liabilities, adverse claims, commitments or

obligations of any nature as of the date of execution of this Agreement, whether accrued, unliquidated, absolute, contingent or otherwise which are not reflected as liabilities on the balance sheets of Franchisee's current financial statements which Franchisee has furnished to Franchisor before the execution of this Agreement.

(d) As of the date of execution of this Agreement, there are no actions, suits, proceedings or investigations pending, nor to Franchisee's knowledge or the knowledge (after due inquiry) of any of its officers, directors, Owners or Operating Principals (as applicable), threatened in any court or arbitral forum or before any governmental agency or instrumentality. Nor to the best of Franchisee's knowledge or the knowledge of any such persons or entities (after due inquiry) is there any basis for any claim, action, suit, proceeding or investigation which affects or could affect, directly or indirectly, any of Franchisee's assets, properties, rights or business; Franchisee's right to operate and use its assets, properties or rights to carry on its business; and/or which affects or could affect Franchisee's right to assume and carry out in all respects the duties, obligations and responsibilities specified in this Agreement.

(e) Neither Franchisee nor any of its Owners is a party to any contract, agreement, covenant not to compete or other restriction of any type which may conflict with or be breached by the execution, delivery, consummation and/or performance of this Agreement.

(f) All Franchisee's representations and warranties contained in this Agreement are complete, correct and accurate as of the date of execution of this Agreement and will survive any termination or expiration of this Agreement.

## **26.2 Franchisee's Acknowledgments**

Franchisee acknowledges, warrants and represents to Franchisor that:

(a) Before executing this Agreement, Franchisee has had the opportunity to contact any and all of Franchisor's existing franchisees.

\_\_\_\_\_  
Initials

(b) Franchisee has had the opportunity to independently investigate, analyze and understand both the business opportunity being offered under this Agreement and the terms and provisions of this Agreement.

\_\_\_\_\_  
Initials

(c) Where applicable, Franchisee has received from Franchisor a copy of Franchisor's Franchise Disclosure Document, together with a copy of all proposed agreements relating to the sale of the franchise at the earlier of the: (i) first personal meeting between Franchisor or its agent and Franchisee; at (ii) least ten (10) business days before the execution of this Agreement; or (iii) at least ten (10) business days before the payment by Franchisee to Franchisor of any consideration in connection with the sale or proposed sale of the franchise granted by this Agreement.

\_\_\_\_\_  
Initials

(d) Franchisee has received from Franchisor a copy of Franchisor's Franchise Disclosure Document, together with a copy of all proposed agreements relating to the sale of the franchise, at least fourteen (14) calendar days before the execution of this Agreement and at least fourteen (14) calendar days before the payment by Franchisee to Franchisor of any consideration in connection with the sale or proposed sale of the franchise granted by this Agreement.

\_\_\_\_\_  
Initials

(e) No representation or statement has been made by Franchisor (or any of Franchisor's employees, agents or salespersons) and relied on by Franchisee regarding Franchisee's ability to procure any required license or permit that may be necessary to the offering of one or more of the services contemplated to be offered by the Franchised Business.

\_\_\_\_\_  
Initials

(f) Franchisee affirms that all information set forth in all applications, financial statements and submissions to Franchisor are true, complete and accurate in all respects and Franchisee expressly acknowledges that Franchisor is relying on the truthfulness, completeness and accuracy of this information.

\_\_\_\_\_  
Initials

(g) Franchisee understands and agrees that Franchisor may operate and change the System and Franchisor's business in any manner that is not expressly prohibited by this Agreement. Whenever Franchisor has the right within this Agreement to take or withhold action or to grant or decline to Franchisee the right to take or withhold action, Franchisor may make such a decision on the basis of Franchisor's best interests and those of the Oliver's Nannies System and the franchise network, without regard to whether other reasonable alternative decisions exist or whether Franchisor's decision adversely affects Franchisee. Absent applicable statute, Franchisor shall have no liability for such a decision and Franchisee agrees that Franchisor's decision will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, then Franchisee agrees that such a covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants to Franchisor the right to make decisions, take actions and/or refrain from taking actions that are inconsistent with Franchisee's rights and obligations hereunder.

\_\_\_\_\_  
Initials

(h) Franchisee understands and agrees that nothing herein shall obligate Franchisor to sell Oliver's Nannies franchises or otherwise develop, grow and/or expand the Oliver's Nannies franchised system. Franchisor makes no guaranty, warranty or representation regarding the continued sale of Oliver's Nannies franchises, the Franchisor's ability to make sales of Oliver's Nannies franchises, the Franchisor's prospects for making sales of Oliver's Nannies franchises or any development, growth or expansion of the Oliver's Nannies franchised system. Further, Franchisee understands and agrees that the failure or inability of Franchisor to sell Oliver's Nannies franchises or develop, grow and/or expand the Oliver's Nannies franchised system does not excuse Franchisee's performance of its obligations under this Agreement and Franchisee further understands and agrees that it shall be obligated, at all times, to perform its obligations hereunder.

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Initials

## **27 SUBMISSION OF AGREEMENT**

The submission of this Agreement to Franchisee does not constitute an offer. This Agreement will become effective only upon the execution of this Agreement by both Franchisor and Franchisee. The date of execution of this Agreement will be the Effective Date.



THIS AGREEMENT WILL NOT BE BINDING ON FRANCHISOR UNLESS AND UNTIL IT HAS BEEN ACCEPTED AND SIGNED BY AN AUTHORIZED OFFICER OF FRANCHISOR. FRANCHISEE ACKNOWLEDGES THAT NO REPRESENTATIONS OR PROMISES WERE MADE TO FRANCHISEE OTHER THAN THOSE SET FORTH IN FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT, OR THAT IF ANY OTHER REPRESENTATIONS OR PROMISES WERE MADE TO FRANCHISEE, FRANCHISEE IS NOT RELYING ON THEM. FRANCHISEE HAS READ ALL OF THE FOREGOING AGREEMENT AND ACCEPTS AND AGREES TO EACH AND ALL OF THE PROVISIONS, COVENANTS AND CONDITIONS OF THE FOREGOING AGREEMENT.

FRANCHISEE:

If a corporation or other entity:

\_\_\_\_\_  
(Name of Corporation or Other Entity)

By: \_\_\_\_\_  
(Signature) (Date)

Its: \_\_\_\_\_  
(Print Title/Print Name)

If an individual:

\_\_\_\_\_  
(Signature) (Date)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature) (Date)

\_\_\_\_\_  
(Print Name)

FRANCHISOR:

Oliver's Nannies Franchising, Inc.

By: \_\_\_\_\_  
(Signature) (Date)

**FRANCHISE AGREEMENT  
EXHIBIT 1**

**IDENTIFICATION OF FRANCHISEE**

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**INDIVIDUAL FRANCHISEE**

Name: \_\_\_\_\_ Date of Birth: \_\_\_\_\_  
Home Address (P.O. Box not acceptable): \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_  
Home Telephone: \_\_\_\_\_ SSN: \_\_\_\_\_

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**NON-INDIVIDUAL FRANCHISEE**

*Check One:*      ☐ Corporation      ☐ Limited Liability Company      ☐ Partnership

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_  
Telephone: \_\_\_\_\_ EIN: \_\_\_\_\_  
Date of Organization: \_\_\_\_\_ State of Organization: \_\_\_\_\_  
Statutory/Registered Agent: \_\_\_\_\_  
Address of Agent: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_  
Officers: \_\_\_\_\_  
President: \_\_\_\_\_ Vice President: \_\_\_\_\_  
Treasurer: \_\_\_\_\_ Secretary: \_\_\_\_\_

**Shareholders/Members/Partners**

Name: \_\_\_\_\_ Percentage of Ownership: \_\_\_\_\_  
Home Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_  
Home Telephone: \_\_\_\_\_ SSN: \_\_\_\_\_

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Name: \_\_\_\_\_ Percentage of Ownership: \_\_\_\_\_  
Home Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_  
Home Telephone: \_\_\_\_\_ SSN: \_\_\_\_\_

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Name: \_\_\_\_\_ Percentage of Ownership: \_\_\_\_\_  
Home Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_  
Home Telephone: \_\_\_\_\_ SSN: \_\_\_\_\_

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Name: \_\_\_\_\_ Percentage of Ownership: \_\_\_\_\_  
Home Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_  
Home Telephone: \_\_\_\_\_ SSN: \_\_\_\_\_

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Name: \_\_\_\_\_ Percentage of Ownership: \_\_\_\_\_  
Home Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_  
Home Telephone: \_\_\_\_\_ SSN: \_\_\_\_\_

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The undersigned individual Franchisee, or if Franchisee is other than an individual, each of the Principals of Franchisee, hereby certify that the foregoing information is accurate and complete to the best of their knowledge and agree to notify Franchisor promptly of any change in any such information during the term of the Franchise Agreement to which this Exhibit 1 is attached.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature


\_\_\_\_\_  
**Print Name**

**FRANCHISE AGREEMENT**

## EXHIBIT 2

### PRINCIPAL TRADEMARKS

The following Principal Trademarks have been registered with the United States Patent and Trademark Office:

PRINCIPAL TRADEMARKS	REGISTRATION NUMBER	REGISTRATION DATE
	7,247,205	December 19, 2023
Oliver's Nannies word mark	7,247,209	December 19, 2023

The principal trademarks are owned by Oliver's Nannies Franchising, Inc.

There are no existing or pending material determinations of the US Patent and Trademark Office, Trademark Trial and Appeal Board, the Trademark Administrator of any jurisdiction or any court, no pending infringement, opposition or cancellation actions, nor any other pending material litigation involving the Principal Trademarks.

**FRANCHISE AGREEMENT**  
**EXHIBIT 3**  
**SITE AND TERRITORY ATTACHMENT**

The address and/or description of the Franchised Business Site shall be:

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The Territory for this Franchised Business shall be as follows:

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FRANCHISOR:

Oliver's Nannies Franchising, Inc.

By: \_\_\_\_\_  
Its: \_\_\_\_\_

FRANCHISEE:

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**FRANCHISE AGREEMENT  
EXHIBIT 4**

**GENERAL RELEASE**

To all to whom these Presents shall come or may Concern, Know That \_\_\_\_\_ [a \_\_\_\_\_ organized under the laws of the State of \_\_\_\_\_] [an individual domiciled in the State of \_\_\_\_\_] ("Franchisee") and its Owners (as defined in the Franchise Agreement) collectively as RELEASOR, in consideration of the consent of Oliver's Nannies Franchising, Inc. (the "Franchisor") to the Assignment or Renewal of the Franchise created pursuant to the franchise agreement between Franchisee and Franchisor (the "Franchise Agreement"); any Transfer of any interest in Franchisee or the assets of Franchisee or the Franchised Business; or any relocation of the Franchised Business Site, and for other good and valuable consideration, RELEASOR hereby releases and discharges Franchisor as RELEASEE, RELEASEE'S corporate parents, subsidiaries and affiliates and the respective officers, directors, shareholders, members, agents, attorneys, contractors and employees of each of the foregoing entities (in their corporate and individual capacities), and RELEASEE'S heirs, executors, administrators, successors and assigns (the "Released Parties"), from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law, admiralty or equity, which against the Released Parties, the RELEASOR ever had, now has or hereafter can, shall or may have, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of the date of this RELEASE, including, without limitation, claims arising under federal, state and local laws, rules and ordinances; provided, however, that all liabilities arising under rights enjoyed by RELEASOR under said Franchise Agreement and any causes of action arising in his, her or its favor from the laws of the State of New Jersey without recourse to New Jersey (or any other) choice of law or conflicts of laws principle and any regulations issued by the State of New Jersey shall remain in force; it being the intent of this proviso that any non-waiver provision of the laws of the State of New Jersey shall be satisfied. Additionally, any liabilities arising under any other applicable state law that may not be released in this context shall not be released and shall be excluded from this release without otherwise affecting the validity of the Release.

Whenever the text hereof requires, the use of singular number shall include the appropriate plural number as the text of the within instrument may require.

This RELEASE may not be changed orally.

**IN WITNESS WHEREOF**, the RELEASOR (if an individual) *has executed this RELEASE*, and if a corporation) *has caused this RELEASE to be executed by a duly authorized officer and its corporate seal to be hereunto affixed on*

\_\_\_\_\_.

RELEASOR

By: \_\_\_\_\_

[SEAL]

**ACKNOWLEDGMENT FOR CORPORATE RELEASOR**

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

ss.:

On \_\_\_\_\_ before me \_\_\_\_\_  
personally came \_\_\_\_\_, to me known, who, by me duly sworn, did depose and  
day that deponent resides at \_\_\_\_\_, that deponent is the \_\_\_\_\_ of \_\_\_\_\_,

the corporation described in the foregoing RELEASE, and which executed said RELEASE, that deponent knows the  
seal of the corporation, that the seal affixed to the RELEASE is the corporate seal, that it was affixed by order of the  
board of directors of the corporation; and that deponent signed deponent's name by like order.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Notary Public

\_\_\_\_\_  
My Commission expires: \_\_\_\_\_ (NOTARY SEAL)



**ACKNOWLEDGMENT FOR LIMITED LIABILITY RELEASOR**

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

ss.:

On \_\_\_\_\_ before me \_\_\_\_\_  
personally came \_\_\_\_\_, to me known, who, by me duly sworn, did depose and  
day that deponent resides at \_\_\_\_\_, that deponent is the \_\_\_\_\_ of \_\_\_\_\_,

the limited liability company described in the foregoing RELEASE, and which executed said RELEASE, that this  
RELEASE was approved by the members of the limited liability company in accordance with their operating agreement,  
articles of organization or other governing documents; and that deponent signed deponent's name by like order.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Notary Public

\_\_\_\_\_  
My Commission expires: \_\_\_\_\_ (NOTARY SEAL)

**ACKNOWLEDGMENT FOR INDIVIDUAL RELEASOR**

STATE OF \_\_\_\_\_

ss.:

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, before me \_\_\_\_\_ (Name of Notary) the undersigned officer, personally appeared, to me personally known, and known to me to be the same person whose name is signed to the foregoing RELEASE, and acknowledged the execution thereof for the uses and purposes therein set forth.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Notary Public

\_\_\_\_\_

My Commission expires: \_\_\_\_\_  
(NOTARIAL SEAL)

## FRANCHISE AGREEMENT EXHIBIT 5

### AUTHORIZATION FOR DIRECT PAYMENT VIA ACH (ACH DEBITS)

We, \_\_\_\_\_ having an address at \_\_\_\_\_  
("Franchisee") hereby authorize Oliver's Nannies Franchise / Oliver's Nannies Franchising, Inc.  
(hereby referred to as "Franchisor") to electronically debit our account (and, if necessary, electronically  
credit our account to correct erroneous debits) as follows:

Select One:

- ☐ Checking Account  
☐ Savings Account

at the depository financial institution named below Account

Name: \_\_\_\_\_

Depository (Bank) Name: \_\_\_\_\_

Routing Number: \_\_\_\_\_

Account Number: \_\_\_\_\_

Amount of debit(s) or method of determining amount of debit(s) [or specify  
range of acceptable dollar amounts authorized]: **Approved Franchisor  
invoices that are due for payment.**

Date(s) and/or frequency of debit(s): **Bi-Weekly**

I (we) understand that this authorization will remain in full force and effect until I (we) notify  
Franchisor in writing, that I (we) wish to revoke this authorization. I (we) understand that Franchisor  
requires at least three (3) business days, prior notice, in order to cancel this authorization.

Franchisee: \_\_\_\_\_ Oliver's Nannies Franchising, Inc.

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**FRANCHISE AGREEMENT  
EXHIBIT 6A**

**LEASE RIDER**

THIS RIDER TO LEASE AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, 202\_, by and between \_\_\_\_\_, a \_\_\_\_\_ (“Tenant”), \_\_\_\_\_, a \_\_\_\_\_ (“Landlord”), and Oliver’s Nannies Franchising, Inc., a New Jersey corporation (“Franchisor”).

**RECITALS**

WHEREAS, Tenant entered into a Franchise Agreement with Franchisor, on or about \_\_\_\_\_ (the “Franchise Agreement”), wherein Tenant acquired a right and license to operate a restaurant under the intellectual property of Franchisor (the “Principal Trademarks”) in accordance with various characteristics, specifications and procedures (the System”), and the Franchise Agreement, within a specified territory; and

WHEREAS, by Lease Agreement dated \_\_\_\_\_ (the “Lease” or the “Lease Agreement”), Landlord leased certain commercial real estate, known as \_\_\_\_\_ (the “Demised Premises”); and

WHEREAS, Franchisor requires that the Lease, and any amendments thereto, made by Tenant in furtherance of the Franchise Agreement, must include certain terms and conditions so as to protect, inter alia, the Franchisor’s Principal Trademarks and System.

NOW, THEREFORE, in consideration of the matters described above, and of the mutual benefits and obligations set forth in the Lease Agreement, the parties hereto, intending to be legally bound hereby, agree as follows:

1. The Demised Premises shall be used exclusively for the operation of a restaurant under the trade name “Oliver’s Nannies”.

2. The Landlord consents to the use of the Principal Trademarks, signs, décor, color scheme and related components of the System as may be prescribed from time to time by the Franchisor. The terms “Principal Trademarks” and “System” shall have the meaning and be defined as set forth in the Franchise Agreement, and such defining language is incorporated herein by reference as if set forth at length.

3. The Landlord agrees to furnish Franchisor with copies of all notices required to be given to Tenant under the Lease and at such time that any such notices are made.

4. Franchisor shall have the right to enter the Demised Premises to make any modification(s) necessary to protect the Principal Trademarks of Franchisor and/or to cure any default under the Lease or under any agreement between Franchisor and Tenant, including, without limitation, the Franchise Agreement.

5. Tenant may not sublease or assign all or any part of Tenant’s rights under the Lease or extend the Term of, or renew, the Lease without the prior written consent of Franchisor, which consent will not be unreasonably withheld by Franchisor.

6. Landlord agrees to collaterally assign the Lease to Franchisor, as per the terms

and conditions of the attached Collateral Assignment and Assumption of Lease Agreement”, attached to this Rider as Exhibit “A”. If, prior to the expiration of the Lease: a) Tenant defaults under the Lease; b) the Franchise Agreement expires; or c) the Franchise Agreement is otherwise terminated, Franchisor shall have the option to assume Tenant’s occupancy rights under the Lease and the right to sublease for all or any part of the Term of the Lease without Landlord having any right to impose any condition(s) on such assignment or assumption, or to obtain any payment(s) from Tenant or Franchisor, including any payment for past due rent or additional rent, replenishment of the security deposit or any other payment due by Tenant under the Lease.

7. Tenant and Landlord agree not to amend or otherwise modify the Lease in any manner that would materially affect any of the aforementioned requirements (contained in paragraphs 1-6 above) without the prior written consent of Franchisor, which consent shall not be unreasonably withheld by Franchisor.

8. Landlord acknowledges and agree that any furniture, fixtures, equipment and/or personal property maintained by Tenant on or at the Demised Premises, whether leased or owned by Tenant, are not the property of Tenant and/or Landlord and will be subject to the security interest of Franchisor and a purchase option provided for in the Franchise Agreement in the event of Tenant’s default under the Lease or the Franchise Agreement and may be removed upon expiration or termination of the Lease so long as such removal is accomplished without damage to the Demised Premises.

9. Tenant agrees to indemnify, defend and hold Franchisor harmless from and against all claims, obligations and damages arising from the Lease entered into by Tenant with Landlord.

10. Capitalized terms appearing in this Rider to Lease Agreement not specifically defined herein shall have the meaning and be defined as set forth in the Lease, and such defining language is incorporated herein by reference as if set forth at length.

11. This Agreement and all provisions hereof shall be binding upon the Landlord, and their successors, assigns and legal representatives and all other persons or entities claiming under them or through them, or either of them, including without limitation any successor owners of the Demised Premises and any successor landlords at the Demised Premises, and the words "Landlord" when used herein shall include all such persons and entities. All individuals executing on behalf of corporate entities hereby represent and warrant that such execution has been duly authorized by all necessary corporate and shareholder authorizations and approvals.

12. This Rider to Lease Agreement may be executed via facsimile or portable document format (PDF), and in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same instrument.

13. This Rider to Lease Agreement shall be governed by and construed in accordance with, the laws of the State of \_\_\_\_\_ without regard to any conflicts of law provisions.

14. If there is any inconsistency between the provisions of this Rider to Lease Agreement and the Lease, the provisions of this Rider to Lease Agreement shall control and govern.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed this Rider to Lease Agreement as of the day and year first above written.

Tenant: \_\_\_\_\_

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

Landlord: \_\_\_\_\_

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

Oliver's Nannies Franchising, Inc.

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

**FRANCHISE AGREEMENT  
EXHIBIT 6B**

**COLLATERAL ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT**

This Collateral Assignment and Assumption of Lease Agreement ("Agreement"), is made as of this day of \_\_\_\_\_, \_\_\_\_ by and between Oliver's Nannies Franchising, Inc. ("Franchisor") having an address at 75 Main St., Suite 301, Milburn, New Jersey 07041; \_\_\_\_\_ having an address at \_\_\_\_\_ ("Franchisee"); and \_\_\_\_\_ having an address at \_\_\_\_\_ ("Landlord"),

**RECITALS:**

WHEREAS, Franchisor is principally engaged in the business of developing and selling franchises under the trademark Oliver's Nannies;

WHEREAS, Franchisee is an individual or enterprise that has entered into a Franchise Agreement with Franchisor dated \_\_\_\_\_ to operate a Oliver's Nannies franchise (the "Franchise Agreement");

WHEREAS, Franchisee has entered into a lease agreement ("Lease") for the premises located at \_\_\_\_\_ ("Premises") from which to operate its Oliver's Nannies; and

WHEREAS, Franchisee delivers this Agreement to the Franchisor as a condition of the Franchisor's consent to the Lease.

NOW, THEREFORE, for One Dollar (\$1.00) and other good and valuable consideration, receipt of which is hereby acknowledged the parties hereto agree as follows:

(a) The parties agree and acknowledge that the recitals listed above are true and correct and that the recitals shall be incorporated by reference into this Agreement.

(b) Franchisee conditionally assigns to Franchisor all of the Franchisee's rights, title and interest in and to the Lease: (i) as collateral for the Franchisee's performance of all of its obligations to the Landlord arising under the Lease; (ii) as collateral for the Franchisee's performance of all of its obligations to Franchisor under the Franchise Agreement; and (iii) to protect Franchisor in the event that the Franchise Agreement expires or is terminated either by Franchisor or Franchisee for any reason prior to the expiration of the Lease.

(c) Upon: (i) a default by Franchisee under the Lease, as defined in the Lease, beyond the expiration of any applicable cure period; (ii) a default by Franchisee under the Franchise Agreement beyond the expiration of any applicable cure period; or (iii) in the event the Franchise Agreement expires or is terminated by Franchisor or Franchisee for any reason, Franchisor shall have the right, but not the obligation to take this assignment

by giving written notice to Landlord as provided herein, and is hereby empowered to take possession of the Premises demised by the Lease and assume all of the rights, title and interest of Franchisee in the Lease, in which event Franchisor may expel Franchisee from the Premises and Franchisor shall have all other remedies described herein or in the Franchise Agreement, or at law or in equity, without prejudice to any other rights or remedies of Franchisor under any other agreement or under other applicable laws or equities. In such event, Franchisee shall have no further right, title or interest in the Lease or possession of the Premises, but shall remain liable for all unpaid rents and fees owed under the Lease to Landlord as of the date of the Franchisor's assumption of the Lease. Franchisor may exercise self-help to obtain possession and Landlord shall cooperate and provide whatever legal action is necessary (at no cost to Landlord) to obtain possession.

(d) In no event shall Franchisor be responsible for any past due or other defaulted amounts due to Landlord or any other third party incurred by Franchisee prior to Franchisor's assumption of the Lease. In the event that Franchisor pays any past due or other defaulted amounts to Landlord or any other third party on behalf of an obligation, debt or liability incurred by Franchisee prior to the Franchisor's assumption of the Lease, Franchisee agrees to reimburse Franchisor for Franchisor's payments within five (5) calendar days after receipt of Franchisor's written notice of the same.

(e) Franchisee agrees to execute any and all Uniform Commercial Code financing statements and all other documents and instruments deemed necessary by Franchisor to perfect or document the interests and assignments granted herein.

(f) Franchisee shall not permit Franchisor's security interest in the Lease to be subordinate to any lien, except for Landlord's rights, without first obtaining Franchisor's written consent.

(g) It is understood and agreed that the provisions set forth in this Agreement are deemed an additional remedy given to Franchisor and are not deemed to exclude any of the remedies granted in the Franchise Agreement or any other agreement between Franchisor and Franchisee and shall be cumulative with the remedies therein and elsewhere granted to Franchisor, all of which remedies are enforceable concurrently or successively. No exercise by Franchisor of any of the rights hereunder will cure, waive or affect any default under the Lease or default under the Franchise Agreement. No inaction or partial exercise of rights by Franchisor will be construed as a waiver of any of its rights and remedies and no waiver by Franchisor of any such rights and remedies shall be construed as a waiver by Franchisor of any future rights and remedies.

(h) This Agreement and all provisions hereof shall (i) be binding upon Franchisee, its successors, assigns and legal representatives and all other persons or entities claiming under them or through them, (ii) shall inure to the benefit of Franchisor and Franchisor's assigns or successors, and (iii) shall be binding upon Landlord and Landlord's successors and assigns. The term "Franchisee" when used herein shall include all such persons and entities and any others liable for payment of amounts under the Lease or the Franchise Agreement. All individuals executing on behalf of corporate entities hereby



represent and warrant that such execution has been duly authorized by all necessary corporate and shareholder authorizations and approvals.

(i) Franchisee agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Franchisor. Any attempt at termination, modification or amendment of any of the terms without such written consent is null and void.

(j) Franchisee agrees to indemnify and hold Franchisor and its stockholders, partners, members, directors, officers and representatives harmless from and against any and all losses, liabilities, claims, proceedings, demands, damages, judgments, injuries, attorneys' fees, costs and expenses, that they incur resulting from any claim brought against any of them or any action which any of them are named as a party or which any of them may suffer, sustain or incur by reason of, or arising out of, the Franchisee's breach of any of the terms of the Lease, including the failure to pay rent or any other terms and conditions of the Lease.

(k) Franchisee represents and warrants to Franchisor that it has full power and authority to so assign the Lease and its interest therein and that Franchisee has not previously assigned or transferred, and is not obligated to assign or transfer, any of its interest in the Lease or the Premises demised thereby.

(l) All notices and communications provided for hereunder shall be given in accordance with the notice provisions of the Franchise Agreement to which Franchisee and Franchisor are parties or the notice provisions of the Lease to which Franchisee and Landlord are parties. Landlord agrees to provide an additional notice to Franchisor of all notices sent to Franchisee within the time periods provided for in the Lease. Prior to Landlord exercising any rights contained in the Lease to terminate the Lease, such as by sending a notice of termination to Franchisee, Landlord shall provide fifteen (15) days' notice of such intent to Franchisor, within which time Franchisor may exercise its rights to take this Assignment by written notice to Landlord delivered within that 15 day period, which shall nullify any termination notice.

(m) If any provision of this Agreement (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed and this Agreement modified to the extent necessary to render it valid and enforceable.

(n) This Agreement shall be governed by the laws of the State of New Jersey without recourse to New Jersey (or any other) choice of law or conflict of law principles.

(o) The parties agree to institute any litigation arising out of or related to this Agreement; any breach of this Agreement; the relations between the parties, and any and all disputes between the parties, whether sounding in contract, tort, or otherwise, exclusively in a court of competent jurisdiction which is either a New Jersey state court in,

Essex County, New Jersey or the United States District Court for the District of New Jersey in Newark, New Jersey. The parties agree that any dispute as to the venue for any litigation the Franchisee institutes will be submitted to and resolved exclusively by either a New Jersey state court as described herein or the United States District Court for the District of New Jersey in Newark, New Jersey. The parties hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). All depositions in connection with any litigation between the parties shall be held in the jurisdiction and venue indicated above.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

Franchisee: \_\_\_\_\_

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

Landlord: \_\_\_\_\_

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

Oliver's Nannies Franchising, Inc.

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

**FRANCHISE AGREEMENT  
EXHIBIT 7**

**CONFIDENTIALITY, NON-USE AND NON-COMPETITION AGREEMENT**

This Confidentiality, Non-Use and Non-Competition Agreement ("Agreement"), dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Oliver's Nannies Franchising, Inc. ("Franchisor") having an address at 75 Main St., Suite 301, Milburn, New Jersey 07041 and \_\_\_\_\_ having an address at \_\_\_\_\_ ("Franchisee"); and Franchisee's owners \_\_\_\_\_ having an address at \_\_\_\_\_ ("Owners").

WITNESSETH:

WHEREAS, Franchisor is principally engaged in the business of developing and selling franchises operating under the name Oliver's Nannies. Franchises will operate a business providing babysitting and nanny services to families; and

WHEREAS, Franchisee is an individual or enterprise which has entered into a Franchise Agreement with Franchisor dated \_\_\_\_\_ ("Franchise Agreement") for the operation of an Oliver's Nannies franchised business;

WHEREAS, if Franchisee is an enterprise, Franchisee's Owners agree to be bound by the terms and conditions of this Agreement; and

WHEREAS, during the course of the relationship between Franchisor and Franchisee, certain information has been and/or will be provided to and received by Franchisee and its Owners relating to the Franchisor, including without limitation, certain knowledge, know-how, methods and procedures some of which constitute trade secrets under applicable law regarding the Franchisor, its parent and its affiliates and the development, management and operation of Oliver's Nannies franchised businesses which Franchisor, its parent and its affiliates consider proprietary (collectively "Confidential Information"), including without limitation:

- (a) The Confidential Operating Manual;
- (b) Operational specifications, standards, systems and procedures and knowledge and experience used in developing and operating the System;
- (c) Training and operations materials and manuals;
- (d) Methods, formats, specifications, standards, systems, procedures, sales and marketing techniques;
- (e) Business forms and accounting procedures;
- (f) Advertising Materials, Social Media Materials and use of Social Media Platforms;
- (g) Database material, customer lists (including but not limited to student lists

and any Consumer Data, as defined below), records, files, instructions and other proprietary information;

- (h) Identity of suppliers and knowledge of supplier discounts, specifications, processes, services, procedures and equipment, contract terms, pricing for authorized products, materials, supplies and equipment;
- (i) Computer software or similar technology which is proprietary to Franchisor or its affiliates, including without limitation digital passwords and identifications and any source code, as well as data, reports and other printed materials;
- (j) Knowledge of the operating results and financial performance of the System other than the Franchised Business; and
- (k) Graphic designs and related intellectual property.

NOW, THEREFORE, for One Dollar (\$1.00) and other good and valuable consideration, receipt of which is hereby acknowledged the parties hereto agree as follows:

1. Acknowledgments

(a) Franchisee and its Owners acknowledge that Franchisee and its Owners have been and/or will be given access to Confidential Information during the course of the relationship between Franchisee and Franchisor.

(b) Franchisee and its Owners acknowledge that: (i) Franchisor, its parent and its affiliates own all right, title and interest in and to the System; (ii) the System consists of trade secrets, Confidential Information and know-how that gives the Franchisor, its parent and its affiliates a competitive advantage; (iii) the Franchisor, its parent and its affiliates have taken all measures necessary to protect the trade secrets, Confidential Information and know-how comprising the System; (iv) all Confidential Information now or hereafter provided or disclosed to Franchisee and its Owners regarding the System is disclosed in confidence; (v) Franchisee and its Owners have no right to disclose any Confidential Information to anyone who is not an employee, agent or independent contractor of Franchisee; (vi) Franchisee and its Owners will not acquire any ownership interest in the System; and (vii) the use or duplication of the System or any part of the System by Franchisee or its Owners in any other business would constitute an unfair method of competition, for which Franchisor would be entitled to all legal and equitable remedies, including injunctive relief without posting a bond.

2. Non-Disclosure and Return of Confidential Information

(a) Franchisee and its Owners pledge and agree that for a period commencing on the date of this Agreement and continuing thereafter, in the absence of prior written consent by Franchisor, they: (i) will keep all Confidential Information in strict confidence; (ii) will not communicate or disclose Confidential Information to any unauthorized person or entity; (iii) will not use the Confidential Information for any purpose other than as directed by and needed for Franchisor's use; (iv) will not reproduce or use the Confidential Information; and (v) will have a system in place to ensure that all recipients who require

access to any of the Confidential Information, execute the Confidentiality, Non-Use and Non-Competition Agreement Form in the form attached to the Franchise Agreement as Exhibit 7.

(b) Confidential Information provided by Franchisor to Franchisee and its Owners in the course of the parties' relationship shall be returned to Franchisor immediately upon termination or expiration of the Franchise Agreement. Franchisee and its Owners shall not retain any book, record, report, design, plan, material, copy, note, abstract, compilation, summary, extract or other reproduction, whether in paper or electronic form, of the Confidential Information and shall not retain any copy, note or extract of such Confidential Information, except as the parties hereto may agree in writing.

### 3. Covenants

(a) Franchisee and its Owners acknowledge that Franchisor has granted it the franchise in consideration of and reliance upon the agreement by Franchisee and its Owners to, among other things, (i) to deal exclusively with Franchisor; (ii) to maintain the confidentiality of all of the Confidential Information; (iii) to ensure that all recipients with access to the Confidential Information execute the Confidentiality, Non-Use and Non-Competition Agreement in the Form attached to the Franchise Agreement as Exhibit 8; (iv) to refrain from using any Confidential Information in any manner not permitted by Franchisor in accordance with Section 2 above; and (v) to protect and preserve the goodwill of the Franchisor.

(b) Franchisee and its Owners further acknowledge and agree that (i) pursuant to the Franchise Agreement, they will have access from Franchisor, its parent and its affiliates to valuable trade secrets, specialized training and Confidential Information regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; (ii) the System and the opportunities, associations, and experience established by Franchisor and acquired by Franchisee and its Owners under the Franchise Agreement are of substantial and material value; (iii) in developing the System, Franchisor, its parent and its affiliates have made and continue to make substantial investments of time, technical and commercial research and money; (iv) Franchisor would be unable to adequately protect the System and its trade secrets and Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information about Oliver's Nannies franchisees if franchisees were permitted to hold interests in Competitive Businesses; and (v) restrictions on the right of Franchisee and its Owners to hold interests in or perform services for, Competitive Businesses will not unreasonably or unnecessarily hinder the activities of Franchisee or its Owners.

(c) Accordingly, Franchisee and its Owners covenant and agree that during the term of the Franchise Agreement and for an uninterrupted period of two (2) years after the later of: (i) the termination (regardless of the cause of termination) or expiration of the Franchise Agreement; (ii) a Transfer, as defined in the Franchise Agreement; and (iii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, Franchisee and each of its Owners shall

not directly or indirectly for itself or through on behalf of or in conjunction with any person, firm, partnership corporation or other entity in any manner whatsoever:

(i) Divert or attempt to divert any actual or potential business or customer of Oliver's Nannies to any competitor;

(ii) Take any action or engage in any activity injurious or prejudicial to the goodwill associated with the Principal Trademarks and the System;

(iii) Solicit, encourage or assist anyone else to solicit or encourage any independent contractor providing services to Franchisor to terminate or diminish their relationship with Franchisor; or

(iv) Own, maintain, develop, operate, engage in, franchise or license, make loans or gifts to or have any direct or indirect interest in or render services as a director, officer, manager, employee, consultant, representative, or agent or give advice to any Competitive Business (as defined below). Notwithstanding the foregoing, equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subsection.

(d) During the term of the Franchise Agreement, there is no geographical limitation on these restrictions, meaning that Franchisee and each of its Owners shall not engage in the conduct referred to in subsection 3(c) at any location. During the two year period following the later of: (i) the termination, regardless of cause, or expiration of the Franchise Agreement; (ii) a Transfer, as defined in the Franchise Agreement; or (iii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, these restrictions shall apply:

(1) at the location of the Franchised Business;

(2) within the Territory assigned to the Franchised Business and within twenty-five (25) miles of the outer boundaries of the Territory assigned to the Franchised Business;

(3) within twenty-five (25) miles of the location of any other Oliver's Nannies business, within the territory assigned to any other Oliver's Nannies business and within twenty-five (25) miles of the outer boundaries of the territory assigned to any other Oliver's Nannies business;

owned, in operation, under development or to be developed by Franchisor, its parent, its affiliates, franchisees of Franchisor and/or its affiliates as of (i) the date of this Agreement; (ii) as of the date of (a) termination (regardless of the cause for termination) or expiration of this Agreement or (b) a Transfer, as defined herein; or (iii) as of the date of any final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3.

(e) Franchisee and its Owners covenant not to engage in any activity which might injure the goodwill of the Principal Trademarks or the System at any time. This provision shall survive termination of this Agreement.

(f) Franchisee and its Owners expressly acknowledge that they possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, the enforcement of the covenants made in this Section 3 will not deprive Franchisee or its Owners of their personal goodwill or ability to earn a living.

(g) Franchisee and its Owners agree and acknowledge that each of the covenants contained herein are reasonable limitations as to time, geographical area and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the know-how, reputation, goodwill and other legitimate business interests of Franchisor, its parent and its affiliates. Franchisee and its Owners also agree and acknowledge that Franchisor's legitimate business interests include but are not limited to: (i) maintaining the confidential nature of the Confidential Information; (ii) preserving the ability of Franchisor, its parent and its affiliates to develop franchises at or near the Franchisee's former Franchised Business Site, within the Franchisee's Territory and within the territorial boundaries of the restrictive covenant described above in subsection 3(d); (iii) preventing potential customer confusion; (iv) protecting other franchisees from competition from Franchisee and its Owners; and (v) protecting the System as a whole including the franchisee network. If any provision of this Confidentiality, Non-Use and Non-Competition Agreement (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed and this Agreement modified to the extent necessary to render it valid and enforceable.

(h) Franchisor shall have the right to reduce the scope of any covenant contained in this Section 3 effective immediately upon receipt by Franchisee and its Owners of written notice and Franchisee and its Owners agree to comply forthwith with any covenants as so modified which will be enforceable notwithstanding the provisions of Section 6.

#### 4. Enforcement

Franchisee and its Owners acknowledge that violation of the covenants contained in this Agreement would result in immediate and irreparable injury to Franchisor, its parent and its affiliates for which no adequate remedy at law will be available. Accordingly, Franchisee and its Owners hereby consent to the entry of an injunction procured by Franchisor and/or its affiliates prohibiting any conduct by Franchisee and its Owners in violation of the terms, covenants and/or restrictions of this Agreement without the need of a bond. Franchisee and its Owners expressly agree that it may conclusively be presumed in any legal action that any violation of the terms of these terms, covenants and/or restrictions was accomplished by and through my unlawful utilization of the Confidential Information. Further, Franchisee and its Owners expressly agree that any claims Franchisee and its Owners may have against Franchisor, its parent and/or its affiliates will not constitute a defense to the enforcement of the terms, covenants and/or restrictions set forth in this Agreement by Franchisor and/or its affiliates. Franchisee and its Owners further agree to pay all costs and expenses (including attorneys' fees, experts' fees, court costs and all other expenses of litigation) incurred by Franchisor, its parent and/or its affiliates in connection with the enforcement of the terms, covenants and/or restrictions of this Agreement.

#### 5. Definitions

(a) The term "affiliates" (with respect to Franchisee) means any and all corporations, limited liability companies, partnerships, trusts or other entities controlling, controlled by or under common control with Franchisee, including but not limited to subsidiaries, parents and sibling entities.

(b) The term "control" shall mean the control or ownership of ten percent (10%) or more of the beneficial interest in the person or entity referred to.

(c) The term "Competitive Business" means: (a) any business providing babysitting and nanny services to families; or (b) any business granting franchises or licenses to others to operate such a business (other than a Franchised Business operated under a franchise agreement with Franchisor).

(d) The term "Owners" shall mean any individual or entity (including all spouses, partners, members or shareholders of such individual or entity) that has any direct or indirect ownership interest of over five percent (5%) in Franchisee, (or at such later time as they assume such status) whether or not such interest is of record, beneficially or otherwise. The term "Owners" shall also include individuals, partners, members and shareholders and (spouses of such individuals, partners, members and shareholders) with an ownership interest of over five percent (5%) in any partnership, corporation or limited liability company that holds a controlling interest in the Franchisee entity.

(e) Consumer Data shall mean all personally identifiable information, including but not limited to, names, addresses, email addresses, telephone numbers, corporate information, transaction data, demographic data, behavioral data, customer service data, correspondence, and other documents and information, obtained from consumers, suppliers or others in connection with any Service or Product.

(f) Any capitalized term that is not defined in this Agreement shall have the meaning given to it in the Franchise Agreement.

## 6. Miscellaneous

(a) Franchisor, its parent and/or its affiliates make no representations or warranties as to the accuracy or completeness of the Confidential Information provided to Franchisee and shall not be liable, directly or indirectly, to Franchisee, its Owners or any of Franchisee's affiliates as a result of any use of the Confidential Information by or on behalf of Franchisee, its Owners and/or its affiliates. Franchisee and its Owners specifically waive any and all claims for any loss or damage suffered by it due to their use of the Confidential Information and agree to indemnify and hold Franchisor, its parent and its affiliates harmless for any claims made against Franchisor, its parent and/or its affiliates based upon the provision by Franchisee or its Owners of the Confidential Information to third parties.

(b) This Confidentiality, Non-Use and Non-Competition Agreement shall be binding upon and shall inure to the benefit of Franchisee, its Owners, Franchisor and their respective subsidiaries, affiliates, successors and assigns.

(c) This Agreement contains the complete understanding of Franchisee and its Owners and Franchisor with respect to the Confidential Information and this Confidentiality, Non-Use and Non-Competition Agreement shall not be amended without the prior written consent of the parties.

(d) This Agreement may be executed in counterparts and each copy so executed and delivered shall be deemed an original.



7. Choice of Law and Venue

(a) This Agreement is to be exclusively construed in accordance with and/or governed by the laws of the State of New Jersey without recourse to New Jersey (or any other) choice of law or conflicts of law principles. If, however, any provision of this Agreement would not be enforceable under the laws of New Jersey, and if the Franchised Business is located outside of New Jersey and the provision would be enforceable under the laws of the state in which the Franchised Business is located, then that provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Agreement is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of law of the State of New Jersey or any other state, which would not otherwise apply.

(b) Franchisee and its Owners agree to institute any litigation arising out of or related to this Agreement or the Franchise Agreement; any breach of the Franchise Agreement; the relations between the parties; and any and all disputes between the parties, whether sounding in contract, tort, or otherwise, exclusively in a court of competent jurisdiction which is either a New Jersey state court in Essex County, New Jersey or the United States District Court for the District of New Jersey in Newark, New Jersey. The undersigned hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). The undersigned further agree that Franchisor may institute any litigation that it commences arising out of or related to this Agreement; any breach of this Agreement; the relations between the parties under this Agreement, in any court of competent jurisdiction, wherever situated, that Franchisor selects. The undersigned agree that any dispute as to the venue for the litigation Franchisor institutes will be submitted to and resolved exclusively by the court of competent jurisdiction in which Franchisor commenced the litigation. The undersigned hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). All depositions in connection with any litigation between the parties shall be held in the jurisdiction and venue where any such litigation is commenced.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

Franchisee: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Oliver's Nannies Franchising, Inc.

By: \_\_\_\_\_  
Its: \_\_\_\_\_

## FRANCHISE AGREEMENT EXHIBIT 8

### CONFIDENTIALITY, NON-USE AND NON-COMPETITION AGREEMENT FORM

This Confidentiality, Non-Use and Non-Competition Agreement ("Agreement"), dated this \_\_\_\_ day of \_\_\_\_\_, by and between \_\_\_\_\_ ("Franchisee") having an address at \_\_\_\_\_ and \_\_\_\_\_ having an address at \_\_\_\_\_ ("Recipient"),

#### WITNESSETH:

WHEREAS, Franchisee is principally engaged in the business of operating a business providing babysitting and nanny services under the name Oliver's Nannies (the Franchised Business") pursuant to a franchise agreement with Oliver's Nannies Franchising, Inc. ("Franchise Agreement");

WHEREAS, Recipient is an individual or enterprise who is about to be employed by Franchisee, has entered into some form of contractual relationship with Franchisee or is considering the same; and

WHEREAS, during the course of the relationship between Franchisee and Recipient, certain information, knowledge, know-how, methods and procedures some of which constitute trade secrets under applicable law has been and/or will be provided to and received by Recipient regarding the Franchisor, its parent and its affiliates and the development, management and operation of Oliver's Nannies franchised businesses, which Franchisor, its parent and its affiliates consider proprietary (collectively "Confidential Information"), including without limitation:

- (a) The Confidential Operating Manual;
- (b) Operational specifications, standards, systems and procedures and knowledge and experience used in developing and operating the System;
- (c) Training and operations materials and manuals;
- (d) Methods, formats, specifications, standards, systems, procedures, sales and marketing techniques;
- (e) Business forms and accounting procedures;
- (f) Advertising Materials, Social Media Materials and use of Social Media Platforms;
- (g) Database material, customer lists (including but not limited to student lists and any Consumer Data), records, files, instructions and other proprietary information;
- (h) Identity of suppliers and knowledge of supplier discounts, specifications, processes, services, procedures and equipment, contract terms, pricing for authorized products, materials, supplies and equipment;

(i) Computer software or similar technology which is proprietary to Franchisor or its affiliates, including without limitation digital passwords and identifications and any source code, as well as data, reports and other printed materials;

(j) Knowledge of the operating results and financial performance of the System other than the Franchised Business; and

(l) Graphic designs and related intellectual property.

NOW, THEREFORE, for One Dollar (\$1.00) and other good and valuable consideration, receipt of which is hereby acknowledged the parties hereto agree as follows:

1. Acknowledgment

(a) Recipient acknowledges that Recipient has been and/or will be given access to the Confidential Information during the course of the relationship between Franchisee and Recipient.

(b) Recipient acknowledges that (i) Franchisor, its parent and its affiliates own all right, title and interest in and to the System; (ii) the System consists of trade secrets, Confidential Information and know-how that gives the Franchisor, its parent and its affiliates a competitive advantage; (iii) the Franchisor, its parent and its affiliates have taken all measures necessary to protect the trade secrets, Confidential Information and know-how comprising the System; (iv) all Confidential Information now or hereafter provided or disclosed to Recipient regarding the System is disclosed in confidence; (v) Recipient has no right to disclose any Confidential Information to anyone who is not an employee, agent or independent contractor of Franchisee; (vi) Recipient will not acquire any ownership interest in the System; and (vii) Recipient's use or duplication of the System or any part of the System in any other business would constitute an unfair method of competition, for which Franchisor would be entitled to all legal and equitable remedies, including injunctive relief without posting a bond.

2. Non-Disclosure and Return of Confidential Information

(a) Recipient pledges and agrees that for a period commencing on the date of the Franchise Agreement and continuing thereafter, in the absence of prior written consent by Franchisee: (i) will keep all Confidential Information in strict confidence; (ii) will not communicate or disclose Confidential Information to any unauthorized person or entity; (iii) will not use the Confidential Information for any purpose other than as directed by and needed for Franchisee's use; (iv) will not reproduce the Confidential Information.

(b) Confidential Information provided by Franchisor, its affiliates and/or Franchisee to Recipient in the course of the parties' relationship shall be returned to Franchisee immediately upon termination or expiration of Recipient's relationship with Franchisee. Recipient shall not retain any book, record, report, design, plan, material, copy, note, abstract, compilation, summary, extract or other reproduction, whether in paper or electronic form, of the Confidential Information and shall not retain any copy, note or extract of such Confidential Information, except as the parties hereto may agree in writing.

### 3. Covenants

(a) Recipient acknowledges that Franchisee has entered into the relationship described above in consideration of and reliance upon, among other things, Recipient's agreement to: deal exclusively with Franchisee; maintain the confidentiality of all of the Confidential Information; refrain from using any Confidential Information in any manner not permitted by Franchisor, its affiliates and/or Franchisee in accordance with Section 2 above; and protect and preserve the goodwill of the Franchisor.

(b) Recipient further acknowledges and agrees that (i) pursuant to its relationship with Franchisee, it will have access from the Franchisor, its parent, its affiliates and/or Franchisee to valuable trade secrets, specialized training and Confidential Information regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; (ii) the System and the opportunities, associations, and experience established by Franchisor and acquired by Recipient pursuant to its relationship with Franchisee are of substantial and material value; (iii) in developing the System, Franchisor, its parent and its affiliates have made and continue to make substantial investments of time, technical and commercial research and money; (iv) Franchisor would be unable to adequately protect the System and its trade secrets and Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information about Oliver's Nannies franchises if recipients were permitted to hold interests in Competitive Businesses; and (v) restrictions on Recipient's right to hold interest in or perform services for, Competitive Businesses will not unreasonably or unnecessarily hinder Recipient's activities.

(c) Accordingly, Recipient covenants and agrees that during the term of the Recipient's relationship with Franchisee and for an uninterrupted period of two (2) years after the later of: (i) the termination (regardless of cause of termination) or expiration of Recipient's relationship with Franchisee (regardless of the cause for termination or expiration); or (ii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, Recipient shall not directly or indirectly for itself or through on behalf of or in conjunction with any person, firm, partnership corporation or other entity in any manner whatsoever:

(1) Divert or attempt to divert any actual or potential business or customer of Oliver's Nannies to any competitor;

(2) Take any action injurious or prejudicial to the goodwill associated with the Principal Trademarks and the System; or

(3) Own, maintain, develop, operate, engage in, franchise or license, make loans or gifts to or have any direct or indirect interest in or render services as a director, officer, manager, employee, consultant, representative, or agent or give advice to any Competitive Business (except that equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subsection).

(d) During the term of the Recipient's relationship with Franchisee, there is no

geographical limitation on these restrictions, meaning that Recipient shall not engage in the conduct referred to in subsection 3(c) at any location. During the two year period following the later of: (i) the termination (regardless of the cause for termination) or expiration of Recipient's relationship with Franchisee; or (ii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, these restrictions shall apply:

- (1) At the location of the Franchisee's Franchised Business;
- (2) Within the Territory assigned to the Franchisee's Franchised Business and within twenty-five (25) miles of the outer boundaries of the Territory assigned to the Franchisee's Franchised Business;
- (3) Within twenty-five (25) miles of the location of any other Oliver's Nannies business, within the territory assigned to any Oliver's Nannies business and within twenty-five (25) miles of the outer boundaries of the territory assigned to any Oliver's Nannies business;

owned, in operation, under development or to be developed (i) as of the date of this Agreement; (ii) as of the date of termination (regardless of the cause for termination) or expiration of Recipient's employment or contractual relationship with Franchisee; and (iii) as of the date of entry of any final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3.

(e) Recipient covenants not to engage in any activity which might injure the goodwill of the Principal Trademarks or the System at any time. This provision shall survive termination of the Recipient's relationship with Franchisee.

(f) Recipient acknowledges that his or her skills and abilities are of a general nature and Recipient has other opportunities for exploiting these skills. Consequently, the enforcement of the covenants made in this Section 3 will not deprive Recipient of his or her personal goodwill or ability to earn a living.

(g) Recipient agrees and acknowledges that each of the covenants contained herein are reasonable limitations as to time, geographical area and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the know-how, reputation, goodwill and other legitimate business interests of Franchisor, its affiliates and Franchisee. Recipient also agrees and acknowledges that the reputation, goodwill and foregoing are legitimate business interests of Franchisor, its affiliates and Franchisee and they require the protection of the covenants contained herein. The legitimate business interests of Franchisor, its affiliates and Franchisee also include but are not limited to: (i) maintaining the confidential nature of the Confidential Information; (ii) preserving the Franchisor's ability to develop franchises at or near the Franchised Business Site, within the Territory assigned to the Franchisee and within the territorial boundaries of the restrictive covenant described above in subsection 3(d); (iii) preventing potential customer confusion; (iv) protecting Franchisee and other franchisees from competition from Recipient; and (v) protecting the System as a whole including the franchisee network. If any provision of this Confidentiality, Non-Use and Non-Competition Agreement Form (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed and

this Agreement modified to the extent necessary to render it valid and enforceable.

(h) Franchisor, its affiliates and Franchisee shall have the right to reduce the scope of any covenant contained in this Section 3 effective immediately upon Recipient's receipt of written notice and Recipient agrees to comply forthwith with any covenants as so modified which will be enforceable notwithstanding the provisions of Section 6.

#### 4. Enforcement

Recipient acknowledges that violation of the covenants contained in this Agreement would result in immediate and irreparable injury to Franchisee, Franchisor, its parent and its affiliates for which no adequate remedy at law will be available. Accordingly, Recipient hereby consents to the entry of an injunction procured by Franchisee, Franchisor and/or its affiliates prohibiting any conduct by Recipient in violation of the terms, covenants and/or restrictions of this Agreement without the need of a bond. Recipient expressly agrees that it may conclusively be presumed in any legal action that any violation of the terms of these terms, covenants and/or restrictions was accomplished by and through my unlawful utilization of the Confidential Information. Further, Recipient expressly agrees that any claims Recipient may have against Franchisee, Franchisor and/or its affiliates will not constitute a defense to the enforcement of the terms, covenants and/or restrictions set forth in this Agreement by Franchisee, Franchisor and/or its affiliates. Recipient further agrees to pay all costs and expenses (including attorneys' fees, experts' fees, court costs and all other expenses of litigation) incurred by Franchisee, Franchisor and/or its affiliates in connection with the enforcement of the terms, covenants and/or restrictions of this Agreement.

#### 5. Definitions

(a) The term "affiliates" (with respect to Recipient) means any and all corporations, limited liability companies, partnerships, trusts or other entities controlling, controlled by or under common control with Recipient, including but not limited to subsidiaries, parents and sibling entities.

(b) The term "control" shall mean the control or ownership of ten percent (10%) or more of the beneficial interest in the person or entity referred to.

(c) The term "Competitive Business" means: (i) any business providing babysitting and nanny services to families; or (ii) any business granting franchises or licenses to others to operate such a business (other than a Franchised Business operated under a franchise agreement with Franchisor).

(d) The term "Owner" means any individual or entity (including all spouses, partners, members or shareholders of such individual or entity) that has any direct or indirect ownership interest of five percent (5%) or more in Recipient (or at such later time as they assume such status), whether or not such interest is of record, beneficially or otherwise. The term "Owners" shall also include individuals, partners, members and shareholders and (spouses of such individuals, partners, members and shareholders) with an ownership interest of five percent (5%) or more in any partnership, corporation or limited liability company that holds a controlling interest in the Recipient entity.

#### 6. Miscellaneous.

(a) Franchisee, Franchisor, its parent and its affiliates make no representations or warranties as to the accuracy or completeness of the Confidential Information provided to Recipient and shall not be liable, directly or indirectly, to Recipient or any of Recipient's

affiliates as a result of any use of the Confidential Information by or on behalf of Recipient and/or its affiliates. Recipient specifically waives any and all claims for any loss or damage suffered by it due to its use of the Confidential Information and agrees to indemnify and hold Franchisee, Franchisor, its parent and its affiliates harmless for any claims made against Franchisee, Franchisor and/or its affiliates based upon Recipient's provision of the Confidential Information to third parties.

(b) If all or any portion of the covenants not to compete set forth in this Agreement are held unreasonable, void, vague or illegal by any court or agency with competent jurisdiction over the parties and subject matter, the court, arbitrator or agency will be empowered to revise and/or construe the covenants to fall within permissible legal limits, and should not by necessity invalidate the entire covenants. Recipient acknowledges and agrees to be bound by any lesser covenant subsumed within the terms of this Agreement as if the resulting covenants were separately stated in and made a part of this Agreement.

(c) This Agreement shall be binding upon and shall inure to the benefit of Franchisee and Recipient and their respective subsidiaries, affiliates, successors and assigns.

(d) This Agreement contains the complete understanding of Recipient and Franchisee with respect to the Confidential Information and this Agreement shall not be amended without the prior written consent of the parties.

(e) Recipient acknowledges that Franchisor, its affiliates, successors and assigns, are third-party beneficiaries under this Agreement and may enforce this Agreement. Recipient further acknowledges that: (i) a copy of this Agreement is being delivered to Franchisor; (ii) Franchisor is relying on the parties' compliance with this Agreement; and (iii) this Agreement may not be amended, or terminated nor any rights or obligations of Recipient waived hereunder without the prior written consent of the Franchisor.

(f) This Agreement may be executed in counterparts and each copy so executed and delivered shall be deemed an original.

## 7. Choice of Law and Venue

(a) This Agreement is to be exclusively construed in accordance with and/or governed by the laws of the State of New Jersey without recourse to New Jersey (or any other) choice of law or conflicts of law principles. If, however, any provision of this Agreement would not be enforceable under the laws of New Jersey, and if the Franchised Business is located outside of New Jersey and the provision would be enforceable under the laws of the state in which the Franchised Business is located, then that provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Agreement is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of law of the State of New Jersey or any other state, which would not otherwise apply.

(b) Recipient and Franchisee agree to institute any litigation that the undersigned may commence arising out of or related to this Agreement; any breach of the



this Agreement; the relations between the parties; and any and all disputes between the parties, whether sounding in contract, tort, or otherwise, exclusively in a court of competent jurisdiction which is either a New Jersey state court in Essex County, New Jersey or the United States District Court for the District of New Jersey in Newark, New Jersey. The undersigned hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). The undersigned further agree that Franchisor may institute any litigation that it commences arising out of or related to this Agreement; any breach of this Agreement; the relations between the parties; and any and all disputes between the parties, whether sounding in contract, tort, or otherwise, in any court of competent jurisdiction, wherever situated, that Franchisor selects. The undersigned agree that any dispute as to the venue for the litigation Franchisor institutes will be submitted to and resolved exclusively by the court of competent jurisdiction in which Franchisor commenced the litigation. The undersigned hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). All depositions in connection with any litigation between the parties shall be held in the jurisdiction and venue where any such litigation is commenced.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

Recipient: \_\_\_\_\_

\_\_\_\_\_

Franchisee: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

## FRANCHISE AGREEMENT EXHIBIT 9

### ASSIGNMENT OF TELEPHONE AND INTERNET LISTINGS AND ADVERTISEMENTS

Pursuant to its obligations under a certain franchise agreement dated \_\_\_\_\_, \_\_\_\_\_, by and among Oliver's Nannies Franchising, Inc. as Franchisor and \_\_\_\_\_ as Franchisee (the "Franchise Agreement"), for good and valuable consideration the receipt and sufficiency is hereby acknowledged, does hereby assign, sell, transfer and convey to Oliver's Nannies Franchising, Inc. all of Franchisee's right, title and interest as of the date hereof in and to all telephone, facsimile and other numbers, telephone directory listings, email addresses, domain names, website addresses, URLs, Internet and website directory listings, web based platform and program accounts, including but not limited to Social Media Platform (as defined in the Franchise Agreement) accounts and other media in which the Franchised Business is listed or the Principal Trademarks displayed (collectively "Telephone and Internet Listings and Advertisements") in existence as of the date of the expiration or termination of the Franchise Agreement.

Without limitation, the Telephone and Internet Listings and Advertisements include the following:

Telephone, facsimile and other numbers: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Telephone directory listings: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Email addresses: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Domain names: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Website addresses: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

URLs: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Internet and website directory listings: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Web based platform and program accounts, including but not limited to Social MediaPlatform accounts: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Other Media referencing the Franchised Business: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Upon the expiration or termination of the Franchise Agreement, Franchisor shall have the right but not the obligation, and is hereby authorized to take possession of the Telephone and Internet Listings and Advertisements and assume all of the rights, title and interest of the Franchisee in the Telephone and Internet Listings and Advertisements.

Franchisee represents and warrants to Oliver's Nannies Franchising, Inc. that it is the lawful owner of the Telephone and Internet Listings and Advertisements, and that Franchisee has the right to assign the Telephone and Internet Listings and Advertisements free and clear of any interest therein.

Franchisee hereby appoints Oliver's Nannies Franchising, Inc. and/or its successors and assigns as attorney-in-fact for Franchisee to execute such documents as are necessary or desirable to affect the assignment of the Telephone and Internet Listings and Advertisements to Oliver's Nannies Franchising, Inc. Franchisee authorizes Oliver's Nannies Franchising, Inc. and/or its successors and assigns as attorney-in-fact to insert references to those Telephone and Internet Listings and Advertisements in existence as of the date of the expiration or termination of the Franchise Agreement where applicable above at such times as Franchisor may determine, including but not limited to upon the expiration or termination of the Franchise Agreement. Franchisee will, at any time and from time to time after the date hereof, upon the reasonable request of Oliver's Nannies Franchising, Inc., do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged or delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney or assurances as may be required for transferring, assigning, conveying and confirming to Oliver's Nannies Franchising, Inc., or for aiding,

and assisting in reducing to possession by Oliver's Nannies Franchising, Inc., any of the Telephone and Internet Listings and Advertisements or rights being assigned hereunder, or to vest in Oliver's Nannies Franchising, Inc. good, valid and marketable rights to such Telephone and Internet Listings and Advertisements.

This Assignment of Telephone and Internet Listings and Advertisements shall inure to the benefit of Oliver's Nannies Franchising, Inc. and shall be binding upon Franchisee and its successors and assigns.

IN WITNESS WHEREOF, Franchisee has caused this Assignment of Telephone and Internet Listings and Advertisements to be duly executed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

ASSIGNOR:

By: \_\_\_\_\_

Its  
Duly Authorized

STATE OF \_\_\_\_\_ )  
 ) ss.:  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, \_\_\_\_\_ before me  
\_\_\_\_\_ personally came \_\_\_\_\_, to me known, who, by

me duly sworn, did depose and say that deponent resides at \_\_\_\_\_, that deponent is the \_\_\_\_\_ of Franchisee, the corporation described in the foregoing Assignment of Telephone and Internet Listings and Advertisements, and which executed said Assignment of Telephone and Internet Listings and Advertisements, that deponent knows the seal of the corporation, that the seal affixed to the Assignment of Telephone and Internet Listings and Advertisements is the corporate seal, that it was affixed by order of the board of directors of the corporation; and that deponent signed deponent's name by like order.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public

My Commission expires:

## FRANCHISE AGREEMENT EXHIBIT 10

### GUARANTEE

In consideration of the execution by Franchisor of the Franchise Agreement (the "Agreement") dated the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, between Oliver's Nannies Franchising, Inc. ("Franchisor") and \_\_\_\_\_ ("Franchisee") and for other good and valuable consideration, each of the undersigned, for themselves, their heirs, successors and assigns, do jointly, individually and severally hereby absolutely and unconditionally guarantee the payment of all amounts and the performance of all covenants, terms, conditions, agreements and undertakings contained and set forth in said Agreement and in any other agreement(s) by and between Franchisee and Franchisor.

1. If more than one person has executed this guarantee ("Guarantee"), the term "the undersigned", as used herein, shall refer to each such person, and the liability of each of the undersigned hereunder shall be joint and several and primary as sureties.

2. The undersigned, individually and jointly, hereby agree to be personally bound by each and every covenant, term, condition, agreement and undertaking contained and set forth in said Agreement and any other agreement(s) by and between Franchisee and Franchisor, and agree that this Guarantee shall be construed as though the undersigned and each of them executed agreement(s) containing the identical terms and conditions of the Agreement and any other agreement(s) by and between Franchisee and Franchisor.

3. The undersigned hereby agree that without the consent of or notice to any of the undersigned and without affecting any of the obligations of the undersigned hereunder (a) any term, covenant or condition of the Agreement may be amended, compromised, released or otherwise altered by Franchisor and Franchisee, and the undersigned do guarantee and promise to perform all the obligations of Franchisee under the Agreement as so amended, compromised, released or altered; (b) any guarantor of or party to the Agreement may be released, substituted or added; (c) any right or remedy under the Agreement, this Guarantee or any other instrument or agreement between Franchisor and Franchisee may be exercised, not exercised, impaired, modified, limited, destroyed or suspended; and (d) Franchisor or any other person may deal in any manner with Franchisee, any of the undersigned, any party to the Agreement or any other person.

4. Should Franchisee be in breach or default under the Agreement or any other agreement(s) by and between Franchisee and Franchisor, Franchisor may proceed directly against any or each of the undersigned without first proceeding against Franchisee and without proceeding against or naming in such suit any other Franchisee, signatory to the Agreement or any others of the undersigned.

5. Notice to or demand upon Franchisee or any of the undersigned shall be deemed notice to or demand upon Franchisee and all of the undersigned, and no notice or demand need be made to or upon any or all of the undersigned. The cessation of or release

from liability of Franchisee or any of the undersigned shall not relieve any other guarantor from liability pursuant to this Guarantee, under the Agreement, or under any other agreement(s) between Franchisor and Franchisee, except to the extent that the breach or default has been remedied or moneys owed have been paid.

6. Any waiver, extension of time or other indulgence granted by Franchisor or its agents, successors or assigns, with respect to the Agreement or any other agreement(s) by and between Franchisee and Franchisor, shall in no way modify or amend this Guarantee, which shall be continuing, absolute, unconditional and irrevocable.

7. It is understood and agreed by the undersigned that the provisions, covenants and conditions of this Guarantee shall inure to the benefit of the Franchisor, its successors and assigns. This Guarantee may be assigned by Franchisor voluntarily or by operation of law without reducing or modifying the liability of the undersigned hereunder.

8. Governing Law, Arbitration, Jurisdiction and Venue

a. This Guarantee, all relations between the parties and any and all disputes between the parties, whether sounding in contract, tort or otherwise, are to be exclusively construed in accordance with and/or governed by (as applicable) the law of the State of New Jersey without recourse to New Jersey (or any other) choice of law or conflicts of law principles. If, however, any provision of this Guarantee would not be enforceable under the laws of New Jersey, and if any Franchised Business is located outside of New Jersey and the provision would be enforceable under the laws of that state, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Section 8 is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of law of the state of New Jersey or any other state, which would not otherwise apply.

b. All claims, controversies or disputes, except for those claims, controversies or disputes provided for in Section 23.4(h) of the Franchise Agreement, the party asserting the claim shall submit such claim, controversy or dispute exclusively to arbitration, to be held in Essex County, New Jersey, before and in accordance with the Commercial Rules of Arbitration of the AAA.

c. Any arbitration under this Section 8 shall be conducted by a single arbitrator mutually agreed to by the parties. If within thirty (30) days after a demand for arbitration is made, the parties are unable to agree on a single arbitrator, an arbitrator shall be selected in the following manner: Franchisor and Guarantor shall obtain an identical list of arbitrators from the American Arbitration Association, containing an odd number of arbitrators, and shall take alternating turns striking the name of an arbitrator off the list until one name remains. Guarantor shall strike the first name off the list.

d. In no event shall the arbitrator be entitled to award punitive, incidental, special or consequential damages against the Franchisor.

e. Any award rendered in connection with an arbitration pursuant to

this Section 84 shall be final and binding. The parties may initiate litigation in any court of competent jurisdiction to confirm, enter and enforce such arbitration award.

f. Franchisor and Guarantor agree that arbitration will be conducted only on an individual, not a class-wide, basis, and that an arbitration proceeding between Franchisor (including its subsidiaries, affiliates, shareholders, officers, directors, managers, representatives and employees) and Guarantor (and the Franchisee) may not be consolidated with any other arbitration proceeding between them and any other person or legal entity. No findings, conclusions, orders or awards emanating from any arbitration proceeding conducted hereunder may be introduced, referred to or used in any subsequent or other proceeding as a precedent, to collaterally estop any party from advancing any claim or defense or from raising any like or similar issues, or for any other purpose whatsoever. The parties agree that the principles of collateral estoppel shall not apply in any arbitration proceeding conducted under this Section.

g. Notwithstanding anything to the contrary above, Franchisor may institute litigation (without first proceeding with arbitration) exclusively in a court of competent jurisdiction: (1) to protect the Principal Trademarks, any intellectual property and Confidential Information; (2) to determine the validity of termination of this Agreement and/or any other related agreement; (3) to enforce the termination of this Agreement and/or any other related agreement; (4) to enforce the Confidentiality, Non-Use and Non-Competition Agreement and any other agreement executed by franchisee; (5) to confirm, enter and enforce an arbitrator's award; (6) for monies owed; and (7) to enjoin or restrain Franchisee from otherwise causing immediate and irreparable harm to Franchisor, its parent and/or its affiliates.

h. The provisions of this Section are intended to benefit and bind certain third party non-signatories (including without limitation the undersigned's owners and guarantors) and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Guarantee.

9. Should any one or more provisions of this Guarantee be determined to be illegal or unenforceable, all other provisions shall nevertheless be effective.



IN WITNESS WHEREOF, each of the undersigned has executed this Guaranteeeffective as of the date of the Agreement.

Attest:

By: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Address

Attest:

By: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Address

**FRANCHISE AGREEMENTEXHIBIT 11**

**STATE AMENDMENTS TO FRANCHISE AGREEMENT**

**AMENDMENT TO OLIVER'S NANNIES FRANCHISING, INC.  
FRANCHISE AGREEMENT  
FOR THE STATE OF CALIFORNIA**

The Franchise Agreement between \_\_\_\_\_ ("Franchisee") and Oliver's Nannies Franchising, Inc. ("Franchisor") dated \_\_\_\_\_, 20\_\_\_\_ (the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

**CALIFORNIA LAW MODIFICATIONS**

1. The California Department of Financial Protection and Innovation requires that certain provisions contained in the franchise documents for franchises offered or sold to either a resident of the State of California or non-resident who will be operating a franchise in the State of California be amended to be consistent with California law, including the California Franchise Investment Law §§ 31000 through 31516, and the California Franchise Relations Act, California Business and Professions Code §§ 20000 through 20043 (collectively the "Acts"). To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended and superseded:

a. The Acts provide rights to Franchisee concerning non-renewal and termination of the Agreement. The Federal Bankruptcy Code (11 U.S.C. §101 et seq.) also provides rights to Franchisee concerning termination of the Agreement upon certain bankruptcy-related events. To the extent the Agreement contains a provision that is inconsistent with these laws, these laws will control.

b. If the Franchisee is required in the Agreement to execute a release of claims, such release shall exclude claims arising under the Acts. California Corporations Code 31512 voids a waiver of Franchisee's rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of Franchisee's rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

c. If the Agreement requires payment of liquidated damages that is inconsistent with California Civil Code Section 1671, the liquidated damage clause may be unenforceable.

d. If the Agreement contains a covenant not to compete which extend beyond the expiration or termination of the Agreement, the covenant may be unenforceable under California law.

e. If the Agreement requires litigation, arbitration, or mediation to be conducted in a forum other than the State of California, the requirement may be unenforceable under California law.

f. If the Agreement requires that it be governed by a state's law, other than the State of California, such requirement may be unenforceable.

2. NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on \_\_\_\_\_, 20\_.

FRANCHISEE: \_\_\_\_\_

BY: \_\_\_\_\_  
NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_

Oliver's Nannies Franchising, Inc.

BY: \_\_\_\_\_  
NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_

**AMENDMENT TO OLIVER’S NANNIES FRANCHISING, INC.  
FRANCHISE AGREEMENT  
FOR THE STATE OF HAWAII**

The Franchise Agreement between \_\_\_\_\_ (“Franchisee”) and Oliver’s Nannies Franchising, Inc. (“Franchisor”) dated \_\_\_\_\_, 20\_\_\_\_ (the “Agreement”), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

**HAWAII LAW MODIFICATIONS**

The Agreement is amended to include the following:

1. NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on \_\_\_\_\_, 20\_\_.

FRANCHISEE: \_\_\_\_\_

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

Oliver’s Nannies Franchising, Inc.

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

**AMENDMENT TO OLIVER'S NANNIES FRANCHISING, INC.  
FRANCHISE AGREEMENT  
FOR THE STATE OF ILLINOIS**

The Franchise Agreement between \_\_\_\_\_ ("Franchisee") and Oliver's Nannies Franchising, Inc. ("Franchisor") dated \_\_\_\_\_, 20\_\_\_\_ (the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

**ILLINOIS LAW MODIFICATIONS**

1. Notwithstanding anything to the contrary within the Agreement, Illinois law governs the Agreement.
2. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in the Agreement that designates jurisdiction and venue in a form outside of the State of Illinois is void. However, the Agreement may provide for arbitration to take place outside of Illinois.
3. Franchisee's rights upon termination and non-renewal of the Agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.
4. In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring a franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.
5. NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on \_\_\_\_\_, 20\_\_.

FRANCHISEE: \_\_\_\_\_

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

Oliver's Nannies Franchising, Inc.

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

**AMENDMENT TO OLIVER’S NANNIES FRANCHISING, INC.  
FRANCHISE AGREEMENT  
FOR THE STATE OF INDIANA**

The Franchise Agreement between \_\_\_\_\_ (“Franchisee”) and Oliver’s Nannies Franchising, Inc. (“Franchisor”) dated \_\_\_\_\_, 20\_\_\_\_ (the “Agreement”), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

INDIANA LAW MODIFICATIONS

1. The Indiana Securities Commissioner requires that certain provisions contained in the franchise documents offered or sold to either a resident of the State of Indiana or a non-resident who will be operating a franchise in the State of Indiana be amended to be consistent with Indiana law, including the Indiana Deceptive Franchise Practices Law, Indiana Code §§ 23-2-2.7-1 through 23-2-2.7-10, and the Indiana Franchise Disclosure Law, Indiana Code §§ 23-2-2.5-1 through 23-2-2.5-51 (collectively the “Act”). To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended and superseded.

a. The Indiana Deceptive Franchise Practices Act provides rights to Franchisee concerning non-renewal and termination of this Agreement. To the extent the Agreement contains a provision that is inconsistent with the Act, the Act will control.

b. If the Franchisee is required in the Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate this Act, or a rule or order under the Act, such release shall exclude claims arising under the Indiana Deceptive Franchise Practices Act and the Indiana Franchises Act, and such acknowledgments shall be void with respect to claims under the Acts.

c. If this Agreement contains covenants not to compete upon expiration or termination of the Agreement that are inconsistent with the Indiana Deceptive Franchise Practices Act, the requirements of the Act will control.

d. The Indiana Deceptive Franchise Practices Act provides that substantial modification of the Agreement by Franchisor requires written consent of the Franchisee. If the Agreement contains provisions that are inconsistent with this requirement, the Act will control.

e. If the Agreement requires litigation to be conducted in a forum other than the State of Indiana, the requirement may be unenforceable as a limitation on litigation under the Indiana Deceptive Franchise Practices Act.



f. If the Agreement requires that it be governed by a state's law, other than the State of Indiana, to the extent that such law conflicts with the Indiana Deceptive Franchise Practices Act and the Indiana Franchises Act, the Act will control.

2. Each provision of the Amendment shall be effective only to the extent that the jurisdictional requirements of the Indiana Deceptive Franchise Practices Act and the Indiana Franchises Act, relating to each such provision, are met independent of this Agreement. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

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.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on\_\_\_\_\_, 20\_.

FRANCHISEE: \_\_\_\_\_

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

Oliver's Nannies Franchising, Inc.

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

**AMENDMENT TO OLIVER'S NANNIES FRANCHISING, INC.  
FRANCHISE AGREEMENT  
FOR THE STATE OF MARYLAND**

The Franchise Agreement between \_\_\_\_\_ ("Franchisee") and Oliver's Nannies Franchising, Inc. ("Franchisor") dated \_\_\_\_\_, 20\_\_\_\_ (the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

**MARYLAND LAW MODIFICATIONS**

1. The Maryland Securities Division requires that certain provisions contained in the franchise documents offered or sold to either a resident of the State of Maryland or a non-resident who will be operating a franchise in the State of Maryland be amended to be consistent with Maryland law, including the Maryland Franchise Registration and Disclosure Law. To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended and superseded.

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

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

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

3. The Franchise Agreement requires prospective franchisees to disclaim the occurrence and/or acknowledgment the non-occurrence of acts that would constitute a violation of Section 14-226 of the Maryland Franchise Registration and Disclosure Law and therefore the Franchise Agreement is hereby amended and superseded to state that such representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

4. The Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its rights to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light

of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on \_\_\_\_\_, 20\_\_.

FRANCHISEE: \_\_\_\_\_

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

Oliver's Nannies Franchising, Inc.

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

**AMENDMENT TO OLIVER'S NANNIES FRANCHISING, INC.  
FRANCHISE AGREEMENT  
FOR THE STATE OF MINNESOTA**

The Franchise Agreement between \_\_\_\_\_ ("Franchisee") and Oliver's Nannies Franchising, Inc. ("Franchisor") dated \_\_\_\_\_, 20\_\_\_\_ (the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

MINNESOTA LAW MODIFICATIONS

The franchise agreement is amended to include the following:

1. Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibits the Franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in the offering circular or agreement can abrogate or reduce any of the Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or the Franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

2. With respect to franchises governed by Minnesota law, the Franchisor will comply with Minn. Stat. Sec. 80C. 14, Subs. 3, 4 and 5 which require, except in certain specified cases, that a franchisee be given ninety (90) days' notice of termination (with sixty (60) days to cure) and one hundred eighty (180) days' notice for non-renewal of the Franchise Agreement.

3. The agreements contain a liquidated damages clause. Under Minn. Rule 2860.4400J liquidated damage clauses are prohibited.

4. The Franchisor will protect the Franchisee's right to use the Principal Trademarks and/or indemnify Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Principal Trademarks.

5. Minn. Rule 2860.4400D prohibits the Franchisor from requiring the Franchisee to assent to a general release. Any release the Franchisee signs as a condition of renewal or transfer will not apply to any claims you may have under the Minnesota Franchise Law.

6. For Minnesota franchisees, to the extent the Franchise Agreement requires it to be governed by a state's law other than the State of Minnesota or provides for arbitration or mediation, these provisions shall not in any way abrogate or reduce any rights of the franchisee as provided for in the Minnesota Franchise Act, including the right to submit matters to the jurisdiction of the courts of Minnesota.

7. Section 80C17, Subd. 5. of the Minnesota Franchise Act states that no civil action may be commenced for violation of the Minnesota Franchise Act more than three years after the cause of action accrues. Section 18.3 of the Franchise Agreement contains certain time limits on commencing actions. For Minnesota franchisees, to the extent that these limitations are inconsistent with those under the Minnesota Franchise Act, the provisions of the franchise Agreement are superseded by the Minnesota Franchise Act's requirements and shall have no force or effect.

8. Notwithstanding anything to the contrary in the Franchise Agreement, Minn. Rule 2860.4400J prohibits the Franchisee's consent to the Franchisor obtaining injunctive relief. Rather, where injunctive relief is provided for in the Franchise Agreement, the Franchisee acknowledges that the Franchisor may seek injunctive relief. Further, in connection with injunctive relief, Franchisee and Franchisor acknowledge that a court will determine whether a bond is required.

9. NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on \_\_\_\_\_, 20\_\_.

FRANCHISEE: \_\_\_\_\_

BY: \_\_\_\_\_  
NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_

Oliver's Nannies Franchising, Inc.

BY: \_\_\_\_\_  
NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_

**AMENDMENT TO OLIVER'S NANNIES FRANCHISING, INC.  
FRANCHISE AGREEMENT  
FOR THE STATE OF NORTH DAKOTA**

The Franchise Agreement between \_\_\_\_\_ ("Franchisee") and Oliver's Nannies Franchising, Inc. ("Franchisor") dated \_\_\_\_\_, 20\_\_\_\_ (the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

**NORTH DAKOTA LAW MODIFICATIONS**

The Agreement is amended to include the following:

1. **RELEASES.** The following is added to the end of Sections 3.2, and 10.3 of the Agreement:

Any release required as a condition of renewal, sale and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

2. **COVENANT NOT TO COMPETE.** The following is added as a new Section 9.8 of the Agreement:

**9.8. *North Dakota Franchise Law***

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we will enforce the covenants to the maximum extent the law allows.

3. **LIQUIDATED DAMAGES.** Nothing in the Agreement shall require Franchisee to consent to the payment of liquidated damages. Accordingly, Section 14.1 of the Agreement is deleted in its entirety. Further, any reference to the payment of liquidated damages by Franchisee in the Franchise Disclosure Document, or any agreement attached to the Agreement, is deleted in its entirety.

4. **COSTS OF ENFORCEMENT.** Section 23.1 of the Agreement is hereby deleted and the following is added as new Section 23.1:

**23.1** The prevailing party in any enforcement action will be entitled to recover all costs and expenses including attorneys' fees, experts' fees, court costs and all other expenses of litigation.

1. **GOVERNING LAW.** The following statement is added to the end of Section 23.3 of the Agreement:

Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, North Dakota law shall apply.

2. **CONSENT TO JURISDICTION.** The following language is added to the end of Section 23.4 of the Agreement:

Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, you may bring an action in North Dakota for claims arising under the North Dakota Franchise Investment Law.

3. **ARBITRATION.** The following is added at the end of Section 23.4 of the Agreement:

Notwithstanding anything to the contrary herein, the arbitration proceedings shall be conducted in the city

where we then have our principal place of business in accordance with the then-current commercial arbitration rules of the AAA, except the parties shall be entitled to limited discovery at the discretion of the arbitrator(s) who may, but are not required to, allow depositions; however, to the extent otherwise required by the North Dakota Franchise Investment Law (unless such a requirement is preempted by the Federal Arbitration Act), arbitration proceedings shall be held at a mutually agreeable site in North Dakota.

4. **LIMITATIONS ON LEGAL CLAIMS.** Notwithstanding anything to the contrary in the Agreement, including but not limited to Section 23.5 thereof, nothing in the Agreement shall require a waiver by Franchisee to exemplary or punitive claims. Accordingly, Section 23.5 is deleted in its entirety. Further, any reference to a waiver of exemplary or punitive damages by Franchisee in the Franchise Disclosure Document or any agreement attached to the Agreement is deleted in its entirety.
5. **NO WAIVER OF TRIAL BY JURY.** Notwithstanding anything to the contrary in the Agreement, including but not limited to Section 23.6 thereof, nothing in the Agreement shall require a waiver by Franchisee to a trial by jury. Accordingly, Section 23.6 is deleted in its entirety. Further, any reference to a waiver of a trial by jury in the Franchise Disclosure Document or any agreement attached to the Agreement is deleted in its entirety.
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.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on \_\_\_\_\_, 20\_\_\_\_.

FRANCHISEE: \_\_\_\_\_

BY: \_\_\_\_\_  
NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_

Oliver's Nannies Franchising, Inc.

BY: \_\_\_\_\_  
NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_

**AMENDMENT TO OLIVER’S NANNIES FRANCHISING, INC.  
FRANCHISE AGREEMENT  
FOR THE STATE OF RHODE ISLAND**

The Franchise Agreement between \_\_\_\_\_ (“Franchisee”) and Oliver’s Nannies Franchising, Inc. (“Franchisor”) dated \_\_\_\_\_, 20\_\_\_\_ (the “Agreement”), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

**RHODE ISLAND LAW MODIFICATIONS**

The Agreement is amended to include the following:

1. **GOVERNING LAW/CONSENT TO JURISDICTION**. The following statement is added to the end of Article XXIII of the Agreement:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.” To the extent required by applicable law, Rhode Island law will apply to claims arising under the Rhode Island Franchise Investment Act.

2. NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on \_\_\_\_\_, 20\_\_.

FRANCHISEE: \_\_\_\_\_

Oliver’s Nannies Franchising, Inc.

BY: \_\_\_\_\_

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_



**AMENDMENT TO OLIVER’S NANNIES FRANCHISING, INC.  
FRANCHISE AGREEMENT  
FOR THE STATE OF SOUTH DAKOTA**

The Franchise Agreement between \_\_\_\_\_ (“Franchisee”) and Oliver’s Nannies Franchising, Inc. (“Franchisor”) dated \_\_\_\_\_, 20\_\_\_\_ (the “Agreement”), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

**SOUTH DAKOTA LAW MODIFICATIONS**

The Agreement is amended to include the following:

NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on \_\_\_\_\_, 20\_\_.

FRANCHISEE: \_\_\_\_\_

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

Oliver’s Nannies Franchising, Inc.

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

**AMENDMENT TO OLIVER’S NANNIES FRANCHISING, INC.  
FRANCHISE AGREEMENT  
FOR THE STATE OF VIRGINIA**

The Franchise Agreement between \_\_\_\_\_ (“Franchisee”) and Oliver’s Nannies Franchising, Inc. (“Franchisor”) dated \_\_\_\_\_, 20\_\_\_\_ (the “Agreement”), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

**VIRGINIA LAW MODIFICATIONS**

The Agreement is amended to include the following:

NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on \_\_\_\_\_, 20\_.

FRANCHISEE: \_\_\_\_\_

BY: \_\_\_\_\_  
NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_

Oliver’s Nannies Franchising, Inc.

BY: \_\_\_\_\_  
NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_

**AMENDMENT TO OLIVER'S NANNIES FRANCHISING, INC.  
FRANCHISE AGREEMENT  
FOR THE STATE OF WASHINGTON**

The Franchise Agreement between \_\_\_\_\_ ("Franchisee") and Oliver's Nannies Franchising, Inc. ("Franchisor") dated \_\_\_\_\_, 20\_\_\_\_ (the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

WASHINGTON LAW MODIFICATIONS

The Agreement is amended to include the following:

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

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

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

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

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

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

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

8. 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.

Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Washington Law, applicable to the provision, are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

Notwithstanding anything to the contrary in Paragraph 14.7 of the Agreement, in the event Franchisor exercises its option under Paragraph 14.7, Franchisor shall pay a lump sum for any asset it purchases from Franchisee in connection with the exercise of such option.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on \_\_\_\_\_, 20\_\_\_\_.

FRANCHISEE: \_\_\_\_\_

BY: \_\_\_\_\_  
NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_

Oliver's Nannies Franchising, Inc.

BY: \_\_\_\_\_  
NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_

## **EXHIBIT D**

### **CONFIDENTIAL OPERATING MANUAL TABLE OF CONTENTS**

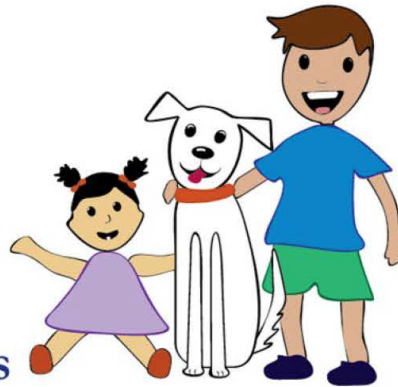


Exhibit I. TABLES OF CONTENTS OF OPERATING MANUAL

TO THE OLIVER'S NANNIES FRANCHISE DISCLOSURE DOCUMENT

# Oliver's Nannies

Child Care & Nanny Services



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**EXHIBIT E**  
**OLIVER'S NANNIES FRANCHISING, INC.**

**LIST OF FRANCHISEES**

**AS OF DECEMBER 31, 2023**

Several franchisees own more than one unit and are listed only once unless the franchisee owns units under different names or contact information in which case the franchisee's name will appear more than one time.

**Idaho:**

Bom Niki Hilton  
3597 E. Monarch Sky Lane, Ste 240  
Meridian, Idaho 83646  
(714) 287-8168

**New York:**

Vera Jeanne Navaritlova  
73 Market Street, Suite 376  
Yonkers, New York 10710  
(914) 222-4640

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

**FRANCHISEES THAT HAVE LEFT THE SYSTEM DURING THE LAST FISCAL YEAR**

NONE

**EXHIBIT F**  
**OLIVER'S NANNIES FRANCHISING, INC.**  
**FINANCIAL STATEMENTS**

MUHAMMAD ZUBAIRY, CPA PC

265 POST AVENUE, SUITE 170, WESTBURY, NY 11590

Certified Public Accountant

646.327.7013

CONSENT

Muhammad Zubairy, CPA consents to the use in the Franchise Disclosure Document issued by Oliver's Nannies Franchising, LLC ("Franchisor") on April 16, 2024, as it may be amended, of our report dated March 4, 2024, relating to the financial statements of Franchisor for the period ending December 31, 2023.

A handwritten signature in dark ink, appearing to read 'Muhammad', with a horizontal line underneath.

Muhammad Zubairy, CPA PC

Westbury, NY

April 17, 2024

**OLIVER'S NANNIES FRANCHISING, INC.**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**OLIVER'S NANNIES FRANCHISING, INC.**  
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**MUHAMMAD ZUBAIRY, CPA PC**

Certified Public Accountant

646.327.7013

**INDEPENDENT AUDITOR'S REPORT**

**To the Shareholders of  
Oliver's Nannies Franchising, Inc.**

**Opinion**

We have audited the financial statements of Oliver's Nannies Franchising, Inc., which comprises the balance sheets as of December 31, 2023, and the related statement of operations, and changes in shareholders' equity, and cash flows for the period then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Oliver's Nannies Franchising, Inc. as of December 31, 2023, and the results of its operations and its cash flows for the for the period 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Oliver's Nannies Franchising, Inc., 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.

**Other Matter**

The financial statements for the year ending December 31, 2022, were audited by other auditors whose report dated January 31, 2023, included an unmodified opinion of those statements.

**Responsibilities of Management for the Financial Statements**

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

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



### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

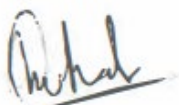
Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Oliver's Nannies Franchising, Inc.'s internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Oliver's Nannies Franchising, Inc.'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.



Muhammad Zubairy, CPA PC  
Westbury, NY  
March 4, 2024

**OLIVER'S NANNIES FRANCHISING, INC.**  
**BALANCE SHEET**

	<u>ASSETS</u>	
	<u>YEARS ENDED DECEMBER 31</u>	
	<u>2023</u>	<u>2022</u>
<b>Current assets</b>		
Cash	\$ 125,388	\$ 250,477
Contract Assets	3,200	—
<b>Total Current Assets</b>	<b>128,588</b>	<b>250,477</b>
 <b>Contract Assets, net of current</b>	 <b>27,733</b>	 <b>—</b>
 <b>Total Assets</b>	 <b>\$ 156,321</b>	 <b>\$ 250,477</b>
 <u>LIABILITIES AND STOCKHOLDERS' (DEFICIT)</u>		
<b>Current Liabilities</b>		
Contract Liabilities	\$ 3,900	\$ —
<b>Total Current Liabilities</b>	<b>3,900</b>	<b>—</b>
 <b>Contract Liabilities, net of current</b>	 <b>33,800</b>	 <b>—</b>
 <b>Stockholders' equity (Deficit)</b>	 <b>118,621</b>	 <b>250,477</b>
 <b>Total Liabilities and Stockholders' equity (Deficit)</b>	 <b>\$ 156,321</b>	 <b>\$ 250,477</b>

See notes to financial statements

**OLIVER'S NANNIES FRANCHISING, INC.**  
**STATEMENTS OF OPERATIONS AND STOCKHOLDERS' EQUITY (DEFICIT)**  
**FOR THE PERIOD OF JUNE 03, 2022 THROUGH DECEMBER 31, 2022**

	<b>YEARS ENDED DECEMBER 31</b>	
	<b>2023</b>	<b>2022</b>
<b>Revenues</b>		
Franchise fee	\$ 1,300	\$ —
Tech fee Income	1,200	—
Other income	2,467	282
Total Revenue	<u>4,967</u>	<u>282</u>
 <b>Operating Expenses</b>	 <u>136,823</u>	 <u>49,805</u>
 <b>Net (Loss)</b>	 (131,856)	 (49,523)
 <b>Stockholders' (Deficit) - Beginning</b>	 250,477	 —
 <b>Stockholders' contributions (distributions)</b>	 -	 300,000
 <b>Stockholders' (Deficit) - Ending</b>	 <u>\$ 118,621</u>	 <u>\$ 250,477</u>

See notes to financial statements

**OLIVER'S NANNIES FRANCHISING, INC.**  
**STATEMENTS OF CASH FLOWS**

	<b>YEARS ENDED DECEMBER 31</b>	
	<b>2023</b>	<b>2022</b>
<b>Cash Flows from Operating Activities</b>		
Net (Loss)	\$ (131,856)	\$ (49,523)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Changes in operating assets and liabilities;		
Contract Assets	(30,933)	—
Contract Liabilities	37,700	—
	<u>(125,089)</u>	<u>(49,523)</u>
<b>Cash Flow from Financing Activities</b>		
Stockholders' contributions (distributions)	—	300,000
<b>Net (Decrease) in Cash</b>	<b>(125,089)</b>	<b>250,477</b>
<b>Cash - Beginning of Year</b>	<b>250,477</b>	<b>—</b>
<b>Cash - End of Year</b>	<b><u>\$ 125,388</u></b>	<b><u>\$ 250,477</u></b>

See notes to financial statements

**OLIVER'S NANNIES FRANCHISING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

---

**1. THE COMPANY-** Oliver's Nannies Franchising, Inc. is a Nevada limited liability company formed in June 2022 to offer franchises to operate a fast-casual restaurant business that offer a different variety of funnel cakes with originally orchestrated recipes under trademark Braud's funnel cake café.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting-**The accompanying financial statement has been prepared on an accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Under the accrual method, revenues are recognized when earned and expenses are recognized when a liability is incurred, without regard to disbursement of cash.

**Franchise Arrangements-**The Company's franchise arrangements generally include a license which provides for payments of initial fees as well as continuing royalties to the Company based upon a percentage of sales to operate under this arrangement of trademark Oliver's Nannies for a specified number of years.

**Concentration of Credit Risk-**Financial instruments that potentially expose the Company to concentration of credit risk primarily consist of cash and cash equivalents. The balances in the Company's cash accounts did not exceed the Federal Deposit Insurance Company's (FDIC) insurance limit of \$250,000. The Company maintains its cash and cash equivalents with accredited financial institutions.

**Use of Estimates-**The preparation of 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could vary from those estimates.

**Income Taxes-**No provision is made for income taxes. Taxes are paid by the members on their personal returns with the expectation that any individual tax needs will be funded by distributions from company funds.

**3. REVENUE RECOGNITION**

The Company will record revenue in accordance Accounting Standards Board ("FASB") and Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606). The transaction price attributable to performance obligations will be recognized as the performance obligations are satisfied. The portion of the franchise fee, if any, that is not attributable to a distinct performance obligation will be amortized over the life of the related franchise agreements. Commissions paid for franchises will be amortized over the life of the franchise agreement.

#### **4. CONTRACT LIABILITIES**

In compliance with the Financial Accounting Standards Board ("FASB") new accounting standards for revenue recognition ("Topic 606"), the Company records its non-refundable franchise fees, net of amounts earned based on allowable direct services, as deferred revenues, to be recognized over the life of the franchise agreement. The non-refundable franchise fees received but not yet earned as of December 31, 2023 and 2022, were \$37,700 and \$0 respectively.

#### **5. CONTRACT ASSETS**

In compliance with the Financial Accounting Standards Board ("FASB") new accounting standards for revenue recognition ("Topic 606"), the Company records its deferred commissions paid as prepaid to be recognized over the life of the franchise agreement. The deferred commissions as of December 31, 2023, and 2022, were \$30,933 and \$0, respectively.

#### **6. SUBSEQUENT EVENTS**

The Company evaluates events that have occurred after the balance sheet date but before the financial statements are issued. Based upon the evaluation, the Company did not identify any recognized or non-recognized subsequent events that would have required further adjustment or disclosure in the financial statements. Subsequent events have been evaluated through March 4, 2024, the date the financial statements were available to be issued.

Olivers Nannies  
Adjusting Entries  
December 31, 2023

	<u>Debit</u>	<u>Credit</u>
<b>A - To reconcile bank accounts per bank statement and correct opening equity entries</b>		
Opening balance equity	171,205	
Misc. Expenses		11,063
ONF Operating Account 4910 - 1		8,223
ONF Savings Account 2496 - 1		151,919
<b>B - To recognize franchise fee revenue per ASC 606</b>		
Franchise Fee	37,700	
Contract Liability, current		3,900
Contract Liability, non-current		33,800
<b>C - To record commission expense per ASC 606</b>		
Contract assets, current	3,200	
Contract assets, noncurrent	27,733	
Commissions & fees		30,933

MUHAMMAD ZUBAIRY, CPA PC

Certified Public Accountant

646.327.7013

March 4, 2024

Daniel Morales

We have audited the financial statements of Oliver's Nannies Franchising, Inc.. as of December 31, 2023, and we will issue our report thereon dated March 4, 2024. At the completion of our audit, we are required to communicate with those charged with governance any matters that were observed during the audit which are deemed material weaknesses or other deficiencies in the internal controls of your company.

**Deficiency in internal control.** A deficiency in internal control over financial reporting exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness.** A deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A reasonably possibility exists when the likelihood of an event occurring is either reasonably possible or probably as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

As is common with similar companies, we assisted management with the preparation of the financial statements including the related footnotes to convert the internal financial statements to accounting principles generally accepted in the United States of America.



## Significant Audit Findings

### ***Qualitative Aspects of Accounting Practices***

You are responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Oliver's Nannies Franchising, Inc.. are described in Note 2 to the financial statements. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements and are based on your knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

We encountered no significant differences relating to accounting estimates during our audit.

### ***Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in performing and completing our audit.

### ***Uncorrected Misstatements***

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. You have corrected all such misstatements.

### ***Disagreements with Management***

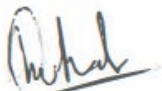
For the purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### ***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated March 4, 2024

This information is intended solely for the use of Shareholders and management of Oliver's Nannies Franchising, Inc.. and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



Muhammad Zubairy, CPA PC  
March 4, 2024

**EXHIBIT G**

**STATE ADDENDA TO DISCLOSURE DOCUMENT**

## **NEW YORK**

### **ADDENDUM TO DISCLOSURE DOCUMENT**

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the “Summary” sections of Item 17(c), titled “Requirements for a 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; this proviso intends that the nonwaiver 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 a 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 the franchisee by Article 33 of the General Business Law of the State of New York.
6. Franchise Questionnaires and Acknowledgements--No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the Rev. April 2, 2024 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 OLIVER'S NANNIES FRANCHISING, INC.  
DISCLOSURE DOCUMENT  
FOR THE STATE OF CALIFORNIA**

The disclosure document is amended to include the following:

1. Item 3 is amended to reflect that:

Neither Oliver's Nannies Franchising, Inc. nor any person identified in Item 2 of the Disclosure Document is subject to any current effective order of any national securities association or national securities exchange as defined in the Securities Exchange Act of 1934, U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

2. Item 17 is amended by the addition of the following language:

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

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

The Franchise Agreement contains covenants not to compete which extend beyond expiration or termination of the Agreement. These provisions may not be enforceable under California law.

The California Corporations Code, Section 31125 requires Oliver's Nannies Franchising, Inc. to give you a disclosure document, approved by the Department of Financial Protection and Innovation, prior to a solicitation of a proposed material modification of an existing franchise.

If the Franchise Agreement contains a liquidated damages clause, under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement requires the application of the laws of New Jersey. This provision may be unenforceable under California Law.

You must sign a general release if you renew or transfer your franchise. California Corporations Code Sec. 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). California Business and Professions Code Sec. 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

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.
4. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.
5. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT [WWW.DFPI.CA.GOV](http://WWW.DFPI.CA.GOV).

**ADDENDUM TO OLIVER'S NANNIES FRANCHISING, INC.**  
**DISCLOSURE DOCUMENT**  
**FOR THE STATE OF HAWAII**

The Disclosure Document is amended to include the following:

NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

**ADDENDUM TO OLIVER'S NANNIES FRANCHISING, INC.**  
**DISCLOSURE DOCUMENT**  
**FOR THE STATE OF ILLINOIS**

1. The Disclosure Document is amended to include the following:

a. Item 17 of this Disclosure Document is amended by adding the following:

In accordance with Illinois law 815 ILCS 705/4, any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside Illinois is void with respect to any action which is otherwise enforceable in Illinois, except that the Franchise Agreement may provide for arbitration outside Illinois. In addition, Illinois law will govern the Franchise Agreement.

b. The following should be added to Item 17 of this Disclosure Document:

The conditions under which we may terminate the Franchise Agreement may be affected by Illinois law, 815 ILCS 705/19 and 705/20.

c. The following should be added to of Item 17 of this Disclosure Document:

Your rights upon non-renewal may be affected by Illinois law, 815 ILCS 705/19 and 705/20.

NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.



**ADDENDUM TO OLIVER'S NANNIES FRANCHISING, INC.**  
**DISCLOSURE DOCUMENT**  
**FOR THE STATE OF INDIANA**

The Disclosure Document is amended to include the following:

1. Item 17 of the Disclosure Document is amended by inserting the following provision:

Notwithstanding any other provision in this document, any release executed in connection with the Franchise Agreement, whether upon renewal or transfer, will not apply to any claims that may arise under the Franchise Disclosure Law and the Indiana Deceptive Practices Act.

2. The post termination covenant not to compete of the Disclosure Document shall not apply to a franchisee's activities outside the Territory.

3. Indiana law makes unilateral termination of a franchise unlawful unless there is a material violation of the Franchise Agreement and the termination is not done in bad faith.

4. If Indiana law requires the Franchise Agreement and all related documents to be governed by Indiana law, then nothing in the Franchise Agreement or related documents referring to New Jersey law will abrogate or reduce any of your rights as provided for under Indiana law.

NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

**ADDENDUM TO OLIVER'S NANNIES FRANCHISING, INC.**  
**DISCLOSURE DOCUMENT**  
**FOR THE STATE OF MARYLAND**

The Disclosure Document is amended to include the following:

1. Item 17 of the Disclosure Document is amended to reflect that the general release required as a condition of renewal, sale, and/or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
2. Item 17 of the Disclosure Document is amended to reflect that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
3. Item 17 of the Disclosure Document is amended to state that you may sue in Maryland for any claims arising under the Maryland Franchise Registration and Disclosure Law.
4. Item 17 of the Disclosure Document is amended to state that the provision in the franchise agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.)
5. Item 17 of the Disclosure Document is amended to state that the franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its rights to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

**ADDENDUM TO OLIVER'S NANNIES FRANCHISING, INC.**  
**DISCLOSURE DOCUMENT**  
**FOR THE STATE OF MINNESOTA**

1. Item 17 of the disclosure document is hereby amended to include the following:

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

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

The agreements contain a liquidated damages clause. Under Minn. Rule 2860.4400J liquidated damage clauses are prohibited.

We will protect your right to use the Marks and/or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Marks.

Minn. Rule 2860.4400D prohibits us from requiring you to assent to a general release. Any release you sign as a condition of renewal or transfer will not apply to any claims you may have under the Minnesota Franchise Law.

For Minnesota franchisees, to the extent the Franchise Agreement requires it to be governed by a state's law other than the State of Minnesota or provides for arbitration or mediation, these provisions shall not in any way abrogate or reduce any rights of the franchisee as provided for in the Minnesota Franchise Act, including the right to submit matters to the jurisdiction of the courts of Minnesota.

Section 80C.17, Subd. 5. of the Minnesota Franchise Act states that no civil action may be commenced for violation of the Minnesota Franchise Act more than 3 years after the cause of action accrues. Section 18.3 of the Franchise Agreement contains certain time limits on commencing actions. For Minnesota franchisees, to the extent that these limitations are inconsistent with those under the Minnesota Franchise Act, the provisions of the franchise Agreement are superseded by the Minnesota Franchise Act's requirements and shall have no force or effect.

Minn. Rule 2860.4400J prohibits you from consenting to us obtaining injunctive relief. Rather, where injunctive relief is provided for in the Franchise Agreement, you acknowledge that we may seek injunctive relief. Further, in connection with injunctive relief, you and we acknowledge that a court will determine whether a bond is required.

NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

**ADDENDUM TO OLIVER'S NANNIES FRANCHISING, INC.  
DISCLOSURE DOCUMENT  
FOR THE STATE OF NEW YORK**

1. The following information is added to the cover page of the Franchise Disclosure Document:

**INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21<sup>ST</sup> FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.**

**REGARDING ITEM 17 (RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION) REFERRING TO ARTICLE 23 OF THE FRANCHISE AGREEMENT, THE CHOICE OF LAW SHOULD NOT BE CONSIDERED A WAIVER OF ANY RIGHT CONFERRED UPON THE FRANCHISEE BY ARTICLE 33 OF THE GENERAL BUSINESS LAW OF THE STATE OF NEW YORK, WHERE APPLICABLE.**

**THE FRANCHISE AGREEMENT CONTAINS TERMINATION RIGHTS FOR THE FRANCHISOR, AS STATED IN ARTICLE 14; THESE FRANCHISOR RIGHTS CAN POSE A RISK TO YOUR ABILITY TO KEEP YOUR FRANCHISE AND YOU SHOULD FAMILIARIZE YOURSELF WITH THEM.**

**THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT**

**TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH  
IN THIS PROSPECTUS.**

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

- a. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.
- b. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.
- c. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.
- d. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the

bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

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

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

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

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the “Summary” section of Item 17(d), titled ***“Termination by franchisee”***:

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

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

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

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

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

NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

**ADDENDUM TO OLIVER'S NANNIES FRANCHISING, INC.**  
**DISCLOSURE DOCUMENT**  
**FOR THE STATE OF NORTH DAKOTA**

The Disclosure Document is amended to include the following:

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

However, any release required as a condition of renewal, sale and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

2. The following is added to the end of the "Summary" section of Item 17(i) of the Franchise Disclosure Document, entitled "Franchisee's obligations on termination/nonrenewal":

However, any obligation to pay liquidated damages upon termination or nonrenewal will not apply, to the extent prohibited by the North Dakota Franchise Investment Law. Notwithstanding any other provision in this document, any waiver of exemplary and/or punitive damages, executed in connection with the Franchise Agreement, will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

3. The following is added to the end of the "Summary" section of Item 17(r) of the Franchise Disclosure Document, entitled "Non-competition covenants after the franchise is terminated or expires":

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we and you will enforce the covenants to the maximum extent the law allows.

4. The "Summary" section of Item 17(u) of the Franchise Disclosure Document, entitled "Dispute resolution by arbitration or mediation," is deleted and replaced with the following:

To the extent required by the North Dakota Franchise Investment Law (unless such requirement is preempted by the United States Arbitration Act), arbitration will be at a site to which we and you mutually agree.

5. The following is added to the end of the "Summary" section of Item 17(v) of the Franchise Disclosure Document, entitled "Choice of forum":

However, to the extent required by applicable law, you may bring an action in North Dakota.

6. The following is added to the end of the "Summary" section of Item 17(w) of the Franchise Disclosure Document, entitled "Choice of law":

To the extent required by law, North Dakota law applies.

7. The following is added to Item 5

Until all initial obligations have been performed by us and you have opened your Franchised Business for business, all initial fees due by you to us will be deferred. Simultaneously upon commencement of the operation of your Franchised Business, you will remit payment to us for all initial fees that have been deferred.

NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.



**ADDENDUM TO OLIVER'S NANNIES FRANCHISING, INC.**  
**DISCLOSURE DOCUMENT**  
**FOR THE STATE OF RHODE ISLAND**

The Disclosure Document is amended to include the following:

The following language is added to the end of the "Summary" sections of Item 17(v) of the Franchise Disclosure Document, entitled "Choice of forum," and Item 17(w) of the Franchise Disclosure Document, entitled "Choice of law":

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

**ADDENDUM TO OLIVER'S NANNIES FRANCHISING, INC.**  
**DISCLOSURE DOCUMENT**  
**FOR THE STATE OF SOUTH DAKOTA**

The Disclosure Document is amended to include the following:

NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

**ADDENDUM TO OLIVER'S NANNIES FRANCHISING, INC.**  
**DISCLOSURE DOCUMENT**  
**FOR THE STATE OF VIRGINIA**

The Disclosure Document is amended to include the following:

This Disclosure Document is provided for your own protection and contains a summary only of certain material provisions of the Franchise Agreement. This Disclosure Document and all contracts and agreements should be read carefully in their entirety for an understanding of all rights and obligations of both the Franchisor and Franchisee.

Although the Franchise has been registered under the Virginia Retail Franchising Act as amended, registration does not constitute approval, recommendation or endorsement by the Division of Securities and retail franchising of the Virginia State Corporation Commission or a finding by the Division of Securities and Retail Franchising that the information provided herein is true, complete, accurate or not misleading.

If this Disclosure Document is not delivered on time, or if it contains a false, incomplete, inaccurate or misleading statement, a violation of Federal and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the Virginia Division of Securities and Retail Franchising, 1300 East Main Street, Richmond, Virginia 23219.

The name and address of the Franchisor's agent in Virginia authorized to receive service of process is:

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

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Oliver's Nannies Franchising, Inc. for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure: the following statements are added to Item 17.h.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

**ADDENDUM TO OLIVER'S NANNIES FRANCHISING, INC.**  
**DISCLOSURE DOCUMENT**  
**FOR THE STATE OF WASHINGTON**

The Disclosure Document is amended to include the following:

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

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

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

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

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

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

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

NO STATEMENT, QUESTIONNAIRE, OR ACKNOWLEDGMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

## **EXHIBIT H**

### **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:

<b>State</b>	<b>Effective Date</b>
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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

## **EXHIBIT I**

### **RECEIPT**

Oliver's Nannies Franchising, Inc. FDD # - \_\_\_\_\_

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Oliver's Nannies Franchising, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

**[New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.]**

**[Michigan, Oregon, and Wisconsin require 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.]**

**[Washington requires that we give you this disclosure document at least 14 calendar days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.]**

If Oliver's Nannies Franchising, Inc. does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of Federal and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the State Agencies listed in Exhibit A.

The franchisor is Oliver's Nannies Franchising, Inc. 75 Main St., Suite 301, Milburn, New Jersey 07041. Its telephone number is (973) 671-1277.

Issuance Date: April 16, 2024

The franchise seller(s) for this offering is/are (check all that apply):

- ☐ Kathy Livingston, Oliver's Nannies Franchising, Inc., 75 Main St., Suite 301, Milburn, New Jersey 07041. Its telephone number is (973) 671-1277.
- ☐ Sarah Mulcahy, Oliver's Nannies Franchising, Inc., 75 Main St., Suite 301, Milburn, New Jersey 07041. Its telephone number is (973) 671-1277.

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Oliver's Nannies Franchising, Inc. authorizes the respective state agencies identified on Exhibit A to receive service of process for it in that particular state.

I have received a Franchise Disclosure Document with an issuance date of April 16, 2024, and with effective date(s) of state registration as described in the FDD. This Disclosure Document included the following Exhibits:

- A. State Administrators and Agents for Service of Process
- B. Credit and Criminal Background Check Release Form
- C. Franchise Agreement
- D. Confidential Operating Manual Table of Contents
- E. List of Franchisees
- F. Financial Statements
- G. State Addenda to Disclosure Document
- H. State Effective Dates
- I. This Receipt

Date: \_\_\_\_\_  
(Do Not Leave Blank)

Disclosee: \_\_\_\_\_

Printed name: \_\_\_\_\_

Disclosee: \_\_\_\_\_

Printed name: \_\_\_\_\_

### **TO BE RETURNED TO:**

You may return the signed receipt either by signing, dating, and mailing it to Oliver's Nannies Franchising, Inc. at 75 Main St., Suite 301, Milburn, New Jersey 07041 or by emailing the signed and dated receipt to Oliver's Nannies Franchising, Inc. at [kathy.livingston@oliversnannies.com](mailto:kathy.livingston@oliversnannies.com)



## RECEIPT

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- N. List of Franchisees
- O. Financial Statements
- P. State Addenda to Disclosure Document
- Q. State Effective Dates
- R. This Receipt

Date: \_\_\_\_\_  
\_\_\_\_\_

Disclosee:  
(Do Not Leave Blank)  
Printed name: \_  
\_\_\_\_\_  
  
Disclosee: \_  
\_\_\_\_\_  
  
Printed name: \_  
\_\_\_\_\_

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