

FRANCHISE DISCLOSURE DOCUMENT



Spend The Day Franchising, Inc.
A Massachusetts Corporation
d/b/a Elder-Well 12 Washington Street
Natick, Massachusetts 01760
508-655-2536
info@elderwelladulday.com

We offer qualified individuals and entities the right to independently own and operate a business that offers individualized, non-medical, social-supportive day services to aging adults using our proprietary business system and the name Elder-Well® (each a “Franchised Business”).

The initial investment necessary to begin operation of an Elder-Well® franchise is \$129,150 to \$495,450. This includes an initial franchisee fee of \$48,500 that must be paid to the Franchisor.

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

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact Ken Harvey, 12 Washington Street, Natick, MA 01760, ken@elderwelladulday.com (508-655-2536).

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 an accountant.

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

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

Issue Date: April 19, 2024, as amended May 21, 2024

How to Use This Franchise Disclosure Document

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

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

What You Need to Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Massachusetts. 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 Massachusetts than in your own state.
2. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
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.

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

**SPEND THE DAY FRANCHISING, INC.
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ITEM 1
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language used in this Disclosure Document, “we” or “us” means Spend The Day Franchising, Inc., the Franchisor, and “you” or “franchisee” means the person who purchases a franchise from us. If you are a corporation, partnership, limited liability company or other entity, “you” may also refer to your owners.

The Franchisor

We are Spend The Day Franchising, Inc. a Massachusetts corporation formed on June 10, 2019. Our principal place of business is 12 Washington Street, Natick, Massachusetts 01760 www.elderwelladulthood.com. We do business under the name “Elder-Well®.” Our out-of-state agents for service of process are listed in Exhibit H.

We began offering franchises in September 2019 for the operation of a business offering individualized, non-medical, social-supportive day services to aging adults under the name “Elder-Well®.” Our owners have used the name Elder-Well in other businesses. We do not offer, and have not offered, franchises in any other line of business.

Our owners have operated a business of the type being franchised under the tradename “The Constance Rose House Adult Day Program” in Massachusetts from November 2014 through November 2018.

Parents, Predecessors and Affiliates

We have no parent or predecessor entities.

Our affiliate, BSocial, Inc., is a Massachusetts corporation, and began operating an Elder-Well location in February 2021. This location operates in substantially the same manner as the type of business being franchised through this Disclosure Document. Our affiliate’s principal place of business is the same as Franchisor’s principal place of business, which is 12 Washington Street Natick, Massachusetts 01760.

Elder-Well Franchised Business

We franchise, offer and award to qualified applicants the right to operate a business that offers individualized, non-medical, social, supportive day services and related products (“**Services and Related Products**”) to aging adults (the “**Franchised Business**”) using (i) trademarks, trade names, service marks, designs, emblems, logos, graphics, slogans, copyrights, trade dress, trade secrets and commercial symbols including the mark “**Elder-Well®**” (the “**Marks**”); and (ii) specifications necessary for defined service and product offerings, including standard operating and administrative procedures, equipment, management and training programs (the “**System**”).

Franchisees may be individuals or entities that meet our then current requirements, which includes the signing of personal guarantees by all individuals holding an equity interest in the Franchise (“**Owner**”).

If awarded a franchise, we will provide you with the training, techniques, know-how, information, specifications, and recommendations, and access to materials and supplies, and business assistance, which will enable you to operate the Franchised Business. Services affiliated with the Franchised Business do not include medical services. We also provide various supporting services and products to you and other franchisees.

To acquire a franchise, you will sign a Franchise Agreement (**Exhibit B**) with us that will grant you the right to operate a Franchised Business. You will conduct your Franchised Business at a location

that you will obtain and for which you must receive our prior approval (“**Franchise Location**”) within a specified geographic Licensed Service Area (the “**LSA**”). We will establish your LSA before you sign your Franchise Agreement.

Ancillary Business

We are piloting an ancillary business, Elder-Well AT HOME™. Elder-Well AT HOME provides companionship services to elders in their home including such services as a wellness and safety evaluation, engagement box activities, interactive virtual programs and the option to choose additional activities such as appointments, errands, hobbies, outings or similar activities. This is an ancillary business that franchisees could potentially add to their Franchised Business with a separate initial franchise fee and incurring separate costs to establish.

As this is currently a pilot program, Franchisees are not currently required to participate in this ancillary business model. Franchisor reserves the right to require such participation. If, after this pilot, the ancillary business is adopted by Spend The Day Franchising LLC, additional information will be provided to Franchisee regarding any additional fees and costs that may be required for Franchisee to participate. Participation will be voluntary.

The Market and Competition

The services associated with the Franchised Business are offered to aging adults and their primary caregivers in need of day services to continue living in the community. Services are provided to aging adults that need assistance with activities of daily living (ADL’s), companionship and oversight, medication and nutrition assistance, cognitive and physical therapies and those living with mild cognitive impairments, Alzheimer’s disease or other forms of dementia. Support services are also provided to the family and primary caregivers, through respite, consultation, care management and resource referrals.

The Elder-Well® specialized adult day model is filling a gap that exists within the senior care sector. We bridge the care gap between living independently and long-term care placement and provide valuable guidance to families on their caregiving journey.

The adult day model offered by the franchise business is currently an underdeveloped segment of the senior care services market. We believe the industry and the demand for our services will experience long-term expansion and growth.

The prevalence of Alzheimer’s and Other Dementias in the United States are estimated to be 6.9 million Americans aged 65 and older are living with Alzheimer’s dementia in 2024. Five percent of people ages 65 to 74, 13.2% of people ages 75 to 84, and 33.4% of people ages 85 or older have Alzheimer’s dementia. The aging of the baby-boomer generation will significantly increase the number of people in the United States with Alzheimer’s. Although prevalence studies for younger onset dementia in the United States are limited, researchers believe about 110 of every 100,000 people, about 200,000 Americans, have younger onset dementia.

Special Industry Regulation

There may be federal, state, and local regulations and licensing requirements pertaining to the Franchised Business.

All 50 states have applicable law relevant to zoning and building approvals (including local health

and fire departments) as well as regulations affecting food handling and allergy awareness: Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Massachusetts, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming.

There are many states that have licensing requirements to operate the Franchised Business as a social model day program. As a social model is a relatively new field, it is likely states will continue to adopt a similar regulatory framework. In order to obtain a license to operate an adult day services center, you may be required to post a bond, undergo a criminal background check and pay certain fees. Additionally, some states such as Florida, may require a service provider to satisfy certain additional training requirements to be eligible for licensing. You are responsible for determining what your state requires, and for researching and meeting the licensure, certification, and/or registration requirements for businesses in your local jurisdiction, including all associated costs. You must not employ any person in a position that requires a license unless that person is currently licensed by all applicable authorities and a copy of the license or permit is in your business files. You must comply with all state and local laws and regulations regarding the staffing and management of an adult day services provider. In addition to complying with all employment, labor, wage and hour laws, there may be wage and hour laws or regulations in your state that apply to your employees. There may also be other laws and regulations specific to adult day services.

If a state or jurisdiction has such a law or regulation, these laws and regulations are likely to vary from state to state, and these may change from time to time. In addition, you must operate the Franchised Business in full compliance with all applicable federal, state and local laws, rules, ordinances and regulations, including without limitation, government regulations relating to occupational hazards, health, EEOC, OSHA, HIPAA, discrimination, employment, sexual harassment, workers' compensation and unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales and service taxes. Your Franchised Business may be considered a Covered Entity for the purposes of HIPAA covered transaction.

The Franchised Business model does not contemplate accepting Medicaid payments, which is a highly regulated business model. You may, however, choose to do so at your discretion. Currently, traditional Medicare does not provide reimbursement for the adult day services that you will be providing in connection with the Franchised Business. Some of your customers may have private long-term care insurance or veteran benefits, which sometimes pays for the cost of adult day services. In this event, you may be required to bill these private insurers for the cost of adult day services provided to their insureds. Your Franchised Business may be eligible for certain grants provided to adult day service providers; however, you should not expect grants as a material source of revenue for your Franchised Business. Further, there are potentially other state and local funding payment options for respite care that may require additional regulatory compliance.

In addition to existing laws and regulations, state or local governments may introduce new legislation, approve pending bills, revise laws and regulations or enact new ones after the date of this Franchise Disclosure Document that may impact how you conduct the Franchised Business. Regardless of any information you may receive from us, you must investigate and confirm any of these regulations that may affect your business, including but not limited to existing, pending or future laws or regulations. Specific information related to laws and regulations may be obtained from various agencies or associations within your geographic location.

Other than the above, we are not aware of any other regulations specific to the industry in which the Franchised Business operates. You must comply with all laws and regulations that apply to business

generally, which include regulations concerning sanitation, discrimination, employment, and sexual harassment, as well as the Americans with Disabilities Act, which requires readily accessible accommodations for disabled individuals.

You should investigate and consult with your attorney about whether there are regulations and requirements that may apply in the geographic area in which you are interested in locating your Franchised Business and should consider both their effect and cost of compliance.

Financial Incentives

We currently offer a financial incentive in the amount of \$1,500 to existing franchisees and other third parties who refer a franchise prospect to us that results in the granting of a franchise to that lead. This amount is subject to change at any time in our sole discretion. Any information given to you by a franchisee is coming from him/her in his/her capacity as a franchisee.

ITEM 2 **BUSINESS EXPERIENCE**

Kara Harvey – President and CEO **Natick, Massachusetts**

Ms. Harvey has been our President and CEO since our inception in September 2019.

Since February 2021, she has owned and operated an Elder-Well location that is operated in substantially the same manner as the type of business being offered as a franchise under this Disclosure Document. Ms. Harvey is also the co-founder of an aging-in-place construction company, called Elder-Well Home Services, which she began to serve the needs of the elder population in 2006. The company rebranded to Harvey Home Modifications in 2014. She continues to serve as a design and product consultant for Harvey Home Modifications.

Ken Harvey – Vice President and COO **Natick, Massachusetts**

Mr. Harvey has been our Chief Operating Officer since our inception in September 2019. Since February 2021, he has owned and operated an Elder-Well location that is operated in substantially the same manner as the type of business being offered as a franchise under this Disclosure Document.

Laura Erb – Program Development and Training Director **Natick, Massachusetts**

Ms. Erb has been our Program Development and Training Director since November 2022. Ms. Erb also has served as our Program Coordinator since July 2021. Laura currently serves as the Elder-Well® program content developer, manager and lead franchisee trainer. Previously, Ms. Erb was an employee of Cooperative Elder Services in Concord, Massachusetts from March 2001 to March 2021.

Taylor Seitz – Franchisee Support and Training **Natick, Massachusetts**

Ms. Seitz has served in the role as Franchisee Support and Training since September 2021, which involves franchisee support, branding and technology support. Previously, Ms. Seitz was an employee of Integrate, in Hopkinton, Massachusetts from October 2015 to May 2021.

Kelly Mirken - Program Manager of Therapies
Natick, Massachusetts

Ms. Mirken has served as our Program Manager of Therapies since August 2022. Ms. Mirken was an employee of Hebrew Senior Life of Massachusetts from June 1992 to August 2022.

ITEM 3
LITIGATION

There is no litigation that is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

There is no bankruptcy that is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Initial Franchise Fees

You will be required to pay us an initial franchise fee of \$48,500 for the right to operate the Franchised Business (the “**Initial Franchise Fee**”) in an LSA consisting of approximately a 100,000 population. The Initial Franchise Fee must be paid in a lump sum when you sign the Franchise Agreement, and is not refundable. The Initial Franchise Fee is uniform for all franchisees, except for the qualified discount described below.

We offer the following discounts on the Initial Franchise Fee:

- A 10% discount on the Initial Franchise Fee is available to veterans and their spouses who qualify for our veteran’s discount program pursuant to the parameters established by the International Franchise Association’s Vet Fran program, which includes veterans that have served in the Air Force, Army, Coast Guard, Marines or Navy and must not have been discharged or released from service under dishonorable conditions.
- A 20% discount on the Initial Franchise Fee is available to a spouse or child of a Gold Star family.
- A 10% discount on the Initial Franchise Fee is available for all first responders, including police officers, emergency medical technicians, paramedics and firefighters.
- A 25% discount on the Initial Franchise Fee is available to existing Elder-Well Franchisees who are eligible to license a second territory as determined in our sole discretion.
- Individuals and business who currently operate a social model adult day program who are interested in converting their business to the Franchised Business (“Conversion Franchise”) will pay an Initial Franchise Fee of \$25,000.

Only one type of discount may be applied to an Initial Franchise Fee.

If we determine during the Initial Training Program or within 15 days of the completion of the training that you have not exhibited the aptitude, abilities or personal characteristics to successfully operate the Franchised Business, we may terminate your Franchise Agreement and refund to you the Initial Franchise Fee you paid less the amount of Five Thousand Dollars (\$5,000.00) to cover a portion of the reasonable expenses incurred by us in connection with your training and initially granting the franchise.

Deposit Fee

We may offer to some prospective franchisees the right to reserve a particular LSA for a possible franchise purchase for a period of up to six (6) months in exchange for a non-refundable deposit of \$10,000. The deposit fee is paid when a prospective franchisee tenders to us the Deposit Remittance Form. The deposit fee and the Deposit Remittance Form may not be paid or submitted to us until 14 days after the delivery of this Franchise Disclosure Document to you. If the prospective franchisee signs a Franchise Agreement within the time period designated in the Deposit Remittance Form, the \$10,000 payment is applied toward the Initial Franchise Fee that would be due upon the signing of the Franchise Agreement. If the prospective franchisee does not sign a Franchise Agreement within the time period designated in the Deposit Remittance Form, the prospective franchisee no longer has a reservation on the territory designated in the form and we retain the \$10,000 non-refundable fee.

ITEM 6 **OTHER FEES**

NAME OF FEE⁽¹⁾	AMOUNT	DUE DATE⁽²⁾	REMARKS
Royalty Fee	The greater of 6% of Gross Revenue or the Minimum Royalty Fee. ⁽²⁾	Monthly based on the Reporting Period. ⁽⁴⁾	Gross Revenue includes the total revenues and receipts from the sale of all Services and Related Products sold in connection with the Franchised Business pursuant to the Franchise Agreement, whether under any of our Marks or otherwise. Gross Revenue does not include sales tax. Royalties begin upon signing of the Franchise Agreement and Minimum Royalties begin 9 months after the signing of the Franchise Agreement.
Brand Development Fund	The greater of: i) 2% of all Gross Revenue; or ii) Monthly Minimum Brand Development Fee, which is subject to change annually, but currently is \$100. ⁽³⁾	Same as Royalty Fee.	The Brand Development Fee begins upon execution of the Franchise Agreement; the Monthly Minimum Brand Development Fee begins 3 months after the signing of the Franchise Agreement.
Technology Fee	Currently, \$150 per month, but may change during the term of the Agreement	Same as Royalty Fee.	Beginning 3 months after signing the Franchise Agreement, your monthly Technology Fee will cover branded emails, website updates and maintenance, brand standard education and operations management system. These included items are subject to change at our discretion.
Late Payment Fee	\$250 late fee per incident plus interest for outstanding fees owed at the rate of 5% per annum or the maximum interest rate permitted by law, whichever is greater.	On late payments during time payment is delinquent.	If you fail to pay fees on a timely basis, this Late Payment fee is due. ⁽⁷⁾

No Access Fee	\$500 per incident and for each month (or partial month thereafter)	On Demand	If you fail to report Gross Sales for the Reporting Period on a timely basis (which deprives us of access to your reporting information), this per incident No Access Fee is due and an additional incident fee will be due for each month (or partial month) for which reports are not received on a timely basis. Similarly, if you fail to provide us access to your software/ database to monitor sales, this No Access Fee is due per incident and each month (or partial month) for which you fail to provide access. These fees are due even if you pay your Royalty Fee and Brand Development Fee on a timely basis. ⁽⁶⁾
Transfer Fee	25% of the then-existing Initial Franchise Fee (at the time of the transfer)	Before closing on transfer.	Payable by you or the transferee prior to you selling or transferring your franchise. No fee is due if you transfer your franchise to a new corporation controlled by you. This fee includes training costs for 2 trainees associated with the buyer of your franchise.
Meeting Registration Fee	Up to \$1,000	When invoiced, before date of Meeting.	In the event we hold a Meeting, this fee is payable even if you or your manager do not attend the Meeting. We are not obligated to hold the Meeting and in this event you do not pay. Fee may be adjusted annually to reflect increases in our costs to conduct the Meeting.
Additional Training Fee	\$500 other amount depending on the nature of additional training that is requested or required	Upon demand	The Initial Training Program is provided to Franchisee at no charge for the life of the franchise provided subject to the conditions identified in the below notes. If additional training is requested by you or required by us during the Term, an additional fee will be required but in no event will be less than \$500 per attendee. Franchisee pays for all travel, lodging and meal expenses. ⁽⁵⁾
Dispute Resolution	Costs and attorneys' fees vary	Upon determination of prevailing party	If we are the prevailing party in a dispute, we may charge you for our reasonable attorneys' fees and costs.
Modernization Fee	Actual cost of modernization	Upon demand	We may require you to update or refurbish your Franchised Business consistent with our then-current standards and specifications. Modernization may also be required prior to any sale, transfer or assignment of your Franchised Business or as a condition of signing a successor agreement.
Audit	Cost of Audit	When billed.	Payable only if audit performed due to your failure to report, if audit shows an under reporting of 2% of Gross Revenue or more, or if audit shows your failure to follow territory boundary restrictions.

Successor Agreement Fee	\$10,000	Upon execution of Successor Franchise Agreement.	Payable only if you meet eligibility for signing the Successor Franchise Agreement and execute the Successor Franchise Agreement.
Indemnification	Loss, liability, damages and costs incurred by us	When a claim is brought against us in connection with your Franchised Business.	These costs may include attorneys' fees and/or fees/costs to a collection company. You must reimburse us for any liability and costs incurred by it by reason of your ownership or operation of the Franchised Business.
Liquidated Damages	Thirty percent (30%) of your average annual Gross Revenue over the preceding three (3) years (or for such shorter period if you have not been under a Franchise Agreement for a full three (3) year period).	Upon demand	Payable if you improperly disclose proprietary information or breach or otherwise not abide by the covenants not to compete in the Franchise Agreement
Fine for Violation of Territory Restrictions	50% of revenue generated from such infringing activity	Upon demand	Payable if you fail to abide by the territory restrictions in the Franchise Agreement, including conducting Services in another franchisee's LSA.
Guest Refund	Variable	Upon demand	Payable if you do not resolve a guest service complaint, the guest contacts us and we determine a request for refund is reasonable, and we pay a refund to the guest to resolve the complaint.
Reimbursement of Investigation Fees	Fee we paid to investigator or secret shopper	Upon demand	Payable to our investigator or secret shopper who confirms a violation of the Franchise Agreement.
Inspection Fee	Costs Incurred		Payable to us if we conduct an investigation of your Franchised Business due to any complaint or alleged violation of the Franchise Agreement or System Standards ⁽⁸⁾ over the prior twelve-month period. "Costs Incurred" include our travel and lodging as well as repairing or replacing non-conforming items or conditions.
Fines for failure to comply with System Standards ⁽⁸⁾	Currently \$250 per occurrence.	Upon demand	Payable if you fail to adhere to the System Standards as specified in the Manuals
Reimbursement for taxes paid	Undetermined	Upon demand	Payable if we are required to pay taxes (other than income) on account of payments you make to us.

Notes:

(1) You pay all fees to us unless otherwise noted. All fees are nonrefundable and, except as expressly stated, all fees are uniformly imposed.

(2) All fees are imposed by and payable to us by electronic funds transfer or other automatic payment mechanism we designate ("EFT"). We may charge all past due fees including the Royalty Fee, Brand Development Fee, Conference/Regional Meeting fees, amounts due for purchase and insurance requirements, to a credit card previously authorized by you. Royalty Fees begin upon execution of the Franchise Agreement. Beginning nine (9) months after signing the Franchise Agreement, you must pay Royalty Fees based on the greater of: i) 6% of your Gross Revenue; or ii) Monthly Minimum Royalty Fee ("Minimum Royalty Fee") in

the amount of \$700 for years 1-5 and \$1000 for years 6-10..

(3) The Brand Development Fee of 2% of Gross Revenue begins upon execution of the Franchise Agreement. Beginning three (3) months after signing the Franchise Agreement, you must pay the greater of the Brand Development Fee of 2% of your Gross Revenue or a Monthly Minimum Brand Development Fee, which is subject to change on an annual basis but is currently \$100.

(4) Reporting Period means the monthly calendar period from the 1st of the month to the next to last day of the same month (unless we designate otherwise). Payments and reports are due on the 1st day of the month for the prior Reporting Period and will be paid by EFT.

(5) The Initial Training Program is provided to Franchisee for its Owners and employees at no charge for the life of the franchise provided i) you are in good standing under the Franchise Agreement by being current in the payment of all fees and are otherwise fully compliant with your contractual obligations and requirements/specifications as identified in the Manuals; and ii) we approve of the training candidate. We may provide, at our option, additional training programs for you and your employees at locations designated by us and/or on-line, for an additional fee. Under certain circumstances, including but not limited to, new Products and Service offerings being added to the System or your unsatisfactory performance of its obligations, we may require you or your employees to attend additional training courses from time to time and to pay us an Additional Training Fee.

(6) You are required to purchase Quickbooks Essentials Online for use in the Franchised Business and for reporting and paying fees. We must be given access to this account.

(7) If there are insufficient funds from which to pay the fee when due, in addition to Late Fees assessed, you must pay us a \$50 returned fee payment for each of these instances.

(8) You must comply with all System Standards specifically identified as required in the “Manuals,” which is defined in the Franchise Agreement to mean any collection of written, video, audio and/or software media (including materials distributed electronically), regardless of title and consisting of various subparts and separate components, all of which we or our authorized representatives produce and that contain System Standards and recommendations for the Franchised Business, all of which we may change from time to time.

ITEM 7
YOUR ESTIMATED INITIAL INVESTMENT ⁽¹⁶⁾

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE ⁽¹⁵⁾
	Low	High			
Initial Franchise Fee ⁽¹⁾	\$48,500	\$48,500	Lump Sum	When you sign the Franchise Agreement	Us
Training Expenses ⁽²⁾	\$500	\$2,850	As Incurred	Before Opening	Hotels; Transportation Lines; Restaurants
Marketing Materials, Promotional Supplies and Initial Spend ⁽³⁾	\$1,000	\$5,500	As Arranged	Before Opening when you purchase supplies or Upon Commencement of Marketing Campaign	Approved Vendors; Vendors

Furnishings and Appliances ⁽⁴⁾	\$10,000	\$75,000	As Arranged	Before Opening	Approved Vendors; Vendors
Signage ⁽⁵⁾	\$600	\$3,000	As Arranged	Before Opening	Approved Vendors
Construction and Remodeling ⁽⁶⁾	\$25,000	\$225,000	As Arranged	Before Opening	Vendors/Landlords
Programming Equipment and Office Supplies ⁽⁷⁾	\$2,000	\$4,000	As Arranged	Before Opening	Vendors
Program Delivery Beginning Inventory (Food and Cleaning) ⁽⁸⁾	\$1,750	\$6,600	As Arranged	As Incurred	Vendors
Utility Costs ⁽⁹⁾	\$1,000	\$3,000	Lump Sum	Before Opening	Lessor; Utilities
License/Permits Fees ⁽¹⁰⁾	\$800	\$3,000	As Arranged	Before Opening	Local/Government Agency's
Wages Employees ⁽¹¹⁾	\$0	\$35,000	As Arranged	As Incurred	Staff
Insurance Costs ⁽¹²⁾	\$2,500	\$5,500	As Arranged: Annual or Monthly Premium	Before Opening	Insurance Broker
Legal and Accounting Services	\$2,500	\$6,500	As Incurred	As Incurred	Local Legal Counsel and Accountant
Rent ⁽¹³⁾	\$3,000	\$12,000	As Incurred	Monthly as Incurred	Landlord
Additional Funds – 3-6 months ⁽¹⁴⁾	\$30,000	\$60,000	As Incurred	As Incurred	Vendor
Total	\$129,150	\$495,450			

Whether or not amounts that you may pay to third parties are refundable will depend on your contract or relationship with such third parties.

NOTES:

(1) The Initial Franchise Fee must be paid when the Franchise Agreement is executed. The Initial Franchise Fee is fully earned by us when paid and is not refundable except if we determine that you did not satisfactorily complete the Initial Training Program. In this event, you will be refunded the Initial Franchise Fee, less Five Thousand Dollars (\$5,000).

(2) You or your Owner (if you are an entity) must attend training at the location we designate. You are responsible for the expenses you and any attendees will incur for travel and living expenses while training. The cost of this will depend on the number of persons who attend training and the distance you must travel to the training location. You must pay the travel expenses for you and for any additional trainees.

(3) This includes retaining a public-relations professional. Marketing Materials includes print brochures, letterhead and other marketing collateral. This also includes materials necessary for networking, professional organization memberships, professional and public open house events.

(4) This estimate covers the range from a small, residential facility to a larger commercial facility. Furnishings necessary to conduct the franchised business include, tables, seating, dining area, storage cabinets, lighting and general home furnishings. This also includes kitchen appliances that may need to be upgraded or purchased, including refrigerator, stove and dishwasher.

(5) Towns and commercial facilities may have requirements for sign placement and size.

(6) This estimate includes construction and renovation costs to either a residential home or build-out

of a commercial space that may include installation of grab bars, ramps, room expansion, utility upgrades if needed such as electrical and plumbing, painting, flooring, kitchen and bathroom addition or accessibility upgrade.

(7) Programming equipment to operate the Franchised Business includes Laptop Computers and tablets, streaming devices, an all-in-one printer/scanner/fax, a DVD player; a CD player, a Smart TV and certain accounting, office and customer relationship management software. You will need to obtain and maintain an Internet account to access communications from us, send and receive email and stream program content. You will also need Cable TV or alternative and a business phone line.

(8) This estimate includes inventory for arts and crafts, games, puzzles, books, paper, ink as well as staff name tags. This estimate also includes 3-months of expenses for cleaning supplies and food inventory for 5-20 guests.

(9) This estimate includes utility costs for the first 3 months in establishing and operating the Franchised Business.

(10) Costs and fees for business license and permits will vary depending on the location and size of the Franchised Business. You must comply with all federal, state and local statutes, ordinances and regulations affecting the Franchised Business, which may require a state license.

(11) This estimate is based on no employees or one (1) director at \$30.00 per hour and two (2) program assistants at \$18.00 per hour (based on a 40-hour work week for a 3-month period). Background checks must be performed on all employees before their date of hire and report information must meet guidelines identified in the Manuals.

(12) This insurance estimate covers your cost of insurance as required in the Franchise Agreement for the first three months. You pay insurance premiums directly to third party insurers. You must deliver to us upon request proper certificate evidencing the existence of the required insurance coverage. This estimate includes general liability, professional liability, automobile, and homeowners or renter's addendum for the Franchised Business as well as workers compensation. Please note that the requirements and costs of worker's compensation insurance and any state-required disability may be variable based on the jurisdiction where the Franchised Business is located.

(13) The business model supports using a leased residential home (unoccupied and dedicated specifically to the Franchise Business) or commercial space to provide the services associated with the Franchised Business. We require you to allocate at least 55 square feet per person, including all staff. If you lease real estate for the Franchised Business, you may incur some build out expenses (See Note 6 above). You may also incur real estate broker fees, prepayment of rent and other expenses charged by the landlord. These costs vary widely based on location and lease negotiations and thus are not included in this estimate.

(14) These expenses are additional funds you may need to expend during the initial phase of the Franchised Business. This amount is based on owner's salary draw for 3-6 months. These expenses do not account for any revenues during this period, nor do they include the other categories described above. We considered the experience and operations of our former business, The Constance Rose House, in Massachusetts from 2013-2018, in formulating the "additional funds" amount. The Constance Rose was engaged in the same business as the Franchised Business and conducted in a leased residential home.

(15) Use of "Vendors" means Franchisees can choose the vendor. "Approved Vendors" means a vendor that Franchisor designates.

(16) This chart estimates your initial start-up expenses. You should review these figures carefully with a business or financial advisor before making any decision to purchase the right to become a franchisee.

NOTE: These figures do not include your personal living expenses. You need additional funds for personal living expenses. We base our estimate of these expenses on our own experience. Your costs will depend on factors such as how closely you follow our system, methods and procedures, your skill, experience and business acumen, local economic conditions, the local market, competition and the number of guests during the initial period.

We do not offer financing to franchisees. Your initial cash requirements, however, may be less if you obtain financing from a third party for any portion of the initial expenditures.

ITEM 8

RESTRICTIONS ON SOURCES OF SERVICES AND RELATED PRODUCTS

Required Purchases and Approved Suppliers

Maintaining the quality and uniformity of the Services and Related Products offered by Elder-Well franchisees is central to the reputation, goodwill and value of the Elder-Well System. Therefore, you must use stationery, signage, marketing/promotional material, equipment, products, and other supplies required or used in connection with the Franchise Business (collectively “Supplies”) under our specifications and standards. We may designate by brand name the equipment and the products that you must use in your Franchised Business. We may change equipment, Services and Related Products and/or suppliers at any time.

Specifications for Supplies and insurance are formulated by us in the exercise of business judgment and experience in the business. If the specifications are adopted or modified, they are issued to franchisees through the Manuals or other by written communication, including written documentation distributed via e-mail. Unless otherwise explicitly stated in the Manuals, Supplies must be purchased from suppliers designated or approved by us (“Approved Suppliers”). We do not provide material benefits to a franchisee based on a franchisee’s use of Approved Suppliers.

Currently, there are no equipment or supplies for which we are the Approved Supplier, but we reserve the right for us and/or an affiliated entity to become an Approved Supplier.

You must purchase equipment, stationary, signage and marketing/promotional materials from an Approved Supplier or according to our specifications as identified in the Manual

Certain furnishings will be required to address adequate seating and dining facilities. Furnishings can be purchased from a supplier of your choosing subject to our guidance and specifications, which will be site-specific.

Certain office equipment and supplies, including a laptop computer system, printer/scanner/fax, a Smart TV, DVD Player, CD player and a telephone system must be purchased from a supplier of your choosing according to our specifications. You must keep your equipment in good working order and physical condition meeting the then current standards in the Manuals. We reserve the right to identify an Approved Supplier for a specific required telecom system. See Item 11 for further details.

Your laptop must have commercially available software such as Office 365 (either Personal version

or Office, Home and Student version). You must purchase accounting software that we designate as provided by an Approved Supplier (currently QuickBooks Essentials Online) as well as a third-party data automation company responsible for providing scheduling and contact management.

Before you begin operations, you must secure, and throughout the term of the franchise maintain, at your expense, insurance policies to insure against loss, liability, or expense whatsoever arising or occurring upon or in connection with the operation of the Franchised Business. We may increase the amounts of coverage or require different or additional coverage in the future due to inflation, the identification of new risks, changes in the law or standards of liability, higher damage awards or other relevant changes in circumstances. Current insurance requirements are identified in the Franchise Agreement and Manuals.

No Alternative Suppliers

Except as otherwise stated above or in Manuals, you are prohibited from using alternative suppliers for any of the Required Purchases without our Approval. Our approval process is identified in our Manuals.

Our confidential requirements and systems information should not be revealed to any proposed supplier/vendor without our written approval.

Approval for New Supplies, Services and Related Products

You may not use or create advertising material or marketing/promotional collateral without our prior written approval. You may only display the advertising and signage approved by us periodically, in the Manuals or as we may otherwise authorize in writing.

With advance written notice, you may request our approval to add new products, services or supplies that are not then part of the Franchised Business. We will require a complete assessment of the products or services and any related data to allow us to determine whether the additional products or services will be allowed. The assessment of specifications and standards will relate to quality, durability, value, design, composition, strength, functionality/performance, and the needs of, and consistency with, the business model of the Franchised Business and the System. We will notify you in writing of the approval or disapproval of any new product or services you propose within 180 days of receiving your written request for approval.

Negotiated Pricing

We may negotiate arrangements with Approved Suppliers that we believe are advantageous and beneficial to the business interest of the franchisees. Where we have negotiated arrangements with Approved Suppliers, we may derive revenue as a result of required or voluntary purchases by franchisees. We currently do not receive rebates from suppliers based on franchisees' purchases, but we reserve the right to do so in the future.

Revenue from Franchisee Purchases

In our fiscal year ending December 31, 2023, neither we nor any affiliate derived revenue from the sale of supplies, Services and Related Products to franchisees.

Cooperatives

We do not have any purchasing or distribution cooperatives.

Costs to Establish and Operate the Franchised Business

We estimate that the Required Purchases from Approved Suppliers and Required Purchases pursuant to our specifications from vendors that you may choose as described in this Item represent approximately 12% to 21% of your cost to establish the Franchised Business and approximately 2% to 5% of your cost to operate the Franchised Business on an ongoing basis.

ITEM 9 **FRANCHISEE'S OBLIGATIONS**

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

Franchise Agreement

OBLIGATION	SECTION IN FRANCHISE AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
a. Site selection and acquisition/lease	Franchise Agreement, Section 2.1	Items 7 and 8
b. Pre-opening purchases	Franchise Agreement, Section 7.3	Items 7, 8 and 11
c. Site development and other pre-opening requirements	Franchise Agreement Section 6.1.1	Items 7, 11 and 16
d. Initial and ongoing training	Franchise Agreement, Section 6.1	Item 11
e. Opening	Franchise Agreement, Section 2.2	Item 11
f. Fees	Franchise Agreement, Sections 3.2.2, 4, 6.1.2-.3, 7.3.9, 12.10	Items 5 and 6
g. Compliance with standards and policies/Manuals	Franchise Agreement, Sections 6.2, 7.3, 8.3, 10.2.8,	Item 11
h. Trademarks and proprietary information	Franchise Agreement, Sections 8, 10.2.6.,11.3	Items 13 and 14
i. Restrictions on products/services offered	Franchise Agreement, Sections 1.8, 2.3.3, 7.3.5, 7.3.11, 8.2, 8.6	Items 8 and 16
j. Warranty and guest service requirements	Franchise Agreement, Sections 7.3.4, 7.5.3, 10.2.9	Item 11
k. Territorial Development and sales quotas	Franchise Agreement, Sections 2.1.3, 7.2, 7.3.1	Item 12 and 16

l. Ongoing product/service purchases	Franchise Agreement, Section 7.3.5	Items 8 and 16
m. Maintenance, appearance and remodeling requirements	Franchise Agreement, Section 3.2.6, 7.3.5	Item 11
n. Insurance	Franchise Agreement, Section 7.4	Items 7 and 8
o. Advertising	Franchise Agreement, Section 2.1.1.(3)-(5), 4.3, 7.2, 7.3.7.-8	Items 6, 7 and 11
p. Indemnification	Franchise Agreement, Section 7.2.3, 7.5, 8.6.4, 12.9	Item 6
q. Owner's participation/management/staffing	Franchise Agreement, Section 7.1, 7.3	Item 15
r. Records and reports	Franchise Agreement, Section 4.5, 5	Item 6
s. Inspections and audits	Franchise Agreement, Sections 5.1-3, 7.3.14	Item 6
t. Transfer	Franchise Agreement, Sections 9, 10.2.4	Items 6 and 17
u. Renewal	Franchise Agreement, Section 3.2	Items 6 and 17
v. Post-termination obligations	Franchise Agreement, Sections 3.4, 11	Item 17
w. Non-competition covenants	Franchise Agreement, Section 11.8	Item 17
x. Dispute resolution	Franchise Agreement, Section 12	Item 17

ITEM 10 **FINANCING**

We do not offer 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, we are not required to provide you with any assistance.

Our Obligations Before You Open the Franchise Business:

(1) Designate your LSA and approve of your Franchise Location. We will assist you with site selection and, guide you in retaining a third-party real-estate brokerage firm for additional assistance. You are also free to use your own real estate brokerage firm. We provide mandatory and suggested layouts for your Franchise Location, including size design, required and recommended furniture and fixtures, equipment, and signs. Considerations for design include, but are not limited to color palette and patterns of interior and layout of the space to create a “home like” atmosphere that is welcoming and comforting to the guests. **(Franchise Agreement, Section 2.1 and Schedule 1).**

(2) Provide you or your Owner (if you are an entity) with our Initial Training Program. **(Franchise Agreement, Section 6.1).**

(3) Lend you a copy of or provide you with access to the Manuals for operating the Franchised Business. The Manuals contain our standard operational procedures, policies, rules and regulations some of which are mandatory and others that are suggestions and best practices. The Manuals also contain written specifications and standards for and a list of required Supplies, including equipment, signs, furnishings, opening inventory, and supplies and a list of Approved Suppliers. These lists may update periodically in our sole discretion. We do not deliver or install any of these items for you. We may periodically modify the Manuals to convey to you any changes in the authorized Services and Related Products, specifications, standards and operating procedures. The Manuals may be provided electronically. **(Franchise Agreement, Section 6.2)** Our Manuals contain approximately 305 pages. If applicable, additional product description and collateral provided by Suppliers will also be made available.

Our Obligations during the Operation of the Franchise Business

(1) Require you or your Owner (if you are an entity) to attend refresher and additional training courses described in greater detail later in this Item. Provide additional training programs and support services as we deem appropriate. **(Franchise Agreement, Section 6.1.2.).**

(2) Provide assistance during certain normal working hours. **(Franchise Agreement, Section 6.3.4).** Provide you with revisions and updates to our Manuals. **(Franchise Agreement, Section 6.2).**

(3) Periodically modify your obligations under the Franchise Agreement including the adoption of new or modified Marks, Services and Related Products, equipment and new techniques and the sources of each. **(Franchise Agreement, Section 6.3.2., 7.3.5, 7.3.11, 8.4.5).**

(4) Review your advertising materials and approve or disapprove them for your use. **(Franchise Agreement, Section 7.2.1).**

(5) Inspect your Franchise Location at any time it is open for business or at any other reasonable time to check on the condition and operation for compliance with the Franchise Agreement and require that franchisee comply with any other applicable laws. **(Franchise Agreement, Section 7.3.14).**

Advertising and Internet Usage

In the interest of maintaining the integrity, force, quality, image, and goodwill associated with the Marks and the Elder-Well Brand, any advertising and promotional materials you choose to develop to promote the Franchised Business, must first be reviewed and approved in writing by us. **(Franchise Agreement, Section 7.2.1)** All of your advertising and promotions must be accurate and truthful, comply with applicable laws and regulations on consumer advertising, and designate the Franchise Location and

the service area, as described in the Manuals (**Franchise Agreement, Sections 7.2.1 and 7.2.3**)

You may not register any of the Marks on the Internet or any other computer on-line service. (**Franchise Agreement, Section 8.6**) You may not create, develop, maintain, and/or use your own website, blog, vlog, social network, or other on-line venue or communication on the Internet using any of the Marks. We in our sole discretion shall establish all social networking accounts on behalf of Franchisee that use the Marks. Franchisee shall not under any circumstance use the Marks on any social networking website or any other media that exploits, utilizes, displays, or otherwise makes use of any of the Marks. For any accounts that we establish on behalf of Franchisee, Franchisee has no right, title or interest to any webpage on any of Franchisee's social networking sites including, but not limited to, all "fans", "followers", "friends" and "contacts" associated therewith which mentions, uses or refers in any way to the Marks or other intellectual property.

You are not obligated to participate in any local or regional advertising cooperative.

Brand Development Fund

Your contribution to the Elder-Well Brand Development Fund is the greater of: i) 2% of your Gross Revenue; or ii) the monthly Minimum Brand Development Fee, which is currently \$100 per month. (**Franchise Agreement, Section 4.3**). If all of the Brand Development Fees are not spent in the fiscal year in which they accrue, the remaining amounts are retained in the Brand Development Fund for use in the following years.

Franchisee's Brand Development Fees are not commingled with our general operating funds. (**Franchise Agreement, Section 4.3.3**) We, without seeking or obtaining agreement with franchisees, and not as a condition to the grant or acceptance of the Franchised Business, but strictly as a unilateral expression of intention and of business policy designed to enhance the competitive effectiveness and general public acceptance of the Elder-Well name and business, shall use the marketing fund ("**Brand Development Fund**") as we shall, in our sole discretion, deem beneficial for the brand, including the development and implementation of Elder-Well marketing, advertising and promotional programs to enhance the competitive effectiveness and general public acceptance of the Elder-Well name and service. (**Franchise Agreement, Section 4.3**). We currently use outside designers and agencies along with in house employees to create and execute marketing efforts and campaigns. We intend to use the Brand Development Fund to build the reputation, awareness, visibility and acceptance of the Elder-Well name and Marks and the services associated therewith and to provide marketing, advertising and promotional materials and services to benefit the entire Elder-Well System. We shall direct all marketing programs financed by the Brand Development Fund with sole discretion over all aspects of the fund's usage, including, but not limited to, the creative concepts, materials, services, programs, endorsements, types of media and geographic allocation of media placement. Brand Development Fund expenses may include, but not be limited to: i) website maintenance, social media, and marketing content creation and materials; ii) assisting franchisees in implementing marketing, advertising, and promotional tools and programs, which may include field visits, annual Elder-Well Brand conference/regional meeting costs attendant to marketing efforts or other targeted or system-wide marketing efforts at Franchisor's discretion; and iii) payments to Franchisor for the expense of administering the Brand Development Fund, including administrative costs, overhead, accounting expenses and salaries paid to Franchisor's employees engaged in the marketing, advertising and promotion functions or as an allocation for certain Corporate Services as described below.

The Brand Development Fund shall pay reasonable costs of administration, including administrative costs, overhead and salaries that Franchisor may incur related to the fund's purpose. Specifically, Brand Development Fund costs for formulation and development of advertising, marketing, promotional and public relations materials will include marketing staff compensation and a proportionate share of the compensation for our senior management who devote time and render services for advertising, marketing and/or promotional purposes or the administration of the Brand Development Fund. The Brand

Development Fund may compensate us or our affiliated entities for out-of-pocket costs and for reasonable expenses incurred for rent, overhead, accounting, collection, reporting, legal, human resources, finance, operations, management and other services (collectively “Corporate Services”), which we or our affiliated entities provide to, or which relate to the administration of, or services provided to, the Brand Development Fund and its programs. We and our affiliated entities may provide certain products and/or services to the Brand Development Fund, including the Corporate Services outlined above, which would otherwise be provided by unaffiliated third parties, and we and our affiliates will be entitled to compensation by the Brand Development Fund for such products and/or services. Any products and/or services provided by us or our affiliates will be provided at a cost comparable to those costs that the Brand Development Fund would otherwise incur if the products or services were obtained from unaffiliated third parties. We have the right to periodically modify the methodology described in this paragraph.

We shall direct all marketing programs financed by the Brand Development Fund with sole discretion over the creative concepts, materials, endorsements, types of media and geographic allocation of media placement. We do not have to spend any amount on marketing, advertising, promotion or field work in your area. None of the money contributed to the Fund will be used by us in the offer of franchises.

Franchisees may receive an annual unaudited accounting of the advertising fund’s receipts and disbursements upon written request.

In the fiscal year ended December 31, 2023, we did not collect any Brand Development Fees.

Currently, there is no specific advertising council composed of franchisees that advises us on advertising policies.

Computer System and Equipment

You must own a laptop computer system loaded with commercially available software such as Office 365, and a tablet or other streaming device. You may also be required to purchase certain proprietary or third-party software from us or a third-party vendor, including accounting software and customer relationship management software. (**Franchise Agreement, Section 7.3.2**). Our current requirements are that the computer system be equipped with the most recent Windows operating system, Ethernet and USB ports and must support a functioning e-mail program (**Franchise Agreement, Section 7.3.2**). We will have independent access to information and data that you collect, and your computer system must be capable of sending and receiving e-mails to and from us. High speed internet access is required. We may transmit communications to you including updates of the Manuals and any policies and procedures via email or through a website portal. (**Franchise Agreement, Sections 6.2, 6.3**) The approximate cost to purchase or lease this type of computer system is between \$800 and \$2,000.

You must have a printer/scanner/fax, a DVD player, a CD Player and a Smart TV. We estimate the cost to purchase this to be approximately \$2,000. (**Franchise Agreement, Section 7.3.12**.) You must pay for ongoing maintenance and repairs to this equipment, as well as any upgrades or updates we require. (**Franchise Agreement, Section 7.3.12**). We estimate that the current annual cost to do so is approximately \$200-\$500. We are not required to assist you with buying this equipment.

Separate and apart from the Computer System and Equipment you must purchase, you are required to pay us a Technology Fee, which is currently \$150 per month, but subject to increase. The Technology Fee is intended to cover the cost of technology development, maintenance, and usage, which may include certain required franchise reporting software and costs incurred by us for intranet, website maintenance, branded email and other related technology needs. The amount of the Technology Fee as well as the tools, software and programs offered through the Technology Fee are subject to change at Franchisor’s sole discretion. Other required software you are required to purchase, such as accounting software and related financial reporting software, Office 365 and customer relationship management software. Your laptop must have commercially available software such as Office 365 (either Personal version or Office, Home and

Student version). You must purchase accounting software that we designate as provided by an Approved Supplier (currently QuickBooks Essentials Online) as well as a third-party data automation company responsible for providing scheduling and contact management. See Item 8.

Location Approval

You must select a location for the operation of your Franchised Business within your LSA subject to our approval, which must be a leased or owned residential home or commercial space that is unoccupied and dedicated specifically to the Franchised Business. (**Franchise Agreement, Section 2.1.1.**) In determining whether a location will be approved, we will consider the territory licensed, the population density and other relevant demographics as well as the distance from other franchise locations and the number of additional franchises that may be established in the general area in the future. We will advise you whether your proposed location is approved or disapproved within 30 days of the date we receive written notice of your proposed location. Upon our approval of your proposed location and after you secure the site, we will insert its address into the Franchise Agreement.

Your Franchise Location is required to be able to accommodate 55 square feet per person (or whatever your jurisdiction requires if it is more than 55 square feet per person) enrolled in the Program (including staff). We recommend that the Franchise Location have a total of between 2,000 and 3,500 square feet. Your jurisdiction will determine whether the Franchise Location must be handicap accessible. Your Franchise Location must have kitchen and bathroom facilities and access to outdoor recreation space.

Although we will provide you with overall, general site selection, we do not provide assistance with conforming the premises to local ordinances and building codes or obtaining any required permits, and/or constructing, remodeling, or decorating the premises. We can provide some guidance but ultimately conformity of your site to local ordinances is your responsibility. If you do not submit a site for the location of your business that is approved by us, your franchise may be terminated.

Typical Length of time Before Operation

We estimate that you will open your Franchise Business within 3-12 months of signing the Franchise Agreement depending on location chosen, ability to obtain a lease, local and zoning ordinances, build-out requirements, licensing requirements, government closures due to COVID-19 or similar factors. You will not be permitted to open your business until you have satisfactorily completed Pre-Training Requirements and the Initial Training Program. (**Franchise Agreement, Sections 6.1.1., 7.1.**), provided proof of required insurance (**Franchise Agreement, Section 7.4.**), received approval for the Franchise Location (**Franchise Agreement, Section 2.1.1-2**) and obtained necessary licenses/permits, if applicable. The factors that affect the time between the signing of the Franchise Agreement and opening of the Franchise Business include obtaining an appropriate Franchise Location, effectuating any required renovations, obtaining required licenses and permits, obtaining third-party financing (if necessary), the successful completion of training, obtaining necessary equipment, procuring promotional materials, completing the hiring and training of any support staff and your ability to adequately service the Franchised Business. You may begin operating your Franchised Business only after we give our written approval for you to do so. (**Franchise Agreement, Section 2.2.**).

Training

We will provide an initial training program. The initial training program will consist of our online pre-training curriculum ("Pre-Training Requirements") (**Franchise Agreement, Section 6.1.**), virtual/remote pre-training with our support team, approximately **four days at our corporate location and four days at your franchised location** or other location we designate. You must pay for all travel and living expenses that you and all your team members incur, in addition to wages and workers' compensation

insurance while training.

Additionally, you will be required to have reviewed and completed our pre-opening checklist, market pricing survey, advertising and networking plan criteria, local industry and professional affiliations. Our Pre-Training Requirements are subject to change at our sole discretion.

Our Initial Training Program will last approximately eight days. You or your owner (if you are an entity) will generally attend the Initial Training Program at a time we designate at our principal office in Natick, MA or another place we designate). (**Franchise Agreement, Section 6.1**). If either you or your owner does not, in our judgment, successfully complete the training course, we may terminate the Franchise Agreement. (**Franchise Agreement, Section 10.2.2**). You will receive no compensation or reimbursement for services or expenses for your participation in training. You must pay for all expenses for you and your personnel to attend any training program, including travel, lodging, car rentals, meals and the wages of any person attending training. (**Franchise Agreement, Section 6.1.3**). The Initial Training Program is provided to Franchisee for its Owners and employees at no charge for the life of the franchise provided i) you are in good standing under the Franchise Agreement by being current in the payment of all fees and are otherwise fully compliant with your contractual obligations and requirements/specifications as identified in the Manuals; and ii) we approve of the training candidate. (**Franchise Agreement, Section 6.1.1**) We may provide, at our option, additional training programs for you and your employees at locations designated by us and/or online, for an additional fee. (**Franchise Agreement, Section 6.1.2**) Under certain circumstances, including but not limited to, new Products and Service offerings being added to the System or your unsatisfactory performance of its obligations, we may require you or your employees to attend additional training courses from time to time and we may need to charge an additional fee, payable to us.

As of the date of this Franchise Disclosure Document, our current Initial Training Program, which may be periodically changed, is as follows:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Pre- Training Requirements			
Business Formation & Insurance Requirements	4	0	Virtual
CPR & First Aid Training	2	0	Virtual
Blood Borne Pathogens & Universal Requirements	2	0	Virtual
Food Manager & Allergy Awareness Certification.	3	0	Virtual
Dementia Training	8	0	Virtual
In Person Training- 4 Days			
Day 1			
Introduction	1	0	Natick, MA
Review Pre-training Requirements	2	0	Natick, MA
Management and HR	2	0	Natick, MA
Scheduling and Billing Procedures	3	0	Natick, MA

Day2			Natick, MA
Sales & Marketing	2	0	Natick, MA
Lead Gen, Inquiries & Tours	2	0	Natick, MA
Enrollment & Provided Services	2	0	Natick, MA
Emergency Preparedness	2	0	Natick, MA
Day 3			Natick, MA
Food Services	1	0	
Incident Reports, Medication, and Infection Control	2	0	Natick, MA
Program Development, Content Creation & Delivery	4	0	Natick, MA
Day 4			
A Day at The Center-Hands on Program Delivery.	8	0	Natick, MA
Total	50	0	

Our training program will be conducted as needed but no less than every three (3) months. The training will be provided and supervised by Kara Harvey and Ken Harvey as well as other independent contractors with specialized knowledge in the following fields: business program operations, accounting, marketing, program relevant therapists, dementia practitioners, geriatric nurse practitioner, nutrition, certified aging in place contractor.

Kara Harvey: Kara has 31 years' experience in the senior care industry. She has owned and operated home care, home health and hospice agencies and adult day care programs. She is a trainer and facilitator for dementia care and family support. Kara is a certified SHINE Medicare/Medicaid counselor and has been in the industry of caring for aging individuals in various capacities since 1998.

Ken Harvey: Ken has been involved in the development and management of adult day programs, home care and hospice agencies, Aging in Place design and commercial + residential construction management since 1983. He is co-founder and COO of the Elder-Well franchise system.

Laura Erb: Laura is the director of the Elder-Well corporate day program, where she develops and delivers Elder-Well program content and therapies. She oversees the daily center operations and compliance. She has 23 years of experience in the adult day care industry, and four years of experience with us.

Taylor Seitz: Taylor is the director of brand strategy for the Elder-Well franchise system. She manages the technology and marketing systems and provides franchise support. Taylor has 11 years of experience in the technology industry and four years of experience with us.

Kelly Mirken Kelly is the manager of the Elder-Well corporate location where she develops and implements therapies and best practice techniques in dementia day services. She has 31 years of experience in Long Term Care, specifically Alzheimer's behavioral and skilled nursing units. She has 2 years of experience with us.

You must complete your initial training within 30 days after signing the Franchise Agreement and at least 10 days before you begin operation of the Franchised Business based on training availability.

Our instructional materials consist of our Manuals, handouts, informational presentations as well as video training and role plays. We may also require your Owner (if you are an entity) and you to attend refresher courses and additional training courses, and may charge a fee for this, which will in no event be less than \$500 per attendee. (**Franchise Agreement, Section 6.1.2**). You will also have to pay all expenses

for any owner or other manager/employee to attend any refresher or additional training course. (**Franchise Agreement, Section 6.1.3**)

Computer skills are necessary for the operation and marketing of the Franchised Business. You must become proficient in the use of the Windows and Microsoft software programs on your own. If this is not done before the start of training, the ability to learn external programs and functions may be delayed.

We may make available other training programs for you and your employees. You will not be required to attend these programs. (**Franchise Agreement, 6.1.2**)

ITEM 12 **TERRITORY**

Licensed Service Area

You are granted the right to operate the Franchised Business at a Franchise Location that we must approve within a specific LSA. Your LSA is made up of contiguous zip codes of up to 100,000 population figures. Your LSA may be reduced or enlarged based on demographics and population density. The population is determined by the most recent U.S. Census available and as may be updated from time to time from certain third-party demographic providers. Your Franchise Location and LSA will be established before you sign your Franchise Agreement and defined in the Data Sheet.

Provided you are materially compliant with the Franchise Agreement, we will not operate locations or grant another franchise for the Elder-Well Business in your LSA. You must receive our written permission before relocating your Franchise Location. To be eligible to relocate, you must be in good standing under your Franchise Agreement, and you must satisfy our then current franchise placement and demographics criteria, as expressed in the Manuals.

If you choose, to lease (instead of own) space to accommodate the Franchised Business, the lease must be no longer in duration than the Term of the Franchise.

Marketing Requirements and Restrictions

You must use your best efforts to affect the best possible distribution and sale of the Elder-Well Services and Related Products, and to solicit potential guests for the Franchised Business within your LSA.

You are not permitted to market, advertise or solicit business outside of your LSA except you may market (a) at hospitals, aging service access points, Alzheimer associations, community/senior centers and networking groups that serve (or whose membership is open to) multiple communities/towns and (b) in locations that are not currently the LSA of another franchisee, provided that you cease marketing, advertising and/or soliciting business in such area if and when it becomes the LSA of another franchisee ("Marketing Exceptions"). All marketing materials/representations must identify the address of your Franchise Location and, where appropriate, identify your service area by zip codes as identified in the Manuals. You may not provide services associated with the Franchised Business outside your LSA. You may receive guests that live or work outside your LSA as may any other Elder-Well Franchisee. Similarly, a guest who lives in your LSA may choose to go to another Elder-Well franchise location. See marketing restrictions below. Violating territory boundaries will result in a fine of \$5,000 or 50% of fees generated from such violation per occurrence payable to us. This penalty is in addition to the potential for termination of the Franchise Agreement.

Reserved Rights

Neither we nor any affiliate currently operates or plans to operate or franchise businesses that sell Services and Related Products to guests located in your LSA under a different trademark. We, however, expressly reserve the exclusive, unrestricted right, directly and indirectly: (i) own, acquire, establish and/or operate, and license others to establish and operate, an Elder-Well Business at any location outside of your LSA; (ii) own, acquire, establish and/or operate, and license others to establish and operate, businesses under other proprietary marks or other systems, whether such businesses are the same, similar, or different from the Franchised Business, at any location, whether inside or outside of your LSA; (iii) own, acquire, establish and/or operate, and license others to establish and operate businesses, whether inside or outside of your LSA, that: (a) produce, license, distribute and market Elder-Well branded products, clothing, souvenirs, and novelty items through any outlet (regardless of its proximity to the Franchised Business) including retail and department stores and through any distribution channel, at wholesale or retail, including by means of the Internet, mail order catalogs, direct mail advertising and other distribution methods; and (b) license additional Services and Related Products under the Marks in the LSA; and (iv) own, acquire, establish and/or operate and grant others the right to develop, own, operate and issue franchises and licenses to others to develop, own and operate other methods and channels of distribution under different marks and branding or utilizing the Marks and the System, including, without limitation, toll-free telephone numbers, domain names, URLs, on-line computer networks and services, the Internet, kiosks, carts, concessions, satellite units, other mobile, remote, limited service or non-permanent facilities or other retail operations.

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

National Accounts

We may establish national accounts with companies to service their needs throughout their systems nationwide (“National Accounts”). To participate in such National Accounts, you may need to satisfy certain eligibility criteria. If you are eligible to service these National Accounts and are interested in doing so, you will be required to sign a separate National Account Service Agreement for each guest identifying the conditions under which Services and Related Products will be provided.

Because of our right to service National Accounts in you LSA, you will not receive an exclusive territory. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Additional Disclosures

You do not automatically receive any options, rights of first refusal or similar rights to acquire additional franchise locations within or outside your LSA. You must purchase another franchise to obtain an additional territory if you qualify. See below section on the Deposit Remittance Form.


There are no minimum Gross Revenue requirements to maintain your territorial rights. You do, however, have a monthly Minimum Royalty Fee and Minimum Brand Development Fee. See Item 6.

ITEM 13 **TRADEMARKS**

We license franchisees the right to use and display the trademark “Elder-Well” and related Marks for the duration of the Franchise Agreement only for the operation of the Franchised Business. By Marks, we mean trademarks, trade names, service marks, designs, emblems, logos, graphics, slogans, copyrights, trade dress, trade secrets and commercial symbols used to identify the Franchised Business, including, but not limited to the following Marks that we received a registration on the Principal Register of the United States Patent and Trademark Office (“USPTO”):

TRADEMARK	REGISTRATION NUMBER	REGISTRATION DATE
Elder-Well	6,015,197	March 17, 2020
Elder-Well, Spend the Day, A Social-Supportive Adult Day Program. Design.	6,015,198	March 17, 2020

We do not have a federal registration for the below unregistered Mark. Therefore, this Mark does not have as many legal benefits and rights as federally registered trademarks. If our right to use this Mark is challenged, upon our discretion, you may have to change to an alternative trademark, which may increase your expenses.

TRADEMARK	SERIAL NUMBER	FILING DATE
	98402121	February 12, 2024

All required affidavits have been filed.

You may not license or sublicense any trademarks, service marks, trade names, logotypes or commercial symbols owned by us, or our affiliates. We may require you to use this name with other words or symbols. We may also permit you to use other trademarks owned or licensed by us in the operation of your Franchised Business.

We may also claim common law rights in other Marks that we have developed; however, we have not applied for registration of these Marks.

We are not aware of any currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, or any pending infringement, opposition or cancellation or any pending material litigation involving the principal trademarks. There are no agreements currently in effect that significantly limit our rights to use or license the use of the principal trademarks that are material to the franchise, nor are there any prior superior rights or infringing uses actually known to us that could materially affect your use of the licensed trade name, trademarks, or service marks.

Other than our owners' use of the Elder-Well name in prior businesses, we are not aware of any other entity that has or is using the name Elder-Well in connection with services similar to the Franchised Business or otherwise. We have not conducted an exhaustive search for names that may be the same or similar to our Marks and we may not be able to prevent their continued use of these names, particularly in cases where their use predates our application(s) for federal trademark and service mark registrations. There may be similar uses to our Marks of which we are unaware that could arise from such prior users. No

agreements limit our right to use or license the use of our trademarks.

If our right to use any of our Marks is challenged, you may be required to change to an alternative trademark, which may increase your expenses. You must follow our rules when you use these trademarks. You are prohibited from using any of our Marks as part of your corporate, partnership, limited liability company or other entity name or with any prefix, suffix, or other modifying words, terms, designs or symbols. You may not use our Marks for the sale of an unauthorized product or service or in a manner not authorized in writing by us.

You do not acquire any ownership of these trademarks or any right to goodwill attributed to them. You acknowledge that we own these trademarks and that they are valid trademarks. You shall not challenge our ownership of the trademarks or assist anyone else in doing so. You also shall not challenge our right to use and license the use of the trademarks or assist anyone else in doing so. You also shall not acquire any similar or identical trademarks.

You must promptly notify us if you learn about an infringement of the Marks or a challenge to your use of them. We may take the action we decide is appropriate to protect and defend the Marks and the system. If we institute litigation or elect to defend an action, you must cooperate in any action if requested by us.

We may, but are not obligated by the Franchise Agreement to, participate in your defense in any administrative or judicial proceeding involving our Marks, or to indemnify you for costs and expenses you incur if you are a party in any action or proceeding involving the validity or our rights in our Marks. We have the sole right, but no obligation, to control any litigation involving our Marks and to compromise or settle any claim, in our discretion, at our sole cost and expense, using attorneys of our own choosing, and you must cooperate fully in defending any claim and you may participate, at your own expense, in the defense or settlement. You may not make any demand against any alleged infringer, prosecute any claim or settle or compromise any claim by a third party without our prior written consent. You agree in the Franchise Agreement not to contest, directly or indirectly, our ownership, right, title or interest in our Marks, or contest the sole right of to register, use, or license others to use those Marks.

Periodically, in the Manuals or in directives or supplemental bulletins, we may add to, delete, or modify any or all of the Marks.

You must modify, replace or discontinue the use of a trademark if we so require. You must pay for your costs of compliance (e.g., changing signs, destroying or recalling advertising and promotional items).

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

At this time, we do not own any patents which are associated with the Franchised Businesses or System but we do claim common law copyrights in our proprietary materials, including all Manuals, artistic designs, word combinations and other marketing, operations and training materials that we license you to use, other proprietary information and publications we own or have acquired under license from a third party, and everything concerning operating procedures. We have not filed an application with the United States Copyright Office for copyright registration for any materials and do not currently have any pending patent applications., we claim copyright protection for the.

There are no infringing uses actually known to us that could materially affect your use of the copyrights, trade secrets, processes, methods, procedures, or other proprietary information described above. There are no agreements currently in effect that limit our rights to use or license the above-mentioned

copyrights in any manner.

You must notify us if you learn about an infringement of or challenge to your use of these copyrighted materials. We may take the action we believe appropriate if a third party is infringing on any of our copyrights.

We will provide you with information that is confidential, proprietary, and constitutes trade secrets. Examples of this type of information include knowledge of the system and the technology, concepts or results relating to related technology, sources and suppliers of equipment, and, in general, methods, techniques, formulas, formats, specifications, standards, procedures, know-how, information systems, forms of agreement and actual agreements used in connection with the Franchised Business, and the entire contents of the Manuals. You must maintain the absolute confidentiality of all such information during and after the term of the Franchise Agreement. You also must not use any such information in any other business or in any manner not specifically authorized or approved in writing by us, or make copies of such information, or divulge such information to any other person except as permitted by us. You must obtain a confidentiality agreement (in a form provided by us, which form, among other provisions, will designate us as a third-party beneficiary of such covenants with the independent right to enforce them) from any other person involved in your Franchised Business who will have access to any confidential information or trade secrets.

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

You must devote full time and effort to the active management and operation of the Franchised Business. If you are a corporation or other entity, an Owner (as that term is defined in the Franchise Agreement) must directly supervise the business. You may hire a full-time manager for the Franchised Business only if you obtain our prior written consent. In this event, you must continue to actively oversee the operations of the Franchised Business and supervise the manager. Any manager must complete the Initial Training Program to our satisfaction and must sign a confidentiality and non-competition agreement in a form acceptable to us before he or she begins managing the Franchised Business. We can supply you with a model confidentiality and non-competition agreement that you can use; however, it is your responsibility to work with your own local legal counsel to ensure that any contract you use complies with the law of your particular state.

If you are a corporation or other entity, each of your Owners must sign the Personal Guaranty in the form attached to the Franchise Agreement. We may also require any person involved in assisting you to fulfill your obligations under the Franchise Agreement who will have access to any of our confidential information or trade secrets to sign a confidentiality agreement in a form acceptable to us. Your officers, directors, executives, members, managers, shareholders, partners, employees and owners must sign a non-competition agreement in a form acceptable to us. If your spouse is not an owner of the business entity and you do not live in a community property or tenancy by the entirety state, your spouse need not sign a personal guarantee.

You are not required to grant an equity interest to any employee or manager.

ITEM 16 **RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

As described in this Item and in Item 8 and Item 12, the Services and Related Products you offer in connection with the Franchised Business are restricted and they may only be offered at your Franchise Location.

You must offer and sell only those Services and Related Products that we specify or approve. You must offer the approved Services and Related Products in the manner we require and only in your LSA. You have discretion to offer certain optional Services and Related Products as we may designate in the Manuals. You may not offer any Services and Related Products that are not approved by us without first obtaining our written consent, which will be exercised using reasonable business judgment. In operating the Franchised Business, you must only use the type of tools, equipment and supplies we approve.

You may not offer any Services and Related Products through alternative channels of distribution without our prior written approval. We have the right without limitation to change and add to the types of Services and Related Products offered through the Franchised Business. Some changes may require you to purchase new equipment in order to sell the new items. You agree to immediately cease offering discontinued Services and Related Products upon notice. If any applicable law has certain restrictions or preconditions on offering any Services and Related Products, you must comply.

You can use only stationery, advertising and promotional materials, reports and forms with the Marks and colors authorized by us.

You are prohibited from marketing, advertising, competing for business or promoting the Franchised Business or otherwise soliciting guests outside your LSA except for the Marketing Exceptions identified in Item 12. For a description of your rights in connection with your territory, see Item 12 of this Disclosure Document.

For a description of your restrictions on Approved Suppliers, see Item 8 of this Disclosure Document.

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists 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	Section 3.1	Term is 10 years from the Effective Date.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
b. Renewal or extension of the term	Section 3.2; 3.4	10 years
c. Requirements for franchisee to renew or extend	Section 3.2	Renewal conditions: (i) notice; (ii) successor fee; (iii) sign our then-current Franchise Agreement, which may contain materially different terms and conditions than your original agreement; (iii) not be in default; (iv) attend comply additional training and refurbish; (v) sign a general release.
d. Termination by franchisee	None	Not Applicable.
e. Termination by franchisor without cause	None	Not Applicable.
f. Termination by franchisor with cause	Sections 10.2; 10.3	We can terminate if you default or if events described in (g) and (h) below occur.
g. "Cause" defined – curable defaults	Section 10.3	<p>You have 15 days to cure the following: failure to make timely payments or submit reports; jeopardizing the goodwill or reputation of the franchisor including unauthorized use of Marks; or failure to comply with your obligations to promote and manage the business as identified in Section 7 of the Franchise Agreement.</p> <p>You have 30 days to cure any other default under the Franchise Agreement.</p>
h. "Cause" defined – non-curable defaults	Section 10.1	Non-curable defaults by you: insolvency or assignment for creditors, bankruptcy; material misrepresentation or omission in application or report; indicted by grand jury or felony convictions or repeated conduct that reflects unfavorably on us; unauthorized assignment; breach of other agreement with us; fails to operate business for 7 consecutive days; fail to successfully complete the initial training program; violates territory boundaries after previously receiving 1 prior written notice of violation; under-report gross revenues by 3%; violate any federal, state or local law or regulation; fail to attend first conference you repeatedly conduct yourself in an unprofessional manner after receiving 2 prior written notices; receipt of 2 or more notices of default in any 12 month period.
i. Franchisee's obligations on termination/non-renewal	Section 11; 6.2.3	Obligations include: pay all amounts owed to us; cease identifying yourself as affiliated with the System or the Marks, including canceling all associated telephone numbers and internet directory listings; cease using Marks and proprietary information; return all materials and the Manuals; and cancel all fictitious or assumed names relating to the Marks; keep all information associated with the Franchised Business confidential; comply with any other requirements in the Manuals; and others (see (r) below).
j. Assignment of contract by franchisor	Section 9.1	No restriction on our right to assign.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
k. "Transfer" by franchisee—definition	Section 9.2	Includes transfer of rights under Franchise Agreement, transfer of your Franchised Business or its assets, and transfer of equity or interest in you.
l. Franchisor approval of transfer by franchisee	Section 9.2	We must approve any assignment or transfer.
m. Conditions for franchisor approval of transfer	Section 9.2	You must give us prior written notice describing the terms of the transfer at least 60 days in advance of the proposed Transfer; you must be in good standing; the sale and purchase agreement between the parties must not damage the goodwill of the System, proposed transferee must meet our standards; you and your principals must sign a general release of us; proposed transferee obtained all requisite licenses and consents; proposed transferee must sign the then-current form of Franchise Agreement and guaranty; proposed transferee must expressly assume your obligations under the Franchise Agreement in writing; pay a transfer fee of 25% of the then current Initial Franchise Fee; the proposed transferee or the individual designated by the proposed transferee to manage the day-to-day operations of the Franchised Business must satisfactorily complete the initial training program; either you or the transferee have agreed to implement any modernization requirements
n. Franchisor's right of first refusal to acquire your business	Section 9.3	We can match any offer for a proposed transfer subject to the process and conditions stated in this Section of the Franchise Agreement.
o. Franchisor's option to purchase your business	None	Our only option to purchase the Franchised Business is through a right of first refusal. See (n) above.
p. Death or disability of franchisee	Section 9.4	Within 6 months after death or proven disability, heirs or legal representatives may take over or assign to a third party the interest of the disabled or deceased person, subject to the transferee's satisfaction of the prerequisites for approving other assignees, as described in (m) above.
q. Non-competition covenants during the term of the franchise	Section 11.8	You and your owners and their family members (who live in the same household) may not divert business from the Franchised Business. Nor shall such persons be involved in a Competitive Business, defined as any business where five percent (5%) or more of its sales include services similar to that offered by the Franchised Business.
r. Non-competition covenants after the franchise is terminated or expires	Section 11.8; 12.10	No competing business for 24 months after termination or expiration (including assignment) within 25 miles of your LSA, within 25 miles of the LSA of any other franchisee as existing at the time of termination or expiration. For a period of 24 months you cannot solicit or service guests of the Franchise Business. If covenants not to compete are not enforceable in your state and you continue to operate, you must pay a deferred training fee as liquidated damages in an amount equal to thirty percent

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
		(30%) of Franchisee's average annual Gross Revenue over the Franchisee's preceding three (3) years (or for such shorter period if Franchisee has not been under a Franchise Agreement for a full three (3) year period).
s. Modification of the agreement	Section 4.4, 6.2.2, 6.3.2, 7.3.5; 11.8.5; 13.3; 13.5	Other than an increase in the Technology Fee, modifications must be in writing signed by both parties; the System and the Manuals are subject to change; a court may also modify an unenforceable provision to the extent necessary to make it enforceable.
t. Integration/merger clause	Section 13.5	Only the terms of the Franchise Agreement and any addendum are binding. Any representations or promises outside of the Disclosure Document and the Franchise Agreement may not be enforceable. (subject to applicable state law)
u. Dispute resolution	Section 12	Most disputes between the parties shall first be submitted to good faith discussions, then non-binding mediation; waiver of jury trial; recovery limited to actual damages sustained. (subject to applicable state law)
v. Choice of forum	Section 12.2	Massachusetts in the county in which our principal place of business is located, which is currently Middlesex County, Massachusetts (subject to applicable state law)
w. Choice of law	Section 12.1	Massachusetts law applies, except the Lanham Act shall also apply to provisions concerning trademarks, trade names, service marks, slogans, copyrights, designs, emblems, logos, trade dress, trade secrets and commercial symbols. (subject to applicable state law)

ITEM 18 **PUBLIC FIGURES**

We do not use any public figure to promote its franchises.

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 franchise you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance of a particular Location or under particular circumstances.

In this Item, we present historical financial information from the affiliated-owned location, operated

by Bsocial, Inc. (the “Affiliate-Owned Location”). The Affiliate-Owned Location began operating an Elder-Well location in February 2021. It is intentionally operated at 50% capacity, because the location is also used as a corporate development center, where we test new therapies, trainings, etc. to assist in the development of the franchise.

The Affiliate-Owned Location operates in substantially the same manner and is the same type of business as the business being franchised through this Disclosure Document. However, the Affiliate-Owned Location does not pay Royalties or Brand Development Fees to us.

Elder-Well Adult Day Program
January 1- December 31, 2023

	Revenue	Payroll⁵	COGS-Other²	Operating Expenses¹	Misc. Expenses⁵	Net Profit⁶
Total^{3, 4}	\$388,739.00	\$129,744.05	\$21,423.40	\$61,754.87	\$29,318.31	\$146,498.37
Percentage of Income^{3, 4}	100%	33%	6%	15.5%	7.5%	38%

1. “Operating Expenses” include local advertising/marketing, business insurance, office supplies, software, rent, repairs and maintenance, utilities, and permits/licenses.
2. “COGS-Other” includes client activities, client meals, program supplies, and worker’s compensation insurance.
3. All numbers are based on our corporate location which is intentionally run at approximately 50% capacity. This allows us the time needed to develop and test all of our therapies and company systems.
4. The numbers depicted above are the result of having a fully staffed location, which one employee serving as Program Director. Our Program Director, who could be replaced by an owner operator, was paid \$56,850.00.
5. Miscellaneous expenses include items such as auto expenses, meals & entertainment, the owners’ draw, interest expenses, and membership dues.
6. The affiliate employs a Program Director to oversee operations. If franchisee replaces the Program Director with owner-operator the above changes to the following:

Payroll: \$72,894.05/19% and Net Profit: \$203,348.36/52%.

Some outlets have earned this amount. Your individual results may differ. There is no assurance that you’ll earn as much.

Other than the foregoing, we do not make any representations about a franchisee’s future financial performance or the past financial performance of franchises. 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 franchise, however, we may provide you with the actual records of that franchise. 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 our President, Kara Harvey. kara@elderwelladulthood.com, 508-808-4516, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
SYSTEM-WIDE 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
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Affiliate-Owned	2021	0	1	+1
	2022	1	1	0
	2023	1	1	0
Total Outlets	2021	0	1	+1
	2022	1	1	0
	2023	1	1	0

TABLE NO. 2
TRANSFER OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN FRANCHISOR OR AN AFFILIATE)
FOR YEARS 2021 to 2023

STATE	YEAR	NUMBER OF TRANSFERS
Totals	2021	0
	2022	0
	2023	0

TABLE NO. 3
STATUS OF FRANCHISED OUTLETS FOR YEARS 2021 to 2023

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
Total	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0

TABLE NO. 4
STATUS OF AFFILIATE OWNED OUTLETS
FOR YEARS 2021 to 2023

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold To Franchisee	Outlets at End of the Year
MA	2021	0	1	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
Total	2021	0	1	0	0	0	1
	2022	1	0	0	0	0	1
	2023	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 OUTLETS IN THE NEXT FISCAL YEAR
California	1	1	0
Florida	1	1	0
Massachusetts	0	0	1
Total	2	2	1

Our list of current franchisees is included in Exhibit D to this Disclosure Document and our list of former franchisees is included in Exhibit E to this Disclosure Document.

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

In some instances, we anticipate that current or former franchises may sign provisions restricting their ability to speak openly about their experience with us. In the event this occurs, you may wish to speak with current and former franchisees but be aware that not all these franchisees will be able to communicate with you. During the last 3 years, we have not signed any confidentiality clauses with current or former franchisees which would restrict them from speaking openly with you about their experience with Franchisor except that they may not disclose any confidential information. In some instances, we may enter into settlement agreements arising from litigation or disputes with franchisees which include confidentiality provisions that prohibit disclosure of settlement terms.

There are no independent trademark-specific franchisee organizations associated with the franchise

system being offered that have asked to be included in this Disclosure Document.

ITEM 21

FINANCIAL STATEMENTS

Attached as **Exhibit A** to this Disclosure Document are our audited Financial Statements as of December 31, 2021, and December 31, 2022 and December 31, 2023, and our unaudited financial statements through March 31, 2024. Our fiscal year-end is December 31.

ITEM 22

CONTRACTS

The following agreements are attached to this Disclosure Document:

- Exhibit B: Franchise Agreement with the following Schedules:**
1. Data Sheet
 2. Personal Guaranty of Payment and Performance
 3. Collateral Assignment of Lease
 4. State Law Addenda, if applicable
 5. Addendum Acknowledgment to Franchise Agreement

Exhibit C: Renewal and Release Agreement

Exhibit F: Deposit Remittance Form

ITEM 23

RECEIPTS

Two copies of receipts (one copy for you and one copy for us) are found at the end of the exhibits to this Franchise Disclosure Document.

EXHIBIT A
FINANCIAL STATEMENTS

**THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT.
PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED
THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR
EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.**

Spend The Day Franchising, Inc.

Balance Sheet

As of March 31, 2024

	Total
ASSETS	
Current Assets	
Bank Accounts	
Spend the Day (3864)	25,829.46
Total Bank Accounts	\$ 25,829.46
Accounts Receivable	
Accounts Receivable (A/R)	150.00
Total Accounts Receivable	\$ 150.00
Other Current Assets	
Uncategorized Asset	0.00
Total Other Current Assets	\$ 0.00
Total Current Assets	\$ 25,979.46
Other Assets	
Organizational Costs	0.00
Security Deposits	0.00
Total Other Assets	\$ 0.00
TOTAL ASSETS	\$ 25,979.46
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Deferred Revenue-Short Term	26,075.00
Shareholder Loan	0.00
Total Other Current Liabilities	\$ 26,075.00
Total Current Liabilities	\$ 26,075.00
Long-Term Liabilities	
Deferred Revenue-Long Term	54,169.00
Shareholder Notes Payable	0.00
Total Long-Term Liabilities	\$ 54,169.00
Total Liabilities	\$ 80,244.00
Equity	
Common Stock	50,000.00
Owner's Investment	94,037.42
Retained Earnings	-183,731.68
Net Income	-14,570.28
Total Equity	-\$ 54,264.54
TOTAL LIABILITIES AND EQUITY	\$ 25,979.46

SPEND THE DAY FRANCHISING, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2023

SPEND THE DAY FRANCHISING, INC.
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MUHAMMAD ZUBAIRY, CPA PC
Certified Public Accountant
646.327.7013

INDEPENDENT AUDITOR'S REPORT

**To the Shareholders of
Spend the Day Franchising, Inc.**

Opinion

We have audited the financial statements of Spend the Day Franchising, Inc., which comprises the balance sheets as of December 31, 2023, and 2022, and the related statement of operations, and changes in shareholders' equity (deficit), and cash flows for the years 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 Spend the Day Franchising, Inc. as of December 31, 2023, and 2022. and the results of its operations and its cash flows for the for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Spend the Day 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.

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 Spend the Day 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 Spend the Day 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 Spend the Day 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.

A handwritten signature in blue ink, appearing to read 'Muhammad', with a horizontal line underneath.

Muhammad Zubairy, CPA
Westbury, NY
March 26, 2024

SPEND THE DAY FRANCHISING, INC.
BALANCE SHEETS

	<u>ASSETS</u>	
	<u>YEARS ENDED DECEMBER 31</u>	
	<u>2023</u>	<u>2022</u>
Current Assets		
Cash	<u>\$ 48,459</u>	<u>\$ 10,385</u>
Total Assets	<u><u>\$ 48,459</u></u>	<u><u>\$ 10,385</u></u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</u>		
Current Liabilities		
Contract Liabilities, current	<u>\$ 26,075</u>	<u>\$ —</u>
Total Current Liabilities	<u>26,075</u>	<u>—</u>
Contract Liabilities, net of current	54,169	—
Shareholders' Equity (Deficit)	<u>(31,785)</u>	<u>10,385</u>
Total Liabilities and Shareholders' Equity (Deficit)	<u><u>\$ 48,459</u></u>	<u><u>\$ 10,385</u></u>

See notes to financial statements

SPEND THE DAY FRANCHISING, INC.
STATEMENTS OF OPERATIONS AND SHAREHOLDERS' EQUITY (DEFICIT)

	YEARS ENDED DECEMBER 31	
	2023	2022
Revenues	\$ 506	\$ —
Operating Expenses	41,152	14,037
Net (Loss)	(40,646)	(14,037)
Shareholders' (Deficit) - Beginning	10,385	2,674
Shareholders' Contributions (Distributions)	(1,524)	21,748
Shareholders' Equity (Deficit) - Ending	\$ (31,785)	\$ 10,385

See notes to financial statements

SPEND THE DAY FRANCHISING, INC.
STATEMENTS OF CASH FLOWS

	YEARS ENDED DECEMBER 31	
	2023	2022
Cash Flows from Operating Activities:		
Net (Loss)	\$ (40,646)	\$ (14,037)
Adjustments to reconcile net (loss) to net cash		
(used) by operating activities:		
Changes in assets and liabilities		
Contract Liabilities	80,244	—
	<u>39,598</u>	<u>(14,037)</u>
Cash Flows from Investing Activities		
Shareholders' Contribution	(1,524)	21,748
	<u>(1,524)</u>	<u>21,748</u>
Net Increase (Decrease) in Cash	38,074	7,711
Cash - Beginning of Year	10,385	2,674
Cash - End of Year	<u>\$ 48,459</u>	<u>\$ 10,385</u>

See notes to financial statements

SPEND THE DAY FRANCHISING, INC.
NOTES TO FINANCIAL STATEMENTS

1. THE COMPANY

Spend the Day Franchising, Inc is a Massachusetts corporation formed in June 2019. to offer franchisees the opportunity to own and operate a business that offers individualized, non-medical, social-supportive day care services to aging adults using (i) trademarks, trade names, service marks, designs, emblems, logos, graphics, slogans, copyrights, trade dress, trade secrets and commercial symbols including the mark "Elder-Well" (the "Marks"); and (ii) specifications necessary for defined service and product offerings, including standard operating and administrative procedures, equipment, management and training programs (the "System").

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting-The accompanying financial statements have 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. Under this arrangement, franchisees are granted the right to operate a business that offers individualized, non-medical, social-supportive day care services to aging adults using the Company's system 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 and franchisee accounts receivable. 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.

Taxes on Income-The Company has elected to be taxed as a Sub-S corporation for federal and state income tax purposes. Income and expenses for the Company pass through directly to the shareholders and is reported on their individual income tax returns. Therefore, no provision or liability for federal income tax has been included in the financial statements.

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. Commission paid for franchises will be amortized over the life of the franchise agreement.

SPEND THE DAY FRANCHISING, INC.
NOTES TO FINANCIAL STATEMENTS

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 \$80,244 and \$0 respectively.

5. 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 through March 26, 2024, the date the financial statements were available to be issued.

SPEND THE DAY FRANCHISING, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2022

SPEND THE DAY FRANCHISING, INC.
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MONIS J. SIDDIQUI, CPA P.C.
Certified Public Accountant
917.309.5670

INDEPENDENT AUDITOR'S REPORT

**To the Shareholders of
Spend the Day Franchising, Inc.**

Opinion

We have audited the financial statements of Spend the Day Franchising, Inc., which comprises the balance sheets as of December 31, 2022, and 2021, and the related statement of operations, and changes in shareholders' equity (deficit), and cash flows for the years 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 Spend the Day Franchising, Inc. as of December 31, 2022, and 2021. and the results of its operations and its cash flows for the for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Spend the Day 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.

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 Spend the Day 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 Spend the Day 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 Spend the Day 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.

A handwritten signature in purple ink that reads "Monis Siddiqui, CPA P.C.".

Monis Siddiqui, CPA P.C.
Bellerose, NY
March 27, 2023

SPEND THE DAY FRANCHISING, INC.
BALANCE SHEETS

		<u>ASSETS</u>	
		DECEMBER 31	
		2022	2021
Current Assets			
Cash		\$ 10,385	\$ 2,674
	Total Assets	<u>\$ 10,385</u>	<u>\$ 2,674</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</u>			
Current Liabilities			
Due to related party		\$ —	\$ —
Shareholders' Equity (Deficit)		<u>10,385</u>	<u>2,674</u>
	Total Liabilities and Shareholders' Equity (Deficit)	<u>\$ 10,385</u>	<u>\$ 2,674</u>

See notes to financial statements

SPEND THE DAY FRANCHISING, INC.
STATEMENTS OF OPERATIONS AND SHAREHOLDERS' EQUITY (DEFICIT)

	YEARS ENDING DECEMBER 31	
	2022	2021
Revenues	\$ —	\$ —
Operating Expenses	14,037	17,909
Net (Loss)	(14,037)	(17,909)
Shareholders' (Deficit) - Beginning	2,674	(25,447)
Shareholders' Contributions	21,748	46,030
Shareholders' Equity (Deficit) - Ending	\$ 10,385	\$ 2,674

See notes to financial statements

SPEND THE DAY FRANCHISING, INC.
STATEMENTS OF CASH FLOWS

	YEARS ENDING DECEMBER 31	
	2022	2021
Cash Flows from Operating Activities:		
Net (Loss)	\$ (14,037)	\$ (17,909)
Adjustments to reconcile net (loss) to net cash		
(used) by operating activities:		
Changes in assets and liabilities		
Due to related party	—	(26,596)
	<u>(14,037)</u>	<u>(44,505)</u>
Cash Flows from Investing Activities		
Shareholders' Contribution	<u>21,748</u>	<u>46,030</u>
Net Increase (Decrease) in Cash	7,711	1,525
Cash - Beginning of Year	2,674	1,149
Cash - End of Year	<u>\$ 10,385</u>	<u>\$ 2,674</u>

See notes to financial statements

SPEND THE DAY FRANCHISING, INC.
NOTES TO FINANCIAL STATEMENTS

1. THE COMPANY

Spend the Day Franchising, Inc is a Massachusetts corporation formed in June 2019. to offer franchisees the opportunity to own and operate a business that offers individualized, non-medical, social-supportive day care services to aging adults using (i) trademarks, trade names, service marks, designs, emblems, logos, graphics, slogans, copyrights, trade dress, trade secrets and commercial symbols including the mark "Elder-Well" (the "Marks"); and (ii) specifications necessary for defined service and product offerings, including standard operating and administrative procedures, equipment, management and training programs (the "System").

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting-The accompanying financial statements have 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. Under this arrangement, franchisees are granted the right to operate a business that offers individualized, non-medical, social-supportive day care services to aging adults using the Company's system 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 and franchisee accounts receivable. 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.

Taxes on Income-The Company has elected to be taxed as a Sub-S corporation for federal and state income tax purposes. Income and expenses for the Company pass through directly to the shareholders and is reported on their individual income tax returns. Therefore, no provision or liability for federal income tax has been included in the financial statements.

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. Commission paid for franchises will be amortized over the life of the franchise agreement.

4. 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 through March 27, 2023, the date the financial statements were available to be issued.

EXHIBIT B
FRANCHISE AGREEMENT WITH SCHEDULES

SPEND THE DAY FRANCHISING, INC.

FRANCHISE AGREEMENT

SPEND THE DAY FRANCHISING, INC.

**FRANCHISE AGREEMENT
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SCHEDULES

1. Data Sheet
2. Personal Guaranty of Payment and Performance
3. Collateral Assignment of Lease
4. State Addendum (if applicable)
5. Acknowledgment Addendum to Franchise Agreement

SPEND THE DAY FRANCHISING, INC.
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this “**Agreement**”) is made by and between Spend The Day Franchising, Inc. a Massachusetts corporation (“**Franchisor**”), and Franchisee as identified on the Data Sheet (“**Data Sheet**”) attached as Schedule 1 (“**you**” or **Franchisee**”), with reference to the following facts:

A. Franchisor has the right to license the use of certain trademarks, trade names, service marks, designs, emblems, logos, graphics, slogans, copyrights, trade dress, trade secrets, Confidential Information, commercial symbols and other indicia of origin including, but not limited to, the mark “**Elder-Well**”® and any and all revisions, modifications and additions thereto.

B. Franchisor has developed a System for the ownership and operation of an Elder-Well business that offers individualized, non-medical, social-supportive day services to aging adults (the “**Elder- Well Business**”).

C. Franchisor desires to grant, and Franchisee wishes to obtain, the right and license to operate an independently owned and operated Elder-Well Business (the “**Franchised Business**”) using the Marks, the Manuals and Confidential Information in strict accordance with the System within a Licensed Service Area described on the Data Sheet.

NOW, THEREFORE, IT IS AGREED

1 DEFINED TERMS. For purposes of this Agreement, the terms below have the following definitions:

1.1 “**Default**” or “**default**” shall mean any breach of, or failure to comply with, any of the terms or conditions of an agreement between Franchisee and Franchisor including failure to comply with mandatory specifications in the Manuals.

1.2 “**Entity**” shall mean any limited liability company, partnership, trust, association, corporation or other entity that is not an individual as set forth on the Data Sheet.

1.3 “**Gross Revenue**” includes the total revenues, receipts and dollar volume from the sale of all products, services and merchandise sold and booked in connection with the Franchised Business, whether under any of the Marks or otherwise. Gross Revenue excludes sales taxes added to the sales price and collected from the customer.

1.4 “**Manuals**” shall mean any collection of written, video, audio and/or software media (including materials distributed electronically), regardless of title and consisting of various subparts and separate components, all of which Franchisor or its authorized representatives produce and that contain System Standards and recommendations for the Franchised Business, including the Elder-Well Operations and Guidelines Manual, all of which Franchisor may change from time to time.

1.5 “**Marks**” means the trademarks, trade names, service marks, designs, emblems, logos, graphics, slogans, copyrights, trade dress, trade secrets, commercial symbols and other indicia of origin including, but not limited to, any logo and the mark “**ELDER-WELL**” and any and all revisions, modifications and additions thereto, whether or not recorded or registered with the United States Patent and Trademark Office or any other local, state, federal or foreign agency, registrar or body.

1.6 “**Owner**” means any person or entity who, now or hereafter, directly or indirectly owns an interest in the franchisee when the franchisee is a corporation, limited liability company, or a similar entity other than a

partnership entity. If the franchisee is a partnership entity, then each general partner is an Owner, regardless of the percentage of ownership interest. If the franchisee is one or more individuals, each individual is an Owner of the franchise. Your Owner(s) are identified on the Data Sheet. Every time there is a change in the persons who are your Owners, you must receive Franchisor's approval and within 10 days from the date of each such change, update the Data Sheet. As used in this Agreement, any reference to Owner includes all Owners.

1.7 **"Reporting Period"** shall mean the monthly calendar period from the 1st of the month to the last day of the month (unless we designate otherwise).

1.8 **"Services and Related Products"** shall mean those services and related products authorized by Franchisor to be sold to guests in connection with the Franchised Business and associated with the Elder-Well marks, which includes individualized, non-medical, social-supportive day services to aging adults. Franchisor reserves the right to update the list of Services and Related Products.

1.9 **"System"** shall mean Franchisor's confidential and proprietary business systems, techniques, strategies, procedures and formats for marketing, promoting, training and operating an Elder-Well Business as Franchisor may modify from time to time.

1.10 **"System Standards"** shall mean specifications, standards, policies, and procedures required to operate the Franchised Business as memorialized in the Manual or otherwise in writing.

1.11 **"Transfer"** shall mean any voluntary, involuntary, direct or indirect assignment, sale, division, encumbrance, hypothecation, mortgage, pledge or other transfer by Franchisee of any interest in this Agreement, in the Franchised Business, or its assets or of the ownership of Franchisee, if Franchisee is a corporation, partnership, limited liability company, or other Entity

2 FRANCHISE APPOINTMENT. The following provisions control with respect to the license granted hereunder:

2.1 Grant of Franchise.

2.1.1 Beginning on the effective date of this Agreement as identified on the Data Sheet ("**Agreement Effective Date**"), Franchisor hereby grants and Franchisee accepts a license to use the Marks and System to offer Services and Related Products within the area identified by certain contiguous zip/postal codes on the Data Sheet ("**Licensed Service Area**" or "**LSA**") subject to the terms and conditions of this Agreement. As long as Franchisee is materially compliant with this Agreement, Franchisor will not grant another franchise location in the Licensed Service Area during the Term.

(1) Should the boundaries of any such zip/postal codes change for any reason, Franchisee's Licensed Service Area shall be deemed to be the same geographic boundaries as those Licensed Service Area for those postal codes on the Agreement Effective Date identified on the Data Sheet. The Franchisee must establish a location for the Franchised Business ("**Franchise Location**") within the Licensed Service Area as identified on the Data Sheet, subject to approval by Franchisor. The Franchise Location must be a leased or owned space that is unoccupied and dedicated specifically to the Franchised Business. If Franchisee chooses to lease space to accommodate the Franchised Business, Franchisee must ensure the lease term shall not be longer than this Agreement's Term.

(2) Franchisee shall not conduct the Franchised Business or offer any Services and Related Products associated with the Franchised Business outside Franchisee's LSA. This means Franchisee is prohibited from conducting the Franchised Business in another franchisee's LSA or

in an unlicensed area.

(3) Franchisee shall not market, advertise or solicit business outside its LSA except Franchisee may (a) market at hospitals, aging service access points, Alzheimer's associations, community/senior centers and networking groups that serve (or whose membership is open to) multiple communities/towns and (b) in locations that are not currently the LSA of another franchisee, provided that Franchisee ceases marketing, advertising and/or soliciting business in such area if and when it becomes the LSA of another franchisee ("Marketing Exceptions"). These Marketing Exceptions are subject to more than one Franchisee serving these locations and each Franchisee must ensure all marketing materials/representations identify the Franchise Location and where appropriate identify your Service Area by zip codes as identified in the Manuals.

(4) Every advertisement of services must indicate that the Franchisee is an "Independently Owned and Operated Franchise" and "Not All Services Available at Every Location." Franchisees are prohibited from mass marketing the pricing or discounts of their services without prior written approval. For this purpose, "Mass Marketing" shall be defined as intentional proactive communications directly to multiple contacts via telephone, emails, or internet, which shall include website, social media posts and broadcast text messages and emails for the express purpose of generating business.

(5) Franchisee must use the national telephone number provided by Franchisor for all advertising/promotional purposes. Franchisee may also have a local number to use in connection with the Franchised Business. Franchisor will use reasonable efforts based on the information in its database to route calls to the appropriate franchisee based on location. If more than one franchisee can service the guest based on location, Franchisor will rotate calls based on Franchisor's sole reasonable judgment. In the event there is an occasional error, Franchisee understands that this is a cost of doing business and agrees to not hold Franchisor responsible for any incidental lost business. Franchisee may also use a local phone number for advertising/promotional purposes. Upon termination or expiration of this Franchise Agreement, this telephone number must be assigned to Franchisor or cancelled upon Franchisor's request. Under no circumstances shall any telephone number associated with the Franchised Business remain operational after the Franchise Agreement expires or terminates.

(6) Each territory violation, which includes but is not limited to, conducting the Franchised Business in another franchisee's LSA will result in a fine of the greater of \$5,000 per occurrence or 50% of revenue generated from such infringing activity payable to Franchisor, due upon demand. This penalty is in addition to, not in lieu of, Franchisor's right to terminate Franchisee for said conduct. Further, if Franchisor receives a complaint regarding Franchisee encroaching upon another franchisee's territory, any confidentiality that may attach to records, reports or forms pursuant to Section 5.6 contained herein is deemed waived by Franchisee, including such records, reports, or forms regarding Franchisee's alleged territory violation.

2.1.2 Franchisor's selection or acceptance of Franchisee's Franchise Location shall not be construed to insure or guarantee profitable operation of the Franchised Business by Franchisee or any specific amount of gross revenue from the Franchised Business. Franchisor makes no warranty, representation or guaranty of any kind with respect to the success, gross revenues or profitability of the Franchised Business. Franchisee acknowledges and agrees that the gross revenue of the Franchised Business can vary significantly, based on a variety of factors such as increased competition, Franchisee's individual effort, different product offerings, changes in population or demographics, and location, among others, and that Franchisor shall have no responsibility therefor.

2.1.3 In consideration of Franchisor's agreement to grant the franchise, Franchisee at all times

shall use its best efforts to promote and increase the sales and service of the Franchised Business and promote the System overall and to effect the widest and best possible distribution and services associated with the Franchised Business. Under no circumstances shall Franchisee sublicense, sublease, subcontract or enter any management agreement for the right to operate an Elder-Well Business or to use the System.

2.1.4 Franchisor may offer ancillary lines of products or services (“Ancillary Business”). In this event, Franchisee is required to incorporate such new products or services into the Franchised Business.

2.2 **Commencement of Operations.** Franchisee agrees to commence operations for the Franchised Business no later than the “**Business Start Date**” as identified on the Data Sheet. Franchisee must receive Franchisor’s written approval before commencing operations of the Franchised Business. Franchisor’s approval will be withheld until it can be demonstrated that all pre-opening requirements have been satisfied as identified in the Manuals. Failure to start your business between three (3) and twelve (12) months of executing this Agreement without written consent shall be grounds for termination of the Franchise Agreement. For purposes of this Agreement, Franchisee’s fiscal year shall begin on the first day of January and end on the last day of December for so long as this Agreement remains in effect.

2.3 **No Exclusivity; Franchisor’s Reservation of Rights.**

2.3.1 The license granted herein is limited to the right to develop, operate and market the Franchised Business within the Licensed Service Area subject to Franchisee remaining in compliance with this Agreement.

2.3.2 Should Franchisee fail to remain materially compliant with this Agreement (violations of Sections 10.2 and 10.3 of this Agreement), Franchisee shall lose any exclusivity that may otherwise attach by way of the Licensed Service Area. In this event, Franchisor may grant another Elder-Well franchise within Franchisee’s Licensed Service Area upon twenty (20) days’ written courtesy notice by e-mail.

2.3.3 Further, the license granted herein does not include:

(1) Any right to sell Services and Related Products associated with or identified by the Marks at any location outside the Licensed Service Area;

(2) Any right to sell Services and Related Products associated with or identified by the Marks through any other channels or methods of distribution, including the Internet (or any other existing or future form of electronic commerce);

(3) Any right to sell additional products or services other than the Services and Related Products associated with the Marks that are approved and designated by Franchisor;

(4) Any right to sell Services and Related Products associated with or identified with the Marks to any person or entity for resale or further distribution, except as we may designate in writing; or

(5) Any right to exclude, control or impose conditions on our development of future franchised, company or affiliate-owned Elder-Well Businesses at any time or at any location regardless of the proximity to the Licensed Service Area.

2.3.4 Franchisor retains all rights that are not expressly granted to Franchisee under this Agreement. Further, Franchisor may, among other things, on any terms and conditions that Franchisor

deems advisable, without compensation to any franchisee, and without granting Franchisee any rights therein:

(1) Own, acquire, establish and/or operate, and license others to establish and operate, an Elder-Well Business at any location outside of the Licensed Service Area.

(2) Own, acquire, establish and/or operate, and license others to establish and operate, businesses under other proprietary marks or other systems, whether such businesses are the same, similar, or different from the Franchised Business, at any location, whether inside or outside of Licensed Service Area.

(3) Own, acquire, establish and/or operate, and license others to establish and operate businesses, whether inside or outside of the Licensed Service Area, that:

- Produce, license, distribute and market Elder-Well branded products, clothing, souvenirs, and novelty items through any outlet (regardless of its proximity to the Franchised Business) including retail and department stores and through any distribution channel, at wholesale or retail, including by means of the Internet, mail order catalogs, direct mail advertising and other distribution methods; and
- License additional Services and Related Products under the Marks in the Licensed Service Area.

(4) Own, acquire, establish and/or operate and grant others the right to develop, own, operate and issue franchises and licenses to others to develop, own and operate other methods and channels of distribution under different marks and branding or utilizing the Marks and the System, including, without limitation, toll-free telephone numbers, domain names, URLs, on-line computer networks and services, the Internet, kiosks, carts, concessions, satellite units, other mobile, remote, limited service or non-permanent facilities or other retail operations.

2.3.5 Although under no obligation to do so, Franchisor may from time to time establish certain national accounts with companies (“National Accounts”). Participation for such National Accounts may require Franchisee satisfy certain eligibility criteria. If Franchisee is eligible to service these National Accounts and is interested in doing so, Franchisee will be required to sign a separate National Account Service Agreement for each customer identifying the conditions under which Services and Related Products will be provided.

3 TERM

3.1 **Initial Term.** The Initial Term shall be a period of ten (10) years from the Agreement Effective Date (“Term”), unless sooner terminated in accordance with the provisions of this Agreement.

3.2 **Successor Term.** Franchisee shall have no automatic option for a successive term or any other renewal rights as pertains to the Franchised Business. If a Successor Term is granted, it shall be for an additional ten (10) year term. In the event Franchisor elects to offer Franchisee a successor franchise agreement (“**Successor Agreement**”) based on its reasonable discretion all of the following conditions must be fulfilled:

3.2.1 Franchisee shall provide Franchisor with a Notice of Intent of its desire to be considered for a Successor Agreement 180 days prior to the expiration of the Term.

3.2.2 Franchisee shall pay \$10,000 per LSA territory as a “**Successor Agreement Fee**” at the time Franchisee executes the Successor Franchise Agreement.

3.2.3 Franchisee has been throughout the Term, and at the expiration of the Term, still is, in full compliance with this Agreement, and all other agreements between Franchisee and Franchisor.

3.2.4 At Franchisee’s sole expense, Franchisee or Franchisee’s manager may be required to attend marketing, operations and/or another training program as determined by Franchisor in its sole discretion.

3.2.5 Franchisee can demonstrate its participation and engagement in the Elder-Well franchise system to Franchisor’s satisfaction (e.g., marketing, operations, and training programs; meetings/conferences) and has represented the Elder-Well brand in a professional and courteous manner.

3.2.6 Franchisee has complied with any requirements regarding modernization or refurbishment of the Franchise Location as may be necessary for the Franchised Business to conform to the standards then applicable to new Elder-Well franchises.

3.2.7 Franchisee executes and delivers a general release of Franchisor, and its respective officers, shareholders, directors, employees, agents, representatives and affiliates in a form acceptable to Franchisor.

3.2.8 Franchisor and Franchisee shall have agreed on Franchisee’s Licensed Service Area (which is subject to change from that identified in this Agreement).

3.2.9 Franchisee shall sign and return to Franchisor any documents necessary for the Successor Agreement within 20 days after Franchisor has delivered them to Franchisee, including a new franchise agreement in its then-current form.

3.3 Waiver of Consideration for Successor Agreement. If Franchisee fails to perform any of the acts, or deliver the Notice of Intent required pursuant to the provisions of Section 3.2.1 above in a timely fashion, such failure shall (1) be deemed an election by Franchisee not to be considered for a Successor Agreement, and (2) cause this Agreement to terminate at the end of Initial Term or Successor Term, as the case may be and require Franchisee to comply with all post-termination obligations as otherwise contained in this Agreement.

3.4 Holdover Period. If Franchisee fails to enter into a Successor Agreement prior to the expiration of this Agreement and continues to accept the benefits of this Agreement after the expiration of this Agreement, then at Franchisor’s option, this Agreement may be treated either as (i) expired as of the date of expiration with Franchisee then operating a franchise without the right to do so and in violation of Franchisor’s rights; or (ii) continued on a month-to-month basis (“**Holdover Period**”) until one party provides the other with written notice of such party’s intent to terminate the Holdover Period, in which case the Holdover Period will terminate thirty (30) days after receipt of the notice to terminate the Holdover Period. In the latter case, all of Franchisee’s obligations shall remain in full force and effect during the Holdover Period as if this Agreement had not expired, and all obligations and restrictions imposed on Franchisee upon expiration of this Agreement will be deemed to take effect upon termination of the Holdover Period unless the Holdover Period comes to a close with the parties’ execution of a successor franchise agreement. If Franchisee enters into a Successor Agreement after the date of expiration of this Agreement, in addition to the Successor Agreement Fee, Franchisee must pay a late successor agreement processing fee in the amount of Five Hundred Dollars (\$500.00).

3.5 Notice Required by Law. If Applicable Law requires Franchisor to give notice to Franchisee prior to the expiration of the Initial Term or Successor Term, as the case may be, this Agreement shall remain in

effect on a month-to-month basis until Franchisor has given the notice required by such Applicable Law. If Franchisor is not offering new franchises, is in the process of revising, amending or renewing its form of franchise agreement or disclosure document, or is not lawfully able to offer Franchisee its then-current form of franchise agreement, at the time Franchisee delivers its Notice of Intent, Franchisor may, in its discretion, (1) offer to renew this Agreement upon the same conditions set forth in Section 3.2 of this Agreement (as applicable), or (2) offer to extend the Initial Term or Successor Term, as the case may be, on a month-to-month basis for as long as it deems necessary or appropriate so that it may lawfully offer its then-current form of franchise agreement or disclosure document.

4 FEES AND PAYMENTS

4.1 Initial Franchise Fee. In consideration of the right, and franchise granted by this Agreement, Franchisee shall pay to Franchisor prior to or concurrently with Franchisee's execution of this Agreement the Initial Franchise Fee identified on the Data Sheet. The Initial Franchise Fee shall be deemed fully earned by Franchisor upon Franchisor's execution of this Agreement by both parties, and, except as provided in Section 6.1.1 (4) of this Agreement, if applicable, such Initial Franchise Fee shall not be refundable, in whole or part, at any time or under any circumstances. The Initial Franchise Fee is in addition to the periodic Royalty Fee and Brand Development Fee payable pursuant to this Agreement and to any other fees or payments which Franchisee may incur or owe to Franchisor from time to time under this Agreement or any other agreements. This Initial Franchise Fee is not applicable to Successor Agreements.

4.2 Royalty Fee. In addition to the Initial Franchise Fee and in further consideration of the rights and entitlements granted under this Agreement, for the full term of this Agreement, or any Holdover Period, Franchisee must pay Franchisor a "**Royalty Fee**" that is equal to six percent (6%) of Gross Revenue ("Percentage Royalty Fee"). Royalty Fee payments received by Franchisor under this Agreement shall be under no restriction whatsoever, but shall be considered general funds of Franchisor to be used for any and all purposes as Franchisor solely determines.

4.2.1. Minimum Royalty Fee. Beginning nine (9) months after the signing of this Agreement and continuing for so long as this Agreement is in effect, Franchisee agrees to pay to Franchisor a minimum monthly Royalty Fee in the amount identified on the Data Sheet ("**Minimum Royalty Fee**"). If the Minimum Royalty Fee is greater than the amount that would otherwise be due as calculated using the Percentage Royalty Rate identified above, Franchisee will remit the Minimum Royalty Fee along with the required reporting data. The use of "**Royalty Fee**" in this Agreement shall be inclusive of the Minimum Royalty Fee.

4.3 Brand Development Fee. Upon execution of this Agreement, Franchisee must pay Franchisor a monthly "**Brand Development Fee**" marketing contribution in an amount equal to two percent (2%) of Gross Revenue ("Percentage Brand Development Fee"). These fees are not held by Franchisor in trust and become Franchisor's property to be spent in accordance with the below provisions.

4.3.1 Minimum Brand Development Fee. Beginning three (3) months after the signing of this Agreement and continuing for so long as this Agreement is in effect, Franchisee agrees to pay to Franchisor a monthly minimum Brand Development Fee in the amount identified on the Data Sheet ("**Minimum Brand Development Fee**"). If the Minimum Brand Development Fee is greater than the amount that would otherwise be due as calculated using the Percentage Brand Development Fee rate identified above, Franchisee will remit the Minimum Brand Development Fee along with the required reporting data. The use of "**Brand Development Fee**" in this Agreement shall be inclusive of the Minimum Brand Development Fee.

4.3.2 Franchisor, without seeking or obtaining agreement with Franchisee, and not as a condition to the grant or acceptance of the Franchised Business or rights hereunder, but strictly as a unilateral expression of intention and of business policy designed to enhance the competitive effectiveness and general public acceptance of the Elder-Well name and business, shall use the brand development fund (“**Brand Development Fund**”) as it shall, in its sole discretion, deem beneficial for the brand, including the development and implementation of Elder-Well marketing, advertising and promotional programs to enhance the competitive effectiveness and general public acceptance of the Elder-Well name and service.

4.3.3 Franchisee’s Brand Development Fees are retained in a separate account from our general operating funds. Franchisor has no affirmative obligation to provide Franchisee with an accounting of receipts or disbursements of these funds; however, upon Franchisee’s specific written request, Franchisor will provide an annual unaudited statement of the financial condition of the Brand Development Fund.

4.3.4 The Brand Development Fund is not a trust or escrow account, and Franchisor has no fiduciary obligation to franchisees with respect to the Brand Development Fund; provided, however, Franchisor will make a good faith effort to expend such fees in a manner that it determines is in the general best interests of the entire Elder-Well System. Franchisor undertakes no obligation in using such funds to make expenditures for Franchisee that are equivalent or proportionate to any franchisee’s contribution, or to ensure that any particular franchisee benefits directly or proportionately from the placement of advertising or promotional efforts. Franchisor does not have to spend any amount on marketing, advertising, promotion or field work in Franchisee’s area.

4.3.5 Franchisor intends to use the Brand Development Fund to build the reputation, awareness, value and acceptance of the Elder-Well name and Marks and the services associated therewith and to provide marketing, advertising and promotional materials and services to benefit the entire Elder-Well System. Franchisor shall direct all marketing programs financed by the Brand Development Fund with sole discretion over all aspects of the fund’s usage, including, but not limited to, the creative concepts, materials, services, programs, endorsements, types of media and geographic allocation of media placement. Brand Development Fund expenses may include, but not be limited to: i) website maintenance, social media, and marketing content creation and materials; ii) assisting franchisees in implementing marketing, advertising, and promotional tools and programs, which may include field visits, annual Elder-Well Brand conference/regional meeting costs attendant to marketing efforts or other targeted or system-wide marketing efforts at Franchisor’s discretion; and iii) payments to Franchisor for the expense of administering the Brand Development Fund, including administrative costs, overhead, accounting expenses and salaries paid to Franchisor’s employees engaged in the marketing, advertising and promotion functions or as an allocation for certain Corporate Services as described below.

4.3.6 The Brand Development Fund shall pay reasonable costs of administration, including administrative costs, overhead and salaries that Franchisor may incur related to the fund’s purpose. Specifically, Brand Development Fund costs for formulation and development of advertising, marketing, promotional and public relations materials will include marketing staff compensation and a proportionate share of the compensation for our senior management who devote time and render services for advertising, marketing and/or promotional purposes or the administration of the Brand Development Fund. The Brand Development Fund may compensate us or our affiliated entities for out-of-pocket costs and for reasonable expenses incurred for rent, overhead, accounting, collection, reporting, legal, human resources, finance, operations, management and other services (collectively “Corporate Services”), which we or our affiliated entities provide to, or which relate to the administration of or services provided to, the Brand Development Fund and its programs. We and our affiliated entities may provide certain products and/or services to the Brand Development Fund, including the Corporate Services outlined above, which would otherwise be provided by unaffiliated third parties, and we and our affiliates will be entitled to compensation by the Brand Development Fund for such products and/or services. Any

products and/or services provided by us or our affiliates will be provided at a cost comparable to those costs that the Brand Development Fund would otherwise incur if the products or services were obtained from unaffiliated third parties. We have the right to periodically modify the methodology described in this paragraph.

4.4 Technology Fee. Beginning three (3) months after the signing of this Agreement, Franchisee must pay Franchisor a monthly technology fee in the amount identified on the Data Sheet (“**Technology Fee**”). The Technology Fee includes technology development, maintenance, and usage, which may include certain required customer relationship management software and costs incurred by Franchisor for intranet, website design and ongoing content, branded email and other related technology needs. The amount of the Technology Fee as well as the tools, software and programs offered through the Technology Fee are subject to change at Franchisor’s sole discretion.

4.5 Payments. Payments for Royalty Fees, Brand Development Fees, Technology Fees, and any other fees owed to Franchisor will be due no later than the 1st of the month for the preceding Reporting Period and will be paid by debiting Franchisee’s bank account through electronic funds transfer (“**EFT**”). Additionally, Franchisee authorizes Franchisor to charge ANY AND ALL fees due, including Meeting Registration Fees, to any credit card submitted and retained on file by Franchisor. Franchisee shall execute whatever authorization forms Franchisor may require from time to time to permit Franchisor to make required payments by electronic transfer of funds or debit of Franchisee’s account or to charge a credit card. Franchisee is responsible for updating such information as necessary (e.g. expiration dates, preferred credit card), and at Franchisor’s request from time to time.

4.5.1 For all delinquent payments, Franchisee shall pay a late payment fee of Two-Hundred Fifty Dollars (\$250.00) per incident for each payment that is delinquent as well as an interest rate of five percent (5%) per annum or the maximum rate permitted by law, whichever is greater, on outstanding amounts due to compensate Franchisor for costs incurred when payments and/or reports are received late (“Late Fee”).

(1) Pursuant to Section 5.1., to the extent Franchisee fails to submit reports when due, Franchisees must pay a No Access Fee of Five Hundred Dollars (\$500.00) per incident. Further, because Franchisor has been deprived access to Gross Revenue data, Franchisor may calculate amounts due based on Franchisee’s average monthly Gross Revenue as determined by Franchisor for the preceding eighteen (18) month period. The provisions in this paragraph shall not constitute a waiver by Franchisor of any other remedies available to it for Franchisee’s failure to make timely payments.

4.5.2 If there are insufficient funds in Franchisee’s bank account from which to pay the fee when due, a credit card is rejected, or for any reason Franchisor does not receive its fees by the due date, Franchisee shall be responsible for a \$50 returned fee payment. Additionally, to the extent any payments are delinquent, Franchisor reserves the right to assess an interest rate of 1½% per month or the maximum permitted by law, whichever is greater, while such payments are outstanding to compensate Franchisor for costs incurred when payments or reports are received late.

4.5.3 Franchisee shall not delay, withhold or set-off any payments or contributions due under this Agreement against any monetary or other claim Franchisee may have against Franchisor for any reason whatsoever.

4.5.4 Any and all amounts identified as payable pursuant to this Agreement are exclusive of any applicable taxes. Accordingly, if applicable, all payments by Franchisee to Franchisor shall include an amount equal to any taxes mandated by law including, but not limited, sales taxes, excise taxes, use taxes, withholding taxes and similar taxes imposed on the fees payable by Franchisee to Franchisor hereunder and on services or goods furnished to Franchisee by Franchisor, regardless of whether such law imposes the obligation to pay such taxes on Franchisor or Franchisee.

4.5.5 Any time Franchisee is more than seven (7) days late paying the Royalty Fee, Brand Development Fee or Technology Fee, submitting any required reports, or paying any invoice for goods or services that Franchisee buys from Franchisor or its affiliates, Franchisor has the unrestricted right to suspend any support, products or services that Franchisor provides Franchisee until the delinquent payment is brought current. Franchisee agrees that the suspension of support, products or services while Franchisee is more than seven (7) days delinquent shall not be a breach of this Agreement. Franchisee understands that, despite Franchisor's right to charge interest and late fees and suspend support and services, Franchisor is not required to permit or tolerate any late payments or reports, and reserves the right, any time, under any circumstances, and in its sole discretion, to notify Franchisee of default and to terminate this Agreement pursuant to Section 10.

(1) Franchisee understands that if Franchisor accepts one or more late payments from Franchisee or other franchisees, it does not mean Franchisor will tolerate any additional late payments from Franchisee or other franchisees in the future, and Franchisor does not under any circumstances waive any of its rights, including the right to declare a default and terminate the Agreement. Franchisor reserves the right to address each delinquent payment differently as Franchisor believes is in its best business interest, including different treatment of different franchisees. Any payments made on delinquent accounts may be applied by Franchisor as it deems appropriate regardless of Franchisee's direction to apply a particular payment to a particular obligation.

(2) Franchisor reserves the right to collect all or a portion of Franchisee's past due Royalty Fees, Brand Development Fees, and all other fees (including interest/late fees) by adding such amount to the monies due for Franchisee's purchases of products from Franchisor and/or its affiliates or Required or Approved Suppliers. All monies collected by Franchisor's affiliates and Required or Approved Suppliers for Franchisee's past due Royalty Fees and Brand Development Fees shall be remitted to Franchisor directly on Franchisee's account.

5 REPORTING AND RECORD-KEEPING

5.1 Reports. Franchisee shall submit to Franchisor, at the time each monthly payment of the Royalty Fee and Brand Development Fee are due, a true, accurate and complete statement/report of Gross Revenue (as defined in Section 1) in a format specified, approved or provided by Franchisor as identified in the Manuals or otherwise in writing. To the extent Franchisee fails to submit reports when due depriving Franchisor access to Franchisee's Gross Revenue data, in addition to late fees, Franchisor may assess a **"No Access Fee"** that consists of Five Hundred Dollars (\$500.00) per incident and an additional incident fee for each month (or partial month) for which reports are not received on a timely basis. Because this No Access Fee is for failure to report, this fee is due even if you pay Royalty Fee and Brand Development Fee on a timely basis because the amount of these fees would be unverified. Further, if you fail to report Gross Revenue on a timely basis, for accounts receivable and collection purposes, Franchisor shall calculate amounts due based on Franchisee's average monthly Gross Revenue as determined by Franchisor for the preceding eighteen (18) months (or shorter period if Franchisee's

Term has been shorter). The provisions in this paragraph shall not constitute a waiver by Franchisor of any other remedies available to it for Franchisee's failure to make timely payments.

5.2 Records. Franchisee shall maintain full, complete and accurate books and records for the Franchised Business. The books and records shall clearly and accurately show Gross Revenue as defined herein. Franchisee must keep all books and records and submit reports as Franchisor periodically requires, including but not limited to a profit plan, balance sheet and statement of profit and loss, statement of cash flows, records of prices and special sales, check registers, purchase records, invoices, sales summaries and inventories, sales tax records and tax returns, payroll records, cash disbursement journals and general ledgers ("**Financial Records**"), all of which accurately reflect the operations and condition of Franchised Business. Franchisee must certify all records and reports to be true and correct. Franchisee must compile, keep and submit to Franchisor the books, records and reports according to reporting formats, bookkeeping and accounting methodologies and time schedules that Franchisor establishes from time to time in the Manuals or otherwise in writing. Franchisee also must preserve and retain the books, records and reports for not less than 36 months. To the extent these Financial Records are kept in a database or compiled in software, Franchisor shall be provided full access and failure to do so will trigger the No Access Fee identified above.

5.3 Accounting Software. Franchisee shall be required to purchase accounting software as determined by Franchisor. Franchisee's Financial Records for the Franchised Business as contained in this software database or elsewhere will be fully accessible by Franchisor at all times; Franchisee agrees to provide necessary consent as may be required. Failure to provide continual access to Franchisor will also trigger the No Access Fee identified above.

5.4 Inspection of Records. Franchisee must allow Franchisor, or its duly authorized representative, electronic and manual access to inspect and verify any and all Financial Records relating to the Franchised Business. If Financial Records indicate that there has been any underpayment of Royalty Fees, Brand Development Fees or any other fees based on Gross Revenue as finally adjusted and reconciled, Franchisee shall pay to Franchisor, at the time of submitting such statement, the amount of any such underpayment plus all late fees as authorized by this Agreement. Payment and acceptance of such amounts shall not waive or prejudice any right of Franchisor to exercise any other remedy of this Agreement, including termination in accordance with Section 10 of this Agreement. Any over payment shall be credited to Franchisee's account.

5.5 Site Inspection. If we conduct an on-site investigations of your Franchised Business due to any complaint or alleged violation of the Franchise Agreement or System Standards received within the prior twelve (12) month period, Franchisee must pay Franchisor's actual costs incurred, which will include Franchisor's expenses for travel and lodging as well as repairing or replacing non-conforming items or conditions. See Section 7.3.14. for additional provision pertaining to inspections of the Franchised Location.

5.6 Audit of Records. Franchisor shall be entitled at any time to have Franchisee's books and records examined or audited at Franchisor's expense and Franchisee shall cooperate fully with the parties making such examination or audit on behalf of Franchisor. Franchisee shall promptly pay to Franchisor or Franchisor shall credit to Franchisee's account, as the case may be, any under or overpayment of fees revealed by the examination or audit.

5.6.1 If an inspection, examination or audit is performed due to Franchisee's failure to submit statements of Gross Revenue or to maintain books and records as prescribed herein, or in the event that the Gross Revenue reported by Franchisee for any period of twelve (12) consecutive months are more than two percent (2%) below the actual Gross Revenue of Franchisee for such period as determined by any such examination or audit, or in the event the examination or audit reveals one or more violations by Franchisee of any territory boundary restriction, then in addition to any other remedies Franchisor

may have available at law or in equity, Franchisee shall within fifteen (15) days following notice, pay to Franchisor the full cost of such examination or audit (including, without limitation, professional fees, travel and room and board expenses (“Audit Expenses”) as well as all additional amounts of fees and late charges shown to be due. Further, Franchisor shall have the right to conduct further periodic audits and evaluations of Franchisee’s books and records as it deems reasonably deem necessary for up to 3 years thereafter and any further audits and evaluations will require Franchisee solely be responsible for all Audit Costs directly related thereto. Payment and acceptance of such amounts shall not waive or prejudice any right of Franchisor to exercise any other remedy of this Agreement, including termination in accordance with Section 10 of this Agreement.

5.7 Confidentiality of Records. Any and all reports, forms and records accessible to Franchisor regarding the Franchised Business shall be kept confidential; except for (1) any information that is required to be disclosed in Franchisor’s franchise disclosure document under applicable law or for Franchisor’s use of financial information in preparation of a financial performance representation to be used in Franchisor’s franchise disclosure document (without specifically identifying Franchisee); (ii) for use in an aggregated data format for system-wide distribution; (iii) to identify brand/system rankings for awards or otherwise; (iv) any information required to be disclosed by Franchisor pursuant to a subpoena, order or other legal requirement of any court, tax authority or governmental agency; and iv) unless otherwise noted in this Agreement, such as in the event of an allegation of a territory violation or the sale of a franchisee’s territory. Franchisee also acknowledges that the description of its LSA territory (such as through postal codes, mapping software and population demographics) is not confidential and will be shared with other franchisees and third parties.

6 FRANCHISOR’S OBLIGATIONS

6.1 Training

6.1.1 Prior to Commencement of Franchised Business.

(1) **Pre-Training Requirements.** Franchisor shall make available to Franchisee certain online pre-training courses relevant to the Franchised Business that Franchisee is required to satisfactorily complete. This training currently includes:

- Complete a cardio-pulmonary resuscitation program (“CPR”) and first aid training through a third-party provider.
- Complete online bloodborne pathogen training.
- Complete online food handling training.
- Complete online allergy awareness training.
- Complete online dementia basics training.
- Various other pre-training items as provided by Franchisor, which are subject to change, but currently include reviewing and completing a pre-opening checklist, market pricing survey, advertising and networking plan criteria, local industry and professional affiliations.

Our Pre-Training Requirements are subject to change at our sole discretion.

(2) **Initial Training Program.** Franchisor shall provide Franchisee (and its Owners and/or managers) the Initial Training Program at no charge for the life of the franchise provided i) Franchisee is in good standing under the Franchise Agreement by being current in the payment of all fees and is otherwise fully compliant with your contractual obligations and requirements/specifications as identified in the Manuals; and ii) Franchisor approves of the training candidate. The Initial Training Program shall occur at the time designated by Franchisor at Franchisor's principal offices in or at such other location as Franchisor shall designate and/or by webinar or other online training method. This initial training program will cover operations, marketing, financial reporting requirements, equipment, brand requirements and standards, and Products and Service offerings ("**Initial Training Program**").

(3) **Successful Completion of Training.** The grant of the Franchised Business herein is conditioned upon Franchisee, its Owner and any managers successfully completing Pre-Training Requirements and the Initial Training Program within at least 30 days before commencing operation of the Franchised Business. If during the course of the Initial Training Program or within fifteen (15) days thereafter Franchisor concludes that Franchisee has not exhibited the aptitude, abilities, or personal characteristics necessary or desirable to operate the Franchised Business in accordance with the standards and procedures of the System and as a Franchisee of Franchisor, Franchisor may, in its sole discretion and judgment, terminate this Agreement and all rights hereunder, where permitted by applicable law, by giving notice to Franchisee and tendering to Franchisee a refund of its Initial Franchise Fee less the amount of Five Thousand Dollars (\$5,000.00) to cover a portion of the reasonable expenses incurred by Franchisor in connection with training Franchisee and initially granting the franchise. Franchisee agrees that such refund shall be the full extent of Franchisor's liability and responsibility in the event of such termination, and Franchisee and its Owners shall execute a general release, in a form satisfactory to Franchisor, of any and all claims against Franchisor and its affiliates, and their respective officers, directors, employees and agents. Upon termination of this Agreement, Franchisee shall abide by Section 11 hereof. This includes, among other things, that Franchisee agrees to maintain strictly the confidentiality of all information received relating to the Elder-Well System and not to use in the operation of a Competitive Business (as defined in Section 11), any trade secrets, Confidential Information, copyrighted works or proprietary materials obtained from Franchisor in the course of the training program or otherwise.

6.1.2 Additional Training. Franchisor may provide, at its option, additional training programs for Franchisees and their employees at locations designated by Franchisor and/or online, for an additional fee ("Additional Training Fee"). Under certain circumstances, including but not limited to, new Products and Service offerings being added to the System or Franchisee's unsatisfactory performance of its obligations, Franchisor may require Franchisee or its Owner to attend additional training courses from time to time and to pay Franchisor an Additional Training Fee.

6.1.3 Training Expenses. Franchisee shall be responsible for all expenses that Franchisee or its Owner or that any attendees incur in connection with the Initial Training Program and any additional training programs, including, without limitation, travel, lodging, meals and other living expenses.

6.2 Manuals. Franchisor will loan to Franchisee during the Term of the franchise one copy of the Manuals for the Franchised Business or make available to Franchisee an electronic copy through an internet portal or otherwise. The Manuals contain mandatory and suggested specifications, standards and procedures prescribed from time to time by Franchisor for Elder-Well Businesses and information relative to other obligations of Franchisee hereunder. All specifications, standards, operating procedures and rules in the Manuals, or otherwise communicated to Franchisee in writing, shall constitute obligations under this Agreement as if fully set forth in this Agreement.

6.2.1 Franchisee shall keep confidential the contents of the Manuals both during the Term of this Agreement and subsequent to its transfer, expiration or termination. Franchisee shall prevent unauthorized use or disclosure of the Manuals and all Confidential Information.

6.2.2 Franchisor shall have the right from time to time to add to, and otherwise modify, the Manuals to reflect changes in authorized Services and Related Products, the System, and specifications, standards and operating procedures of an Elder-Well Business and certain fees associated therewith. All modifications to the Manuals shall be binding upon Franchisee upon being mailed, e-mailed, made available for download from Franchisor's website, or franchise internet/intranet portal, or otherwise delivered to Franchisee. Franchisee shall accept, implement and adopt any such modifications at Franchisee's own cost. Franchisee shall keep its copy of the Manuals current, and the master copy maintained by Franchisor at its principal office shall be controlling in the event of a dispute relative to the contents of the Manuals.

6.2.3 The Manuals are, and shall remain, the sole property of Franchisor. Franchisee shall promptly return the Manuals to Franchisor upon termination or expiration of this Agreement. If Franchisee loses, misplaces or otherwise no longer has possession of the Manuals, Franchisee shall pay Franchisor One Thousand Dollars (\$1,000).

6.3 Ongoing Franchisor Support. Provided that Franchisee is in good standing under this Agreement, is current in payment of all fees and is in compliance with all of Franchisor's other contractual obligations, Franchisor shall provide the following continuing services for the benefit of Franchisee during the Term:

6.3.1 Promotion. Use the Brand Development Fund to develop and implement from time to time promotional programs and marketing efforts to enhance the competitive effectiveness and general public acceptance of the Marks as further described in Section 4.3 of this Agreement. Make available from time to time marketing and sales promotion materials for purchase from third-party vendors.

6.3.2 System Improvements. Furnish to Franchisee from time to time any and all improvements and additions to the System implemented at Franchisor's sole discretion that are circulated generally to all other Franchisees.

6.3.3 Telephone Numbers. Franchisee must use a national telephone number provided by Franchisor to advertise the Franchised Business. Franchisee, at its own cost, may also establish and advertise a local telephone number in addition to the national number.

6.3.4 Assistance. Be available to provide assistance to Franchisee during regular business hours of Monday – Friday from 9:00am to 5:00pm EST subject to standard holidays with respect to the operation and management of the Franchised Business. Franchisee will have access to the benefit of Franchisor's information, advice, expertise and know-how. Franchisor reserves the right to change support hours and/or close its office at its discretion due to holidays, inclement weather, force majeure, or other events or unforeseen circumstances.

6.3.5 Other Support. Provide, at the option of Franchisor, assistance and support through email, e-newsletters, social media groups and/or intranet portal or other communication means. Any use of such support will be subject to Franchisee abiding by any applicable rules and guidelines. Franchisee also agrees that it will regularly review communications from Franchisor and will be deemed on notice of all information contained therein. Any software made available to Franchisee or support made available for such software by Franchisor or any third party is done so at Franchisor's option and as an accommodation to Franchisee and shall not be deemed an obligation of Franchisor. Franchisor makes no

representation, warranty or guaranty as to the reliability, timeliness, quality, suitability or particular functionality of any software system, except if otherwise agreed in writing by Franchisor and Franchisee in a written software agreement.

6.3.6 Necessary Limitations of Services. All services and information provided by Franchisor for the benefit of Franchisee, including but not limited to, marketing and operational advice, suggestions or recommendations are to be used by Franchisee at its own risk. Because any advice, suggestion or recommendation rendered is necessarily limited in scope to the extent that it may not consider local custom, practice, law or other nuance, Franchisor is unable to make any warranty or representation, either express or implied, with respect to the accuracy, reliability or completeness of the information provided or the result of the use of the information provided. As an independent business owner, Franchisee shall use its own judgment and as necessary rely on the advice of applicable professionals (e.g., accounting, legal, etcetera).

7 FRANCHISEE OBLIGATIONS. In the interest of maintaining the integrity, force, quality, image and goodwill associated with the Marks of Franchisor, Franchisee agrees to the following:

7.1 Required Training. Franchisee and any manager must successfully complete Pre-Training Requirements and the Initial Training Program within at least 30 days before commencing (or managing the) operation of the Franchised Business.

7.2 Promotion of the Elder-Well Business. Franchisee agrees to conduct business during all normal business hours, as designated in the Manuals, during the Term of this Agreement and to promote at all times the sale of the Services and Related Products available through the Franchised Business, as prescribed in the Manuals, using its best efforts to develop and enlarge Franchisee's market for such Services and Related Products.

7.2.1 Franchisee may in its own right and at its own expense advertise and promote the Franchised Business, provided that all such advertising and promotional materials, including, but not limited to, any print, radio, television, electronic, social site naming, directory listings, print or online citations or listings, or other media forms that may become available in the future shall ("**Local Marketing Collateral**"), prior to use or publication, be submitted to and approved in writing by Franchisor in the interest of maintaining the integrity, force, quality, image, and goodwill associated with the Marks of Franchisor. If Franchisor does not respond within 14 days after submission of the proposed Local Marketing Collateral, it will be deemed not approved. Franchisor will not unreasonably withhold approval of any Local Marketing Collateral; provided the materials are current, in good condition, in good taste and accurately depict the Marks and the Services and Related Products. Notwithstanding Franchisor's approval of any Local Marketing Collateral, Franchisee is solely responsible for all content of any Local Marketing Collateral and shall fully indemnify Franchisor for same.

7.2.2 Franchisee is responsible for ensuring that all directory listings and advertisements identify the address of the Franchise Location and, if applicable, the zip codes associated with Franchisee's Service Area, as may be defined in the Manuals.

7.2.3 All Local Marketing Collateral prepared by Franchisee shall be completely accurate and truthful, shall conform to all applicable laws and regulations relating to consumer advertising, and shall give notice that the Franchised Business is an independently owned and operated franchise. Franchisee shall indemnify and hold Franchisor harmless for Franchisee's violation of this paragraph and the consequences of Franchisee's use of any Local Marketing Collateral. Because any Local Marketing Collateral prepared, developed or used by Franchisee in connection with the Franchised Business (whether or not approved by Franchisor as required) will contain the Marks, such Local Marketing Collateral shall become Franchisor's sole and exclusive property.

7.3 Management Responsibility and Business Conduct.

7.3.1 Devote Full Time to Franchised Business. At all times during the Term of this Agreement, Franchisee shall devote full time and effort to the active management and operation of the Franchised Business, shall be responsible for the management and operation thereof, and shall act in the best interests of the Franchised Business. Franchisee may employ a full-time manager for the Franchised Business only if Franchisee obtains Franchisor's prior written consent, which consent may be withheld at Franchisor's discretion; provided, however, Franchisee shall remain active in overseeing the operations of the Franchised Business conducted under the supervision of the manager. Any manager employed by Franchisee must attend and satisfactorily complete the Initial Training Program and sign a confidentiality agreement with Franchisee in a form acceptable to Franchisor which includes covenants not to compete for the protection of Franchisee, Franchisor and the franchise system.

7.3.2 Franchisee's Direct Participation. Franchisee understands, acknowledges and agrees that the business results, and the financial returns and profits, if any, expected or realized from the investment in, and the operation of, the Franchised Business, depend principally and substantially on Franchisee's direct, personal and active continuous participation in the management, administration and operation of the Franchised Business.

7.3.3 System Standards. In recognition of, and protection of, the integrity of the Elder-Well brand and the goodwill associated with the Marks and Franchised Business, Franchisee agrees to adhere to all System Standards.

7.3.4 Standards of Conduct. In all dealings with guests, the public, competitors, other franchisees and Franchisor, Franchisee will at all times give efficient and courteous service, adhere to high standards of business ethics, honesty, integrity and fair dealing, and ethical conduct and do nothing that would tend to discredit or in any manner damage the reputation and goodwill of Franchisor, the brand, Franchisee, or other Elder-Well franchisees. Further, Franchisee shall not associate the Marks, the brand, Franchisor or the Franchised Business with any political ideologies, religious or social philosophies and/or positions.

7.3.5 System Changes. Franchisor may, from time to time, upon notice to Franchisee, add to, subtract from or otherwise modify or change Franchisee's obligations under the System, including, without limitation, adoption of new or modified Marks, services, or new techniques relating to the promotion and marketing of the Franchised Business. Franchisee shall promptly accept and implement all such additions, modifications and changes at Franchisee's sole cost and expense. This obligation includes from time to time as Franchisor requires for Franchisee to effectuate items of modernization or refurbishment of the Franchised Business to conform to the standards for similarly situated new Elder-Well franchisees. Each and every transfer of any interest in this Agreement or Franchisee's business governed by Section 9.2 or any Successor Agreement covered by Section 3.2 is expressly conditioned upon Franchisee's compliance with these modernization or refurbishment requirements at the time of transfer or renewal. Franchisee acknowledges and agrees that the requirements of this section are both reasonable and necessary to ensure continued public acceptance and patronage of the Elder-Well Business.

7.3.6 Timely Payments. Franchisee shall make all payments and reports, and pay all debts, when due.

7.3.7 Notice of Franchise Relationship. Franchisee shall at all times provide notice of the franchise relationship. Franchisee shall hold itself out to the public as an independent business owner

operating the business pursuant to a licensed franchise from Franchisor. Franchisee shall take such affirmative action as may be necessary to clearly disclose the franchise relationship, including without limitation, exhibiting a notice of the fact on all signs, forms, stationery, contracts, advertising and promotional materials, and other written materials, the content of which Franchisor has the right to specify. As described in Section 8.4.2 herein, Franchisee's Firm Name, and not the name of Franchisor (Spend The Day Franchising, Inc. or any derivative thereof) must be used on all marketing and promotional materials and contracts.

7.3.8 Compliance with Applicable Law. Franchisee shall conduct its business in accordance with all federal, state, local or other governmental laws, statutes, ordinances, regulations or rules applicable to the Franchised Business, whether now in force or hereinafter enacted. This shall include without limitation all laws and regulations relating to occupational hazards and health, home improvement/contractor licensing, PCI Data Security Standards, consumer protection, discrimination, employment and employee benefits, sexual harassment, worker's compensation, unemployment insurance and withholding and payment of federal and state income taxes and social security taxes, and payment of sales, use, excise, property or other taxes relating to the Franchised Business and to make all contributions that may be required or demanded under, or by virtue of, such legislation, rules or regulations. Franchisee must also comply with all manufacturer required certifications/training for specific equipment or supplies.

(1) Franchisee, at its own expense shall obtain and maintain all permits, certificates, and licenses required to engage in the Franchised Business. Franchisee, at its own expense, shall have all written materials used in the operation of the Franchised Business, including but not limited to marketing and advertising materials, forms and contracts, reviewed by an attorney to insure compliance with all applicable state and local laws and regulations prior to the use of each such item.

(2) To the extent that Franchisee has access to or stores Personally Identifiable Information (as defined below) of its guests, Franchisee acknowledges that it shall hold such information in the strictest of confidence, and protect such information in accordance with the confidentiality provisions set forth in this Agreement, then-current industry standards applicable to such information (including but not limited to the Payment Card Industry (PCI) Data Security Standard as published by the PCI Security Standards Council) and all applicable laws and/or regulations. In addition, Franchisee shall not disclose Personally Identifiable Information without the individual's prior written consent. In the event that the individual so consents, Franchisee may disclose such Personally Identifiable Information only to the extent expressly permitted by such individual and then only in accordance with the terms of this Agreement, such consents, and applicable law. As used in this Section, "**Personally Identifiable Information**" means personal information that collectively enables the person to be identified, including without limitation, names, phone numbers, mailing addresses, credit card information, social security numbers, financial information, and login credentials (including without limitation user names and passwords to any website, applications and/or systems).

(3) Franchisor shall have no liability for any sales, use, excise, property or other taxes of Franchisee or the Franchised Business or for Franchisee's non-compliance with any applicable law or regulation. Franchisee shall indemnify and hold Franchisor harmless for Franchisee's failure to comply with this Section 7.3.8.

7.3.9 Annual/Regional Meeting Attendance. Franchisee or at least one manager of Franchisee's staff shall, in every instance during the Term of this Agreement, attend Franchisor's

annual/regional meeting if Franchisor holds such a meeting. The registration fee for the annual meeting shall be fixed by Franchisor at an amount not to exceed One Thousand Dollars (\$1,000.00) (“**Meeting Registration Fee**”), which amount may be adjusted annually to reflect increases in the national consumer price index. The Meeting Registration Fee shall be payable to Franchisor by Franchisee whether or not Franchisee or a manager attends the annual meeting. We reserve the right to charge the Meeting Registration Fee via monthly or other period payment or installments that are automatically paid or withdrawn from your account with other monthly or periodic fees. This provision shall not obligate Franchisor to hold an annual meeting of franchisees each year. If no conference or regional meeting is held, Franchisee shall not be obligated to pay the Meeting Registration Fee. This clause shall not be waived. If Franchisee fails to attend less than half of the annual/regional meetings held during the Term of this Agreement, Franchisor has the right to require Franchisee to attend training, in addition to any other rights and remedies available to Franchisor for Franchisee’s breach of this provision.

7.3.10 Telephone. Throughout the term of this Agreement, Franchisee must use the national toll-free telephone number provided by Franchisor for advertising the Franchised Business. Franchisee, at its own expense, may also have a local telephone number.

7.3.11 Approved Supplies and Suppliers. Franchisee shall in the operation of the Franchised Business use only such products, equipment, software, computers, stationery, advertising and promotional materials, reports and forms that meet Franchisor’s standards and specifications and use the Marks and colors as prescribed from time to time by Franchisor. All materials used must disclose the franchise relationship. Franchisee shall purchase all approved or required supplies from any producer, manufacturer, distributor, supplier or service designated as mandatory for use by Franchisor, which may include Franchisor or an affiliate (“**Required Supplier**”) or, as applicable, any producers, manufacturers, distributors, suppliers or service providers who have been approved by Franchisor (“**Approved Supplier**”).

7.3.12 Computer and Office Equipment. Franchisee shall acquire and use in the operation of the Franchised Business such computer hardware and software as may be required by Franchisor. Franchisee shall either own, purchase or have access to a laptop or desktop computer system, tablets, and streaming devices loaded with certain commercially available software. The computer system shall be equipped with Ethernet and USB ports and have an active e-mail account and high-speed access to the Internet. Franchisee agrees to regularly monitor said account. Franchisee shall maintain and repair the computer and all equipment and obtain any upgrades or updates Franchisor requires with respect to such equipment. Franchisee shall be required to purchase or lease certain proprietary software from Franchisor or a third party designated by Franchisor, to enter into a software license agreement with Franchisor or such third party, and to purchase ongoing support services for the proprietary software from Franchisor or a third party designated by Franchisor. Currently, required software from Required Suppliers include accounting and customer relationship management software. Franchisor reserves the right to expand required software and to access all information and data in connection with the Franchised Business produced by Franchisee’s computer system. Upon termination or expiration of the Agreement, all such data remains the property of Franchisor.

7.3.13 Maintenance of Contacts Database. Franchisee shall purchase and at all times exclusively use customer relationship management software as required by Franchisor for the Franchised Business. Franchisee must maintain a current database of information on all guests, marketing contacts and other contacts on the computer system for the Franchised Business. Said database whether provided by Franchisor or a third party shall be the sole property of Franchisor.

7.3.14 Inspection of Franchised Business. To determine whether Franchisee and the Franchised Business are in compliance with this Agreement and that the Franchise Location is adequately and properly stocked, clean and otherwise in conformity with the Manuals, and in compliance with any required specifications and/or procedures, Franchisor and its representatives shall have the right at all times and without prior notice to inspect the Franchise Location, which shall include the right to observe Franchisee providing its service, or to otherwise observe Franchisee's operation and/or promotion of the Franchised Business. Franchisor or its representatives will have the right to interview Franchisee, Franchisee's employees, marketing contacts and guests pertaining to matters of compliance with this Agreement and to photograph, videotape or audiotape any such interviews and/or observation of the operation of the Franchised Business with or without Franchisee's knowledge and without prior notice to Franchisee. Franchisee hereby consents to Franchisor's use of any such audio or video recording for training, marketing or any other purpose. Franchisee shall fully cooperate with Franchisor and its representatives in all respects in connection with conducting, supervising or observing any such inspection and audit provided that Franchisor's exercise of these rights will not unreasonably interfere with Franchisee's conduct of the Franchised Business. In the event that Franchisor incurs fees and costs to hire a third party representative to inspect or observe Franchisee's operations or promotion of the Franchised Business, and said third party representative provides information to Franchisor evidencing Franchisee's violation of this Agreement, Franchisee shall reimburse Franchisor for such fees and costs upon demand.

As provided in Section 5.5., in the event Franchisor must conduct an inspection of the Franchise Location as a result of a complaint or due to alleged violation of the Franchise Agreement or System Standards within the prior twelve (12) month period, Franchisee shall be responsible for the actual costs incurred by Franchisor. "Costs Incurred" include Franchisor's travel and lodging as well as repairing or replacing non-conforming items or conditions

7.4 Insurance for Franchised Business.

7.4.1 Franchisee shall obtain and at all times during the term of this Agreement maintain in force and pay the premiums for the types and coverages amount of insurance as identified in the Manuals, which will include, but not be limited to:

- 1) Commercial General Liability insurance with:
 - a) bodily injury and property coverage written on an "occurrence" policy form in an amount of at least \$1,000,000 single limit per occurrence;
 - b) medical expense for any one person of at least \$5,000
 - c) products and complete operations aggregate of \$2,000,000
 - d) personal and advertising injury in the amount of at least \$1,000,000
 - e) fire damage in the amount of at least \$1,000,000
 - f) aggregate policy limit in the amount of at least \$2,000,000
- 2) Professional Liability insurance (also known as errors and omissions coverage) including bodily injury insurance coverage (for injury resulting from services performed), for all services performed with a limit of liability of not less than \$500,000.00 for each occurrence, \$1,000,000 aggregate coverage and a deductible of not more than \$2,500.00.
- 3) Automobile Insurance for any owned, leased, non-owned and hired automobile coverage in an amount of not less than \$1,000,000.

- 4) If Franchisee uses any employees or independent contractors to perform the Services of the Franchised Business, Franchisee must have:
 - a) Workers' Compensation insurance as required by state law or \$500,000/\$500,000/\$500,000, whichever is greater; and
 - b) Employer Liability with coverage of not less than \$1,000,000 per accident and \$1,000,000 policy limit in the aggregate.
 - c) Short-Term Disability coverage as may be required by state law.
- 5) If Franchisee rents space for the Franchised Business, Franchisee is encouraged to have sufficient Property Insurance to cover their personal and business property located on site, any insurance required by the lease and that Commercial General Liability covers this site.
- 6) Optional: Commercial umbrella insurance with a limit of not less than \$1,000,000.

7.4.2 All insurance policies shall be on forms, upon terms and with insurers reasonably satisfactory to Franchisor. All policies must be issued by an insurer(s) rated A- or better by AM Best and Company Inc. Upon reasonable notice to Franchisee, Franchisor may reasonably increase the minimum liability protection requirement or decrease the maximum deductible or require different or additional limits or kinds of insurance to reflect inflation, changes in standards of liability, higher damage awards or other relevant changes in circumstances.

7.4.3 All insurance policies shall in all instances be considered primary non-contributory coverage and expressly protect both Franchisee and Franchisor from liability and action. Franchisor must be named in all policies as a co-insured or an additional named insured on a primary, non-contributory basis using form #CG2010 11/85 edition or its equivalent. Franchisee shall furnish to Franchisor a copy of the certificate with respect to each such policy, which provides that such policy shall not be canceled or modified except upon thirty (30) days prior written notice to Franchisor. If Franchisee fails to obtain or maintain in force any insurance as provided herein or to furnish the certificates required hereunder, Franchisor may, in addition to other remedies it may have, maintain or obtain such insurance and/or certificates on Franchisee's behalf, and Franchisee shall promptly reimburse Franchisor for all premiums and other costs incurred thereby.

7.4.4 Subsequent to the transfer, termination or expiration of the Agreement, Franchisee shall procure and maintain extended reported period Professional Liability insurance ("tail insurance") for as long as necessary to provide coverage for claims and liability arising from all services performed by Franchisee prior to the date of transfer, termination or expiration. In no event should this coverage be less than one (1) year following the termination or expiration of this Agreement, and the policy should be in effect for as long as necessary to protect Franchisor from all liability, actions, or claims arising from all services performed by Franchisee in the operation of the Franchised Business. If Franchisee fails to procure this extended reported period insurance within thirty (30) days of transfer, expiration or termination of this Agreement, Franchisee will be assessed a fine equal to the greater of \$5,000 or the cost of this insurance plus legal fees.

7.4.5 Franchisee must provide Franchisor copies of certificates of insurance coverage evidencing compliance with this Section before the Business Start Date and upon Franchisor's demand thereafter but no less than annually.

7.4.6 If Franchisee engages any independent contractors to perform other services for guests of the Franchised Business, such independent contractors must be covered by Franchisee's insurance or have in force at the time of performing such services insurance of the types and amounts of coverage as set forth in the Manuals for all services performed. Such insurance policy must name Franchisee and Franchisor as additional insureds under the policy. Franchisee shall obtain from each such independent contractor a copy of the certificate of insurance evidencing such coverage prior to the date the independent contractor performs any services for the Franchised Business.

7.4.7 Maintenance of any insurance required by this Agreement shall not relieve Franchisee of the indemnification obligation under this Agreement.

7.4.8 Franchisee waives all rights against Franchisor and any other additional insureds and their respective agents, officers, directors, and employees for recovery of damages to the extent these damages are covered by commercial general liability, commercial excess/umbrella liability, business auto liability, workers compensation or employer's liability insurance, or professional liability insurance maintained pursuant to the requirements of this Section. Franchisee and its independent contractors, if any, agree to procure waivers of subrogation from all of its insurers providing coverage under the requirements of this Section.

7.5 **Liability and Indemnification for Franchised Business.** Franchisee alone shall be responsible for all loss or damage arising out of or relating to the operation of the Franchised Business or i) arising out of the acts or omissions of Franchisee or any of its employees, agents, servants or independent contractors in connection with services offered or rendered by Franchisee; ii) for all claims related to social media and internet usage and unauthorized marketing or advertising representations; and iii) for all claims for damage to property or for injury or death of any person or persons directly or indirectly resulting therefrom. Franchisor will in no event assume liability for, or be deemed liable hereunder, as a result of any such action, or by reason of any act or omission of Franchisee in its conduct of the Franchised Business, or any claim or judgment arising therefrom against Franchisee.

7.5.1 Franchisee agrees, for itself and its successors and assigns, to indemnify, defend and hold harmless forever, Franchisor, its successors and assigns, affiliates, subsidiaries, and their respective officers, directors, agents, employees and representatives (collectively, "**Indemnified Parties**"), past and present, against any and all claims, judgments, damages, suits, losses, penalties, fines, expenses, costs, settlements and liabilities, which shall include, but not limited to, compensation for damages to Franchisor's reputation and goodwill; reasonable attorneys' fees (whether such fees be incurred by outside counsel or a staff attorney); court costs; expert witness fees; costs of investigation and defense; related travel and living expenses; and all other costs associated with any of the foregoing losses and expenses ("**Indemnified Expense**") of any kind or nature that hereafter may be brought or instituted against any or all of them, or their successors and assigns, by or on behalf of anyone claiming rights or injury arising directly or indirectly from, as a result of, or in connection with the operation of the Franchised Business, including but not limited to all claims and matters identified as solely Franchisee's responsibility in Section 7.5 above, whether or not the cause of such Indemnified Expense was actually or allegedly caused wholly or in part through the negligence or intentional act or omission of the Indemnified Parties or resulted from any strict liability imposed on the Indemnified Parties. Franchisee shall give Franchisor prompt notice of any such indemnity event of which it is aware, for which indemnification is required, and, at the expense and risk of Franchisee, Franchisor shall have the option to control its own defense and to select counsel of its own choosing. Franchisor may, in its sole judgment, take such actions as it seems necessary and appropriate to investigate, defend, or settle any indemnity event or take other remedial or corrective actions with respect thereof as may be, in Franchisor's sole judgment, necessary for the protection of the Indemnified Parties or the System. Such an undertaking by Franchisor of any rights or

obligations attended to indemnified claims or otherwise shall, in no manner or form, diminish the obligation of Franchisee to provide the foregoing indemnity of Franchisor and the foregoing parties and to hold Franchisor and the foregoing parties harmless. The indemnities and obligations set forth in this Agreement will continue in full force and effect subsequent to the transfer, expiration or termination of this Agreement.

7.5.2 Nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty, or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name.

7.5.3 If Franchisee does not resolve a customer service complaint or refuses to refund, in part or whole as the case may be, a customer his/her fee and the customer contacts Franchisor, and if Franchisor believes there is a reasonable basis for the complaint, Franchisor may issue a refund of fees paid by the customer. Franchisee agrees to reimburse Franchisor for the refund paid upon demand.

7.5.4 Franchisee shall be solely responsible for handling, managing and participating in the defense of all claims and/or lawsuits related in any way whatsoever to the Franchised Business, whether such claims arise during the term of this Agreement or after its termination or expiration. In the event Franchisee's customer asserts claims or potential claims against Franchisor, Franchisee and its agents, employees and independent contractors agree to fully cooperate with Franchisor and/or its insurer in any investigations or other efforts to defend the claims asserted.

8 PROPRIETARY INFORMATION

8.1 Confidentiality and Trade Secrets. Franchisee hereby acknowledges that only Franchisor can franchise the proprietary rights associated with the Elder-Well Business and all parts thereof, and of all material and information divulged to Franchisee relating to the Franchised Business. Franchisee further acknowledges that the System and the Elder-Well Business, each part thereof and in its entirety, constitutes trade secrets, confidential and proprietary business information of Franchisor that are revealed to Franchisee in trust and in confidence solely for the purpose of enabling Franchisee to establish and operate the Franchised Business. Such trade secrets, confidential and proprietary business information include, but are not limited to, information concerning the Marks; knowledge of the System; concepts or results relating to the services; supplier and material lists; customer list and contact information and data; proprietary software; forms of agreement and actual agreements; contact or service provider information or data; training; Manuals and related materials and other aids; business and accounting procedures and processes; promotional and marketing guidebooks, and other aids, business forms and accounting procedures; and, in general, methods, techniques, formulas, formats, specifications, standards, procedures, know-how, and information systems (collectively referred to as "**Confidential Information**").

8.1.1 Franchisee acknowledges that all data pertaining to the Franchised Business, including Confidential Information, Financial Records and data contained in any database whether prepared by Franchisee or Franchisor, including, but not limited to, any data contained in contact relationship management software, belongs to Franchisor.

8.1.2 Franchisee shall maintain the absolute confidentiality of all Confidential Information during and after the Term and shall not use any of the Confidential Information in any other business or in any manner other than with the Franchised Business. Franchisee shall not make copies of such information or divulge such information to any other person except as permitted in writing by Franchisor. Franchisee shall require any other person who will have access to any Confidential Information to sign a confidentiality agreement in a form approved by Franchisor, which form, among other provisions, shall

designate Franchisor as a third-party beneficiary of such covenants with the independent right to enforce them.

8.2 Improvements to System. As Franchisor develops, learns, or implements improvements to the System, it will so notify franchisees and authorize their use in the Franchised Business. In return and in consideration therefore, Franchisee agrees that any idea or suggested innovation or variation that may tend to enhance or improve the System and the Elder-Well Business including all writings and other original works of authorship regardless of form, including, but not limited to software programs, trademarks, copyrightable works, Internet Web page or any other document or information pertaining or relating to the Franchised Business that Franchisee discovers or otherwise becomes aware of during the Term shall be submitted to Franchisor for its evaluation for adoption and use. Franchisee agrees that all proprietary rights to such ideas, works, innovations or variations created or acquired by Franchisee or any of its employees, during the Term, shall be deemed by the parties to be works made for hire and shall belong to Franchisor. Franchisor may adopt such improvements without compensation to Franchisee, and such improvements shall thereupon become part of the System owned by Franchisor and be used by Franchisor without any restriction, which shall include being made available to other franchisees.

8.3 Use of, and Noncompliance with, System. Franchisee acknowledges the importance of the Confidential Information and System to the reputation and integrity of the franchise system and the goodwill associated with the Marks and the Elder-Well brand. In order to assure maximum uniformity of quality and service conducted by all franchisees, Franchisee agrees to follow the procedures prescribed by the Elder-Well Method or as otherwise may be required in the Manuals. If Franchisor notifies Franchisee of a failure to comply with any of the standards or procedures that are required and Franchisee fails to correct the non-compliance within a period of time that Franchisor requires or Franchisee subsequently fails to comply with the same standard or procedure for which Franchisee received the notice, then, in addition to any other remedies to which Franchisor shall be entitled, Franchisor reserves the right to impose a fine for such non-compliance in the amount then specified in the Manuals. This provision shall solely be deemed a fine and not an adequate remedy at law.

8.4 Marks.

8.4.1 Ownership of Marks and Goodwill. Franchisee's right to use the Marks is limited to the operation of the Franchised Business in the Licensed Service Area subject to the terms and conditions of this Agreement and the Manuals. Franchisee shall not contest or oppose, or assist anyone else to contest or oppose, directly or indirectly, Franchisor's ownership of the Marks, application for registration of the Marks, or registration of, or the validity or enforceability of any of the Marks. Franchisee's use of the Marks and any goodwill associated with the Marks shall inure to the exclusive benefit of Franchisor.

8.4.2 Franchisee's Corporate/Firm Name. Franchisee shall operate, advertise, and promote the Franchised Business and its services under a name approved in writing by Franchisor ("**Firm Name**"), and shall designate in conjunction therewith that Franchisee is an independent Elder-Well franchisee. Franchisee shall not, however, use any of the Marks (including Elder-Well) or any other portion thereof or similar words or colorable imitations thereof as part of any name of any corporation, partnership, limited liability company or other business Entity, or with any other prefix, suffix or other modifying words, terms, designs or symbols, or in any modified form, or with the commercial symbols or trade dress of any other person or Entity, nor may Franchisee use any of the Marks in connection with the sale of any unauthorized products or service or in any other manner not expressly authorized in writing by Franchisor. Franchisee shall not use "Elder" or "Spend the Day" as part of Franchisee's business entity name. Franchisee shall, upon request of Franchisor at any time, immediately stop the use of any such name or word in its business entity name, and shall promptly take such steps as may be necessary or appropriate in the judgment of Franchisor to remove any such name or word from Franchisee's business entity name.

Franchisee's Firm Name must be used on all marketing and promotional materials and contracts. Designations for "doing business as" (d/b/a) or "operating as" (o/a) shall not contain any geographic designation, such as Elder-Well of Massachusetts.

8.4.3 Use of the Marks. Franchisee's use of the Marks shall in every instance be accompanied by the registration symbol ® or the TM or SM symbol, or copyright symbol© placed in close proximity to the Marks as directed by Franchisor. In addition, any and all advertisements, brochures or other promotional materials bearing the Proprietary Marks shall contain one of the following statements: "Elder-Well® is a registered mark of Spend The Day Franchising, Inc." or "Elder-Well® is a registered mark and is used under license by [Franchisee to insert business entity of Franchisee]." As indicated elsewhere in this Agreement, all such materials should also provide that each Elder-Well franchise is independently owned and operated.

8.4.4 Defense of Marks by Franchisor

1) If Franchisee receives notice or learns of a claim, suit, demand or proceeding against Franchisee on account of any alleged infringement, unfair competition, or similar matter relating to Franchisee's use of the Marks, Franchisee shall promptly notify Franchisor of such claim, suit, demand or proceeding. Franchisee shall have no power, right, or authority to settle or compromise any such claim by a third party without the prior written consent of Franchisor. Franchisor may, but is not required to, defend, compromise or settle any such claim at Franchisor's cost and expense, using attorneys of its own choosing. If Franchisor decides to defend, compromise or settle any such claim, Franchisee shall cooperate fully with Franchisor in connection with the defense of any such claim. Franchisee irrevocably grants Franchisor authority and power of attorney to defend or settle all of such claims, demands, suits or proceedings as to these claims.

2) If Franchisee receives notice or is informed or learns that any third party that Franchisee believes to be unauthorized to use the Marks, is using the Marks or any variants thereof, Franchisee shall promptly notify Franchisor. Thereupon, Franchisor shall, in its sole discretion, determine whether or not it wishes to undertake any action against such third party on account of said person's alleged infringement of the Marks. Franchisor shall have the sole authority and power to prosecute or settle such action. Franchisee shall render such assistance as Franchisor shall reasonably demand to carry out the prosecution of any such action including, but not limited to, becoming a nominal party to any legal action. Franchisee shall have no right to prosecute any claim of any kind or nature whatsoever against such alleged infringer for or on account of said alleged infringement.

8.4.5 Substitution of Marks. Franchisor may change, revise or substitute different Marks for use in identifying the System, if the Marks no longer can be used, or if Franchisor, in its sole discretion, determines that substitution of different Marks will be beneficial to the System. The use of the substituted Marks shall be governed by the terms of this Agreement and Franchisee shall implement such change at its sole cost and expense, and Franchisor shall not compensate Franchisee for such substitution.

8.5 Copyright. Franchisor has developed, and may further develop during the Term, Manuals and certain artistic designs, and certain other documents or word combinations designated for use by Franchisee. Franchisor retains all right, title and interest thereto as provided by copyright law to the originator of works and Franchisee is licensed to use such copyrighted materials solely in accordance with the terms of this Agreement during the Term. If Franchisee develops or suggests a change or additional component of any copyrighted work,

Franchisor may adopt such change or addition without compensation to Franchisee, and such change or addition shall thereupon become part of the System owned by Franchisor.

8.6 Internet Usage.

8.6.1 Franchisee shall not register any of the Marks on the Internet or any other computer on-line service, which shall preclude using the Marks as a domain name or as an email address unless issued through Franchisor. Franchisee shall not either directly or indirectly create, develop, maintain, and/or use its own website, blog, vlog, social network, or other on-line venue or communication on the Internet using any of the Marks, or otherwise use any of the Marks on the Internet in any other manner including for search engine advertising purposes without the prior written consent of Franchisor or as may be explicitly identified in the Manuals, if applicable.

8.6.2 Franchisor in its sole discretion shall establish all social networking accounts on behalf of Franchisee that use the Marks. Franchisee shall not under any circumstance use the Marks on any social networking website, including but not limited to Facebook, MySpace, LinkedIn, Twitter, Instagram or any other similar media that exploits, utilizes, displays, or otherwise makes use of any of the Marks. For any accounts that Franchisor establishes on behalf of Franchisee, Franchisee has no right, title or interest to any webpage on any of Franchisee's social networking sites including, but not limited to, all "fans", "followers", "friends" and "contacts" associated therewith which mentions, uses or refers in any way to the Marks or other intellectual property. To the extent Franchisor finds any violation of this paragraph, Franchisee shall immediately take whatever steps are necessary to fully and completely cancel or dismantle any and all such social networking account or webpage or transfer the account or webpage and all related information, including all "fans", "followers", "friends" and "contacts" associated with such accounts or webpages, to Franchisor.

8.6.3 During the Term, Franchisee's use of the Marks or its identification of itself or its Owners with the Elder-Well Business on any personal social media forum shall not associate the Marks, the brand, Franchisor or the Franchised Business with any political ideologies, religious or social philosophies and/or positions. Nor shall Franchisee use any personal social media forum to discredit, disparage, or harm the reputation and goodwill of the Marks, other franchisees or the Elder-Well brand. Upon expiration, transfer or termination of this Agreement, Franchisee shall not be permitted to use the Marks or any other indicia of its former affiliation with the Elder-Well brand on any social media forum whatsoever.

8.6.4 As stated in Section 7.5, Franchisee is fully responsible for indemnifying Franchisor for any acts or omissions relating to Franchisee's social media and internet usage.

8.7 Authorization and Release. Franchisee and its Owners authorize and grant worldwide rights in perpetuity to Franchisor and its affiliates, successors and assigns, to record Owners' words, statements and opinions as well as their likeness and image on photographs, film and/or videotape (the "Images") to use and to license others to use the Images for commercial and non-commercial purposes, including, but not limited to, publicity, marketing, advertising, training and/or sales purposes and in any manner of media whatsoever, which shall include, but not be limited to: (a) still photographs; (b) movie and sound films and video tapes; (c) electronic broadcasts consisting of television programs and commercials; (d) internal and external Internet live streaming and other on-line presentations and materials (e) graphics, logos or other collateral derived from the Images (collectively "the Works"); and (f) press releases. Franchisee/Owners release Franchisor from any and all claims and liability for damages for (i) libel, slander, invasion of privacy, right of publicity or any other claim based upon use of the Images; and (ii) any blurring, distortion, alteration, optical illusion, or use in composite form, whether intentional or otherwise, of the Images.

8.7.1 Franchisee/Owners waive any right to inspect and/or approve the finished product incorporating the Images or the use to which the Images may be applied.

8.7.2 Franchisee/Owners agree that Franchisor shall have exclusive ownership of all right, interest and title in and to the Images and Works including, without limitation, all copyrights therein.

9 ASSIGNMENT, TRANSFER AND ENCUMBRANCE

9.1 By Franchisor. Franchisor shall have the right to Transfer or assign all or any part of its rights or obligations under this Agreement to any person or legal Entity without the consent of Franchisee. With respect to any assignment that results in the subsequent performance by the assignee of all of Franchisor's obligations under this Agreement, the assignee shall expressly assume and agree to perform such obligations, and shall become solely responsible for all obligations of Franchisor under this Agreement from the date of assignment. In addition, Franchisee expressly affirms and agrees that Franchisor may sell its assets, the Marks, or the System; may sell its securities in a public offering or in a private placement; may merge, acquire other entities, or be acquired by another Entity; including an Entity that owns and or operates businesses that compete with the Franchised Business, and may undertake a refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring, each and all without the consent of Franchisee.

9.2 By Franchisee. The rights granted to Franchisee in this Agreement are personal and Franchisee acknowledges that Franchisor is entering into this Agreement in reliance upon and in consideration of the individual character, skill, aptitude, business ability, English language fluency, physical capacity to perform the obligations under this Agreement and financial capacity of Franchisee or, if Franchisee is an Entity, of its Owners. Accordingly, Franchisee shall not Transfer this Agreement or any interest in this Agreement or ownership of Franchisee without Franchisor's prior written consent and without offering Franchisor a right of first refusal. Any attempt at a Transfer that violates the provisions of this section shall constitute a material breach of this Agreement and shall convey no right or interest in this Agreement. If Franchisee desires or proposes to Transfer any right or interest under this Agreement to a potential person or Entity ("**Transferee**"), Franchisee shall first notify Franchisor in writing at least 60 days before the proposed Transfer, setting forth in detail all of the proposed terms and conditions of the Transfer, a copy of the proposed sale and purchase agreement between Franchisee and the proposed Transferee, the name and address of the proposed Transferee, and the consideration therefore. Franchisor shall not unreasonably withhold its consent to the Transfer for which it has not exercised its right of first refusal pursuant to Section 9.3, so long as the proposed Transfer complies with all the following pre- conditions:

9.2.1 At the time of the proposed Transfer, all outstanding obligations of Franchisee to Franchisor shall have been satisfied and the terms of the proposed sale and purchase agreement shall not purport to Transfer any intellectual property of Franchisor and shall not in Franchisor's sole discretion contain any terms or conditions that would damage the goodwill of the System.

9.2.2 The proposed Transferee and each of its Owners, as the case may be, must be a United States citizen or lawful resident alien of the United States and must have sufficient literacy and fluency in the English language sufficient, in Franchisor's opinion, to communicate with employees, guests, and suppliers of Franchisor and to satisfactorily complete Franchisor's required training program and such other tests and interviews as Franchisor shall reasonably deem to be necessary or desirable. Franchisee shall provide Franchisor with such information as Franchisor may require in order to determine whether to grant such proposed Transfer.

9.2.3 The sales price of the interest to be conveyed must not be so high, or the terms of the sale so onerous, that, in the judgment of Franchisor, the proposed Transferee will be unlikely to properly maintain, operate and promote the Franchised Business and meet the proposed Transferee's financial and other obligations to Franchisor, third party suppliers and creditors. This provision shall not create any liability to either Franchisee or the proposed Transferee on the part of Franchisor, in the event that Franchisor approves the Transfer and the Transferee experiences financial difficulties.

9.2.4 Franchisee and its Owners shall execute a general release of Franchisor and its respective current and former officers, shareholders, directors, members, managers, employees, agents, affiliates and representatives, in a form satisfactory to Franchisor.

9.2.5 If required by Franchisee's jurisdiction or any other governmental authority, the proposed Transferee shall be duly licensed to operate the Franchised Business, and Franchisee shall have obtained, at its or at the Transferee's expense, all requisite consents to such Transfer.

9.2.6 The proposed Transferee shall execute the standard form of Franchise Agreement then being offered to new franchisees and other ancillary documents that Franchisor requires, the terms of which may vary from those of this Agreement. If the Transferee is an Entity, its Owners shall jointly and severally guarantee the full payment and performance of Transferee's monetary and non-monetary obligations to Franchisor and deliver to Franchisor forms of personal guaranty and subordination to the satisfaction of Franchisor.

9.2.7 Franchisee shall pay to Franchisor a "**Transfer Fee**" in the amount of Twenty-Five Percent (25%) of the then-existing Initial Franchise Fee, plus Franchisor's out of pocket costs associated with the Transfer, including costs of attorneys' fees associated with the Transfer, on or before the Transfer; provided, however, that if Franchisor does not consent to the Transfer, Franchisor shall refund the Transfer Fee to Franchisee after deducting any expenses it incurred in connection with the proposed Transfer.

9.2.8 Either Franchisee has or Transferee has agreed to comply with the provisions of this Agreement regarding modernization or refurbishment of the Franchised Business as may be necessary to conform to the standards then applicable to new Elder-Well franchisees.

9.2.9 To the extent applicable, Franchisee will have paid broker or other third-party fees in connection with efforts to assign or transfer this Agreement. Depending on the nature of the contractual relationship between broker/third party and Franchisor/Franchisee, these fees shall be paid to either Franchisor or to the third-party directly.

9.3 Right of First Refusal. If Franchisee or any of its Owners intend to Transfer the Franchised Business for valuable consideration, a complete and accurate copy of the bona fide, signed, written offer from the potential purchaser must be delivered immediately to Franchisor. If the offeror proposes to buy any other tangible or intangible assets that do not relate to or are not used by or in the Franchised Business, the proposal for such assets or rights must be described in a separate offer that is disclosed to Franchisor, but to which this right of first refusal is not applicable. The purchase price and terms for the Transfer of the Franchise will reflect the bona fide offered price and not reflect any value for any other assets.

9.3.1 Within thirty (30) days after Franchisee delivers a complete and accurate copy of the bona fide offer to Franchisor, Franchisor or its designee will have the option, exercisable by written notice, to purchase the interest that is the subject of the offer/ for the price and on the terms in the offer; provided, however, that (a) Franchisor may substitute cash for any in-kind payment proposed in the offer, (b) Franchisor's credit will be deemed equal to the proposed purchaser's credit, and (c) Franchisor will have

not more than one hundred twenty (120) days from the option exercise date to consummate the transaction. Franchisee will promptly respond to all of Franchisor's reasonable due diligence requests. Terms and conditions for the purchase will be as similar as practicable to the offer's terms and conditions, subject to the exceptions above.

9.3.2 Unless expressly limited in the third-party offer, Franchisor has the right to purchase the interest subject to all customary representations and warranties, closing documents, releases and indemnities as Franchisor may reasonably may require, including representations and warranties as to the ownership and condition of, and title to, shares of ownership and/or assets, the validity and status of contracts and leases and the extent of any liabilities, contingent or otherwise. Franchisor also will have the option to acquire, for nominal consideration, an assignment of Franchisee's leasehold rights for the Franchise Location, provided the location is a commercial location.

9.3.3 If Franchisor does not exercise its purchase option, Franchisee or its Owners may complete the sale to the offeror on the offer's exact terms, subject to Franchisor's approval of the Transfer; provided that if there is a material change in the offer's terms, Franchisor will have an additional option to purchase during the thirty (30)-day period after Franchisee provides notice of a material change in the offer's terms.

9.3.4 If the proposed Transfer is not supported by valuable consideration (e.g. gift, testamentary transfer, or involves the transfer of ownership to an immediate family member of an Owner, or reorganization of your entity without any change in the Owners), Franchisor will have no right of first refusal. Franchisor must approve the new Owner under Section 9.2.

9.4 Death or Incapacity of Franchisee. Upon Franchisee's death or Incapacity during the Term or upon the death or Incapacity of one or more Owners with 50% or more interest in Franchisee, if Franchisee is an Entity, Franchisor, on its own initiative, or upon the written request of the heirs, shall allow the heirs a period of six (6) months from the date of death or Incapacity to effectuate one of the below options. "**Incapacity**" shall mean the condition of an individual who suffers from a physical or mental impairment, or a combination of both, rendering Franchisee, or its Owner, unable to substantially perform all Franchisee's obligations and duties provided of this Agreement and in the Manuals, which is verifiable by medical findings and has continued or is reasonably certain to continue for at least three (3) months without substantial improvement that would allow such individual to perform.

9.4.1 Demonstrate that the heirs, personal representatives or conservators of Franchisee or Owner ("**Heirs**") meet Franchisor's requirements for a Transferee set forth in this Agreement and agree to the terms of this Agreement and confirm this by signing a Transfer or assignment. At Franchisor's option, as an alternative to signing a Transfer or assignment agreement, Franchisor may require the heirs to execute the standard form of Franchise Agreement then being offered to new franchisees (modified to reflect that Franchisor shall not collect an initial franchisee fee and to reflect the remaining term and renewal term then remaining, if any, with respect to this Agreement) and any ancillary documents that Franchisor requires, the terms of which may be different from those of this Agreement; or

9.4.2 Assign this Agreement to a third party acceptable to Franchisor that meets the prerequisites to Transfer set forth in this Agreement.

10 TERMINATION OF FRANCHISE AGREEMENT.

10.1 Termination by Franchisor with Notice and No Opportunity to Cure. The following provisions are in addition to, and not in limitation of, any other rights and remedies Franchisor may have at law or in equity, all of which are expressly reserved. The exercise by Franchisor of any right or remedy shall not be deemed an election of remedies. This Agreement shall immediately terminate on delivery of notice of termination

to Franchisee by Franchisor upon the occurrence of any of the following Defaults:

10.1.1 Franchisee becomes insolvent or admits in writing Franchisee's inability to pay its debts as they mature, makes an assignment for the benefit of creditors, files a petition under any foreign, state or United States bankruptcy act, receivership statute, or the like or if such a petition is filed by a third party, or if an application for a receiver is made by anyone and is not resolved favorably within 90 days. Further, if Franchisee rejects the Franchise Agreement in accordance with Bankruptcy Code provisions, whether explicitly or implicitly by failing to timely assume the obligations of the Franchise Agreement, such rejection will be deemed a de facto termination as of the date of such rejection.

10.1.2 Franchisee has made any material misrepresentation or omission in the application for appointment as a Franchisee or in any report that Franchisee submits to Franchisor during the Term pursuant to this Agreement.

10.1.3 Franchisee or any Owner is indicted by a grand jury or convicted by a trial court of or pleads no contest to a felony or other crime or offense or engages, or is repeatedly alleged to engage, in conduct (such as fraud) that reflects materially and unfavorably upon the operation and reputation of Franchisor, the System or the Franchised Business.

10.1.4 Franchisee attempts to make or makes an unauthorized assignment, encumbrance or other Transfer of Franchisee's rights or obligations under this Agreement or attempts to make a Transfer without complying with all of the prerequisites to Transfer set forth in Section 9.2 of this Agreement.

10.1.5 Franchisee is a party to any other agreement with Franchisor or its affiliates that is terminated for Franchisee's breach thereof subject to that agreement's terms, which shall include, but not be limited to, another franchise agreement associated with another franchise system.

10.1.6 Franchisee makes any unauthorized use of the Marks or of the Confidential Information or makes any duplication or disclosure of any Confidential Information or contents of the Manuals.

10.1.7 Franchisee violates any of the non-competition covenants of this Agreement.

10.1.8 Franchisee fails on two (2) or more separate occasions during any 12-month period to comply with the terms of this Agreement or with any mandatory specifications, standards or operating procedures that Franchisor may prescribe from time to time, regardless of whether such failures to comply are corrected after notice is delivered to Franchisee and whether such failures to comply relate to the same or different requirements of this Agreement.

10.1.9 Franchisee repeatedly conducts itself in an unprofessional and/or abusive manner to Franchisor, other Elder-Well franchisees and/or guest(s) as determined by Franchisor in its sole but reasonable discretion and Franchisee has received two (2) prior written notices of such misconduct by Franchisor during the franchise relationship (whether under this Agreement or any prior or subsequent franchise agreement).

10.1.10 Franchisee fails to operate the Franchised Business for 7 consecutive days without prior written consent.

10.1.11 Franchisee fails to complete the Initial Training Program to Franchisor's satisfaction.

10.1.12 Franchisee fails to adhere to any territory boundary restriction as contained in this Agreement (including conducting business in another franchisee's Licensed Service Area) after having previously received at least one (1) written notice of a territory boundary violation from Franchisor.

10.1.13 Franchisee reports Gross Revenue of the Franchised Business for any period of twelve (12) months or longer as being less than the actual Gross Revenue for the same period by two percent (2%) or greater.

10.1.14 Franchisee fails to conduct the Franchised Business in accordance with all applicable laws and regulations, including paying all applicable taxes. This shall not prevent Franchisee from contesting in good faith the validity or applicability of any purported legal obligation to the extent and in the manner permitted by law.

10.1.15 Franchisee fails to attend the first Franchisor offered meeting pursuant to Section 7.3.9. (annual or regional as specified by Franchisor) after Franchisee's commencement of the Franchised Business, whether such Franchised Business is a start-up business or is continuing from an assignment of an existing franchised business.

10.2 With Notice and Opportunity to Cure. The following provisions are in addition to, and not in limitation of, any other rights and remedies Franchisor may have at law or in equity, all of which are expressly reserved. The exercise by Franchisor of any right or remedy shall not be deemed an election of remedies.

10.2.1 Except as otherwise provided elsewhere, this Agreement shall terminate upon Franchisee's failure to cure any default under this Agreement or the Manuals within the specified days identified below after notice thereof is delivered to Franchisee. In the event such default cannot reasonably be corrected within the days specified as deemed in Franchisor's sole but reasonable discretion, Franchisee shall undertake diligent efforts to comply and to furnish proof acceptable to Franchisor of such efforts within such period; provided, however, that in no event shall Franchisee's cure period exceed a total of 45 days.

10.2.2 Defaults subject to a 15-day cure period include:

1) Franchisee fails to commence business operations within 120 days of executing the Franchise Agreement.

2) Franchisee fails to make any timely payment of money owed to Franchisor when due or fails to timely submit to Franchisor when due any report required pursuant to this Agreement. At Franchisor's election, in lieu of or in addition to termination, Franchisor may institute legal proceedings to recoup any outstanding money owed as provided herein at Section 4.

3) Franchisee jeopardizes the goodwill of the Marks, the Franchised Business, the System, or the reputation of Franchisor including the unauthorized use of the Marks.

4) Franchisee defaults in the performance of any of the obligations assumed under Section 7 of this Agreement (except as may be specifically referred to above).

10.2.3 Franchisee fails to perform any obligation assumed by it under this Agreement or as required in the Manuals other than those specifically referred to above and fails to cure fully such Default with 30 days following notice to Franchisee.

10.3 No Waiver. The description of any Default in any notice served upon Franchisee shall in no way preclude Franchisor from specifying additional or supplemental defaults in any action, hearing or suit relating to this Agreement or the termination hereof.

11 RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION

11.1 Payment of Amounts Owed to Franchisor. Franchisee shall promptly pay to Franchisor within five (5) days after the effective date of termination or expiration of this Agreement all sums owing, including any amounts owed under any outstanding loan agreement or promissory note. Termination or expiration of this Agreement under any circumstances shall not relieve Franchisee of any debt, obligation, or liability of Franchisee to Franchisor that may have accrued hereunder.

11.2 Disaffiliation with Franchised Business. Franchisee shall assist Franchisor in every way possible to bring about an immediately effective, complete and orderly transfer of the Franchised Business. Franchisee specifically agrees that as between Franchisor and Franchisee, Franchisor has the sole right to and interest in all telephone numbers and directory listings associated with any Mark. Franchisee thus agrees to cooperate fully with Franchisor to assign immediately to Franchisor any and all business telephone numbers used by Franchisee and/or Franchisee's employees in connection with the Franchised Business. Such cooperation specifically includes that within five (5) days of transfer, termination or expiration of this Agreement, Franchisee must notify the telephone company and all online and other directory listing agencies, including those on the Internet, of the termination of Franchisee's right to use any telephone number and any classified or other telephone directory listing associated with the Marks and shall authorize transfer of same to franchisor or any third party designated by Franchisor.

11.3 Marks and Proprietary Information. After the termination or expiration of this Agreement, Franchisee shall:

11.3.1 Immediately discontinue the use of all Marks, and any other names, marks or signs that may be confusingly similar thereto.

11.3.2 Take affirmative steps to immediately remove all references on the Internet that identify Franchisee and its business (or former business) as being associated or affiliated with the Elder-Well System or Franchisor in any way whatsoever, including but not limited to directory listings, contact information or association listings, or on any website, blog, vlog, social network or other on-line venue or communication on the Internet.

11.3.3 Immediately cease use of any item, equipment, method, process or procedure associated with the System or any of Franchisor's Confidential Information in any other business or otherwise.

11.3.4 Immediately discontinue and return to Franchisor all supplies and materials containing any reference to Franchisor or the Marks, and to cancel any pending advertising and discontinue future advertising, print and online, which refers to or connotes any relationship, whether current or past, between Franchisee and Franchisor.

11.3.5 Immediately discontinue and return to Franchisor any materials created by Franchisee during the Term of this Agreement containing any Marks or other proprietary or Confidential Information of Franchisor whether copyrighted or not and whether changed, improved and further developed from time to time by Franchisee. This shall include the return to Franchisor (at Franchisee's expense) the Manuals and any other materials that have been loaned to Franchisee, including copies of, or any component thereof, in any form.

11.3.6 Maintain the confidentiality and not disclose to any person any of the Confidential Information furnished to Franchisee pursuant to this Agreement or in connection with the operation of the Franchised Business.

11.4 No Association with Franchisor or System. Franchisee shall not directly or indirectly at any

time or in any manner identify Franchisee, its Owner or any business with which Franchisee or its Owner is affiliated, as a current or former franchisee or licensee of Franchisor, or as otherwise associated with Elder-Well or the System, or use any license issued to Franchisor or any Mark, any imitation thereof or other indicia in any manner or for any purpose, or utilize for any purpose any trade name, trade or service mark or other commercial symbol that suggests or indicates a connection or association with Franchisor.

11.5 Cancel Business Names. Franchisee shall take such action as may be required to terminate or cancel any state or jurisdictional registration or filing of any d/b/a or assumed name or trade or fictitious or equivalent name or any other registration or filing containing the Marks so as to delete the Marks and all references to anything associated with the Elder-Well Business or System.

11.6 Software. Franchisee shall immediately discontinue the use of all proprietary software; and to refrain for a period of eighteen (18) months following the transfer, expiration or termination of this Agreement for any reason, or the date on which Franchisee ceases to conduct the Franchised Business, whichever is later, from using any generic version of the same software system as was used with the Franchised Business, including, but not limited to, customer relationship management software. This provision does not pertain to generic software such as Microsoft Office.

11.7 Other Efforts. Comply with all further post termination requirements as may be set forth in the Manuals.

11.8 Non-Competition Covenants.

11.8.1 Definitions

1) Unless otherwise specified, the term “**Franchisee**” as used in this section shall include, collectively and individually, all officers, directors, and holders of a beneficial interest of five percent (5%) or more of the securities of franchisee, and of any corporation directly or indirectly controlling Franchisee, if Franchisee is an Entity; and the general partners and any limited partner (including any corporation and the officers, directors, and holders of a beneficial interest of five percent (5%) or more of securities, or an Entity that controls, directly or indirectly, any general or limited partner, if Franchisee is a partnership.

2) “**Restricted Person**” shall mean Franchisee, and each of its Owners, and the respective officers, directors, and managers of each of them, and the spouse and family members who live in the same household of each of the foregoing who are individuals.

3) “**Competitive Business**” shall mean any business (or division of a business) where five percent (5%) or more of its sales include services similar to that offered by the Franchised Business.

11.8.2 Covenants. The intention of the parties in this section is to limit Franchisee’s right to compete only to the extent necessary to protect Franchisor from unfair competition. Franchisee covenants that:

1) During the Term of this Agreement, no Restricted Person shall directly or indirectly divert or attempt to divert any business or customer of the Franchised Business to any competitor of Franchisee or otherwise.

2) During the Term of this Agreement, no Restricted Person shall, without Franchisor’s prior written consent, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, or legal Entity, own, advise, operate, engage in,

be employed by, make loans to, or have any interest in or relationship or association with any Competitive Business.

3) Commencing upon the date of: (i) a Transfer permitted under this Agreement, (ii) the expiration of this Agreement or (iii) the termination of this Agreement (regardless of the cause for termination), and continuing for an uninterrupted period of twenty-four (24) months thereafter, no Restricted Person shall, without Franchisor's prior written consent, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, or legal Entity, own, advise, operate, engage in, be employed by, make loans to, or have any interest in or relationship or association with any Competitive Business at any location (a) within a radius of twenty-five (25) miles of the Licensed Service Area described in the Data Sheet in which Franchisee's Business is located; or (b) within any other franchisee's Licensed Service Area whether franchised or owned by Franchisor or any affiliate of Franchisor, based on where the Elder-Well Business or its affiliated franchisees are operating as of the date of expiration or termination of this Agreement.

4) Commencing upon the date of: (i) a Transfer permitted under this Agreement, (ii) the expiration of this Agreement or (iii) the termination of this Agreement (regardless of the cause for termination), and continuing for an uninterrupted period of twenty-four (24) months thereafter, no Restricted Person shall, directly or indirectly solicit or perform services for any prior customer of the Franchised Business or any customer of any other Elder-Well franchisee or an affiliate of Franchisor. Nor shall such Restricted Person solicit business from any referral source or marketing contact generated by the goodwill associated with the Elder-Well Franchised Business.

11.8.3 Exclusive Relationship. You acknowledge that Franchisor has granted you the right and license to operate the Franchised Business in consideration of and in reliance upon your agreement to deal exclusively with us in social-supportive day services. You therefore agree that, during this Agreement's term, neither you nor any of your shareholders or partners (if you are doing business as a corporation, limited liability company or partnership) nor any member of your immediate family shall:

(1) have any direct or indirect, controlling or non-controlling interest as an owner - whether of record, beneficial or otherwise - in a Competitive Business, wherever located or operating;

(2) perform services as a director, officer, manager, employee, consultant, representative or agent, or in any other capacity, for a Competitive Business, wherever located or operating;

(3) directly or indirectly loan any money or other thing of value to, or guarantee any other person's loan to, any Competitive Business or any owner, director, officer, manager, employee or agent of any Competitive Business, wherever located or operating; or

(4) divert or attempt to divert any actual or potential business or customer of your Business to a Competitive Business.

11.8.4 Enforcement of Covenants. The foregoing covenants shall be construed independently of any other covenant or provision in the Franchise Agreement. The parties hereby expressly agree that if the scope of enforceability of the provision is disputed at any time by Franchisee, a court may modify this section to the extent that it deems necessary to make such provision enforceable under applicable law. If all or any portion of a covenant is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Franchisee shall be bound by any lesser covenant subsumed within the terms of such covenant that

imposes the maximum duty permitted by law, as if the resulting covenant were separately stated and made a part of the Franchise Agreement.

1) **Compliance Period.** In the event that Franchisee engages in the activities prohibited in this section in violation of said covenant, said twenty-four (24) month period of non-competition shall extend beyond the twenty-four (24) month anniversary date of termination or expiration of the Agreement for a period of time equal to the duration of Franchisee's violation of said covenant, but only to the extent necessary to insure that Franchisee refrains from competition for a full twenty-four (24) months period and not longer. In the event Franchisor seeks an injunction in court to enforce the covenant to compete, the time period during which competition is restrained shall not begin to run until the earlier of: (1) the date Franchisor obtains said injunction; or (2) the date Franchisee begins to comply with the covenant not to compete.

2) **Deferred Training Fee.** In the event Franchisee violates the foregoing covenants and/or any particular covenant is not enforceable in Franchisee's jurisdiction and Franchisee continues to provide services associated with the Franchised Business after the termination or expiration of this Agreement, in addition to liquidated damages or any other remedies to which Franchisor may be entitled pursuant to this Agreement, Franchisee hereby agrees that Franchisor is entitled to a deferred training fee as in an amount equal to Fifteen Thousand Dollars (\$15,000.00) ("Deferred Training Fee"), the market value Franchisee received at no charge in consideration for abiding by the terms of this Agreement (including the covenants in this Section 11.8). Franchisee acknowledges that the benefit of the Initial Training Program, training materials, the licensing of certain software has an inherent value for which Franchisee has made no payment. The parties have agreed that Franchisee shall not utilize the training received, directly or indirectly, with any other person or entity or for its own enterprise within a radius of twenty-five (25) miles of franchisee's LSA or as otherwise prohibited in this Section 11.8 without payment to Franchisor of the Deferred Training Fee. Further, the parties have determined that the Deferred Training Fee would not be prohibited or void under applicable state law because its only objective is to postpone the payment for training indefinitely until such time as Franchisee uses the training for other than the operation of the Franchised Business.

11.8.5 Covenants to be Signed by Other Employees. Franchisor reserves the right to require Franchisee's managers, employees, independent contractors and all other personnel receiving training from Franchisor to execute similar covenants in a form satisfactory to Franchisor.

11.8.6 Modification of Covenants. Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant or obligation of Franchisee set forth in the Franchise Agreement, or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee shall comply with any covenant as to modified, which shall be fully enforceable.

11.9 Extended Reported Period Insurance Coverage. Within thirty (30) days of transfer, expiration or termination, Franchisee must provide Franchisor with proof of extended reported period Professional Liability insurance ("tail insurance") in the same policy form as was maintained during the Term for as long as necessary to provide coverage for claims and liability arising from all services performed by Franchisee prior to the date of transfer, termination or expiration. In no event should this coverage be less than one (1) year following the termination or expiration of this Agreement. If Franchisee fails to procure this extended reported period insurance within thirty (30) days of transfer, expiration or termination of this Agreement, Franchisee will be assessed a fine equal to the greater of \$5,000 or the cost of this insurance plus legal fees.

12 DISPUTE RESOLUTION

12.1 Choice of Law. This Agreement shall be interpreted and construed under the laws of the State of Massachusetts. In the event of any conflict of law, the laws of Massachusetts shall prevail, without regard to the application of Massachusetts of law rules. If, however, any provision of this Agreement would not be enforceable under the laws of Massachusetts, and if the Franchised Business is located outside of Massachusetts and such provision would be enforceable under the laws of the state in which the Franchised Business is located, then such provision shall be interpreted and construed under the laws of that state.

12.2 Venue. The Parties agree that any action brought by either Party against the other in any court, whether federal or state, shall be brought within the State of Massachusetts in Middlesex County, where Franchisor has its place of business at the time the action is initiated, and the Parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

12.3 Nonexclusive Remedy. Except as explicitly stated in this Agreement, no right or remedy conferred upon or reserved to Franchisor or Franchisee is intended to be, nor shall be deemed, exclusive of any other right or remedy in this Agreement or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

12.4 Waiver; No Franchisee Right of Setoff. In no event shall Franchisee make any claim for money damages based on any claim or assertion that Franchisor has unreasonably withheld or delayed any consent or approval under this Agreement. Franchisee waives any such claim for damages. Franchisee may not claim any such damages by way of setoff, counterclaim or defense. Franchisee's sole remedy for the claim will be an action or proceeding to enforce the provisions of this Agreement, for specific performance or for declaratory judgment.

12.5 Mediation. Before either Party initiates any action against the other, the Parties pledge to consider resolving the "**Dispute**," which shall mean any controversy or claim arising out of or relating to this Agreement, pursuant to non-binding mediation conducted in accordance with the Commercial Mediation Rules of the American Arbitration Association, unless the Parties agree on alternative rules and a mediator within 15 days after either Party first gives notice of mediation. This mediation process is voluntary and not required. The party initiating the dispute will contact the other party to provide notice and to request consent to mediation. Mediation shall be conducted within the State of Massachusetts in Middlesex County in which Franchisor has its principal place of business at the time the action is initiated, and shall be conducted and completed within 45 days following the date either Party first gives notice of mediation unless otherwise agreed to in writing by the Parties. The fees and expenses of the mediator shall be shared equally by the Parties. The mediator shall be disqualified as a witness, expert or counsel for either Party with respect to the Dispute and any related matter. Mediation is a compromise negotiation and shall constitute privileged communications under Massachusetts and other applicable laws. The entire mediation process shall be confidential and the conduct, statements, promises, offers, views and opinions of the mediator and the Parties shall not be discoverable or admissible in any legal proceeding for any purpose; provided, however, that evidence which is otherwise discoverable or admissible shall not be excluded from discovery or admission as a result of its use in the mediation.

12.6 Disputes with Others. Each party waives the right to assert that principles of collateral estoppel or issue preclusion prevent raising any claim or defense because either party lost a similar claim or defense in another action. Any ruling by a third-party fact finder or court in a prior proceeding in which either party was involved (such party referred to as a "Litigant") with a third party will not prevent the Litigant from asserting similar arguments or positions in an action between the parties to this Agreement.

12.7 WAIVER OF JURY TRIAL. EACH PARTY IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER PARTY.

12.8 Limitation of Damages. Except as explicitly provided in this Agreement, for any claim concerning performance or non-performance by either Party pursuant to, or in any way related to the subject matter of this Agreement, any Party's sole liability, if any, shall be limited by actual damages. For any claim that arises out of or in connection with this Agreement, whether such claim is in contract, tort or otherwise, except as otherwise explicitly provided herein, under no circumstances shall either party be liable for indirect, exemplary, incidental, consequential, aggravated or punitive damages, including, but not limited to, loss of anticipated income, profits or savings, or loss resulting from business interruption.

12.9 Limitation of Claims. Except for claims against Franchisee concerning the underreporting of Gross Revenue, for non-payment of any fee due under this Agreement, intellectual property infringement/violations, claims for violation of post-termination obligations, including, but not limited to, a breach of the covenant not to compete, and for claims against Franchisee by Franchisor relating to indemnification or other third party claims or suits brought against Franchisor as a result of Franchisee's operation of the Franchised Business, any and all claims and actions arising out of or relating to this Agreement, the relationship of Franchisee and Franchisor, or Franchisee's operation of the Franchised Business, brought by either Party against the other, shall be commenced within one year (1) year from the occurrence of the facts giving rise to such claim or action, or such claim or action shall be barred. The Parties hereby waive to the fullest extent permitted by law any right to or claim of any punitive or exemplary damages against the other and agree that if of a dispute between them each shall be limited to the recovery of any actual damages sustained by it.

12.10 Liquidated Damages. Because any actual or direct damages associated with Franchisee's improper disclosure of proprietary information and/or breach of the non-competition covenants (contained herein at Section 11.8) are necessarily uncertain and/or difficult to ascertain, in the event of such a contractual breach, Franchisee hereby agrees that Franchisor is entitled to a Deferred Training Fee as liquidated damages in an amount equal to thirty percent (30%) of Franchisee's average annual Gross Revenue over the Franchisee's preceding three (3) years (or for such shorter period if Franchisee has not been under a Franchise Agreement for a full three (3) year period). This remedy partially compensates Franchisor for a portion of the Initial Training Program that was provided to Franchisee at no additional cost. This provision shall be deemed a partial remedy only.

12.11 Calculation of Damages. If Franchisee fails to make any payment of money owed to Franchisor when due, or fails to submit to Franchisor when due any report required pursuant to this Agreement, and such default is not fully cured within fifteen (15) days after Franchisor gives notice of such default, Franchisor may commence other legal proceedings as provided herein to recoup the outstanding debt. In the event Franchisee has failed to submit timely reports upon which the outstanding debt can be properly calculated, Franchisor may calculate amounts due based on Franchisee's average monthly Gross Revenue as determined by the preceding eighteen (18) month period. In the event Franchisor chooses to utilize this aforementioned remedy, it in no way waives the right to terminate this Agreement.

12.12 Additional Remedies for Breach. Franchisee acknowledges that if Franchisee breaches this Agreement and/or improperly discloses proprietary information and/or continues to utilize the Marks or Confidential Information at such times when Franchisee is not legally entitled to use them or breaches the provisions of the covenants not compete, Franchisor shall not have a sufficient and adequate remedy at law to render it whole. Therefore, Franchisee expressly consents and agrees that Franchisor may, in addition to any other available remedies, obtain an injunction and/or temporary restraining order to terminate or prevent the continuation of any existing default or violation, and to prevent the occurrence of any threatened default or violation by Franchisee of this Franchise Agreement.

12.13 Costs of Enforcement or Defense. If Franchisor or Franchisee is required to enforce this Agreement, in any forum, judicial proceeding or appeal thereof, the party prevailing in such proceeding shall be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accounting and attorneys' fees (whether such fees be incurred by outside counsel or a staff attorney), administrative charges, and any other costs and expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any

written demand, claim, action, hearing or proceeding to enforce the obligations of this Agreement. No sum for attorneys' fees shall be counted and calculated in the amount of judgment for purposes of determining whether a Party is entitled to recover its costs or attorneys' fees. If Franchisor incurs any other expense in connection with Franchisee's failure to pay when due amounts owing to Franchisor; to submit when due any reports, information or supporting records; failure to comply with post-termination obligations, including the covenant not to compete; or any other failure to comply with this Agreement, Franchisee shall reimburse Franchisor for any such costs and expenses that it incurs including but not limited to attorneys' and accounting fees and collection agency fees. Further, all outstanding amounts due to Franchisor shall, at Franchisor's election, accrue interest at a per annum rate of one-and-a-half percent (1½ %) per month or the maximum permitted by law, whichever is greater, to compensate Franchisor for costs incurred when payments or reports are received late.

12.14 Survival. All rights and obligations contained in this Agreement that expressly or by their nature survive the transfer, expiration or termination of this Agreement shall continue in full force and effect subsequent to and notwithstanding the transfer, expiration or termination of this Agreement until they are satisfied in full or by their nature expire.

13 GENERAL

13.1 Grammar, Section Headings and Schedules. The singular of any noun or pronoun shall include the plural, or vice versa, wherever the context requires. Section headings are for convenience of reference only and shall not be construed as part of this Agreement nor shall they limit or define the meaning of any provision of this Agreement. The terms of all Schedules attached to this Agreement are incorporated into this Agreement by reference.

13.2 Non-Waiver. No failure by either Party to take action on account of any default of the other Party, or of a similar default of another franchisee, whether in a single instance or repeatedly, and no course of dealing of the Parties or by Franchisor with other franchisees in variance with the terms hereof constitutes a waiver of any such default or of the performance required of either Party by this Agreement. No express waiver by either Party of any provision or performance under this Agreement or of any default by the other Party constitutes a waiver of any other or future provision, performance or default. No waiver or extension of time shall be effective unless expressly contained in a writing signed by the waiving Party. Franchisor may in its discretion elect from time to time to waive obligations of Franchisee under this Agreement upon such terms and conditions as Franchisor determines in its discretion. No acceptance of performance or payments from Franchisee shall be deemed to be a waiver by Franchisor of any preceding or succeeding breach by Franchisee of any terms or conditions of this Agreement. No mediation shall delay, suspend, or prevent either Party from exercising its right to terminate this Agreement at the time and in the manner set forth in Section 10 of this Agreement.

13.3 Invalidity and Severability. If any provision of this Agreement is determined to be invalid or unenforceable, either in its entirety or by virtue of its scope or application to given circumstances, such provision shall be deemed modified to the extent necessary to render the same valid, or as not applicable to the given circumstances, or to be excised from this Agreement, as the situation may require, and this Agreement shall be construed and enforced as if such provision had been included in this Agreement as so modified in scope or application, or had not been included in this Agreement, as the case may be, it being the stated intention of the Parties that had they known of such invalidity or unenforceability at the time of entering into this Agreement, they would have nevertheless contracted upon the terms contained in this Agreement, either excluding such provisions, or including such provisions only to the maximum scope and application permitted by law, as the case may be.

13.4 Notices. All notices shall be in writing and shall be served in person, by overnight delivery or express mail, by certified mail or by electronic transmission delivery. Service shall be deemed conclusively made: (i) at the time of service, if personally served; (ii) twenty-four (24) hours (exclusive of weekends and national holidays) after delivery if by overnight delivery or express mail; (iii) upon the earlier of actual receipt or three (3)

calendar days after deposit in the United States regular mail, properly addressed and postage prepaid, return receipt requested; and (iv) one (1) business day after email or other electronic transmission.

Any notice or demand to Franchisor shall be given to:

Kara Harvey
Spend The Day Franchising, Inc. d/b/a Elder-Well
945 Concord Street – Suite 213
Framingham, Massachusetts 01701
Kara@Elder-Well.net

Any notice to Franchisee shall be given at the address appearing on the Data Sheet, unless and until a different address has been designated by written notice to the other Party. Any Party may change its address for the purpose of receiving notices, demands and other communications by a written notice given in the manner set forth above to the other Party.

13.5 Entire Agreement. This Agreement, any documents executed contemporaneously herewith that expressly reference this Agreement and any documents referred to in this Agreement constitute and contain the entire Agreement and understanding of the Parties with respect to the subject matter hereof. There are no representations, undertakings, agreements, terms, or conditions not contained or referred to in this Agreement. This Agreement supersedes and extinguishes any prior written agreement between the Parties relating to the subject matter hereof, provided that it shall not abrogate, impair, release or extinguish any debt, obligation or liability otherwise existing between the Parties. This Agreement may not be modified or amended except by a written amendment executed by both Parties. Notwithstanding the foregoing, nothing in this Agreement is intended to disclaim representations Franchisor made to Franchisee in the applicable Franchise Disclosure Document.

13.6 Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed to create the relationship of principal and agent, partnership, joint venture or employment, or a fiduciary relationship, and Franchisee shall not hold itself out as an agent, legal representative, partner, subsidiary, joint venturer, servant or employee of Franchisor or any affiliate of Franchisor. With respect to all matters pertaining to the operation of the Franchised Business, Franchisee is, and shall be, an independent contractor. Neither Franchisor nor Franchisee has the right to bind or obligate the other to any obligations or debts. Franchisee is the independent owner of its business, shall be in full control of its day-to-day operations, and shall conduct such business in accordance with its own judgment and discretion, subject the provisions of this Agreement and any applicable Manual to the extent necessary for Franchisor to protect the integrity of the Marks and the Elder-Well brand. Franchisee shall conspicuously identify itself as the independent owner of its business and as an independent franchisee of Franchisor. Neither Party hereto shall be obligated by, or have any liability for, any agreements, representations or warranties made by the others nor shall Franchisor be liable for any damages to any person or property, directly or indirectly, arising out of the operation of the Franchised Business, whether caused by Franchisor's negligent or willful action or failure to act.

13.7 Compliance with Applicable Law. If any applicable statute, law, rule regulation, ordinance, policy and procedure established by any governmental authority, governing the operation of the Franchised Business as in effect on the Effective Date, as may be amended, supplemented or enacted from time to time ("**Applicable Law**") requires a greater prior notice of the termination of, or refusal to renew, this Agreement than is required under this Agreement, the prior notice or other action required by such Applicable Law shall be substituted for the notice or other requirements hereof. Such modifications to this Agreement shall be effective only in such jurisdiction and shall be enforced as originally made and entered into in all other jurisdictions. Franchisor reserves the right to challenge the applicability of any such Applicable Law.

13.8 Covenant of Good Faith. If applicable law implies a covenant of good faith and fair dealing in

this Agreement, the parties agree that the covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement. Additionally, if applicable law shall imply the covenant, you agree that: (i) this Agreement (and the relationship of the parties that is inherent in this Agreement) grants us the discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with our explicit rights and obligations under this Agreement that may favorably or adversely affect your interests; (ii) we will use our judgment in exercising the discretion based on our assessment of our own interests and balancing those interests against the interests of our franchisees generally (including ourselves and our affiliates if applicable), and specifically without considering your individual interests or the individual interests of any other particular franchisee; (iii) we will have no liability to you for the exercise of our discretion in this manner, so long as the discretion is not exercised in bad faith; and (iv) in the absence of bad faith, no trier of fact in any arbitration or litigation shall substitute its judgment for our judgment so exercised.

13.9 Counterparts and Electronic Copies. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Signatures transmitted electronically or by facsimile will be deemed original signatures. Electronic copies of this Agreement shall constitute and be deemed an original copy of this Agreement for all purposes, provided that such electronic copies are fully executed, dated and identical in form to the original hard copy version of this Agreement.

13.10 Acknowledgments. Franchisee, and its Owners, jointly and severally acknowledge that they have carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution hereof, that they have obtained the advice of counsel in connection with entering into this Agreement, that they understand the nature of this Agreement, and that they intend to comply herewith and be bound hereby. Franchisor expressly disclaims making, and Franchisee and its Owners acknowledge and agree that they have not received or relied on any warranty or guarantee, express or implied, as to the potential volume, profits, expenses, or success of the Franchised Business. Franchisee and its Owners further acknowledge and agree that Franchisee has conducted an independent investigation of the Franchised Business, recognizes that the Franchised Business involves business risks, and that its success will be largely dependent upon yours skills and experience, your efforts and dedication in furtherance of the Franchised Business, your business acumen, your location, the local market for Services and Related Products under the Elder-Well Marks, the economy, inflation, the number of employees you hire and their compensation, competition and other economic and business factors.

13.11 Franchise Disclosure Document. Franchisee acknowledges that Franchisee and its Owners received a copy of the complete Franchise Disclosure Document for the Elder-Well Business that contains a copy of this Agreement, at least 14 calendar days before the Effective Date. Franchisee and its Owners further acknowledge and agree that Franchisor has made no promises, representations, warranties or assurances to Franchisee which are inconsistent with the terms of this Agreement or Franchisor's Franchise Disclosure Document, concerning the profitability or likelihood of success of the Franchised Business, that Franchisee and its Owners have been informed by Franchisor that there can be no guarantee of success in the Franchised Business and that the factors identified above in Section 13.9 are primary in determining Franchisee's success.

13.12 Atypical Terms. Franchisee and its Owners acknowledge and agree that Franchisor may modify the offer of its franchises to other franchisees in any manner and at any time and those offers may have different terms, conditions, and obligations than the terms, conditions, and obligations in this Agreement. Franchisee and its Owners further acknowledge and agree that Franchisor has made no warranty or representation that all Franchise Agreements previously issued or issued after this Agreement by Franchisor do or will contain terms substantially similar to those contained in this Agreement. Franchisor may, in its reasonable business judgment and its sole and absolute discretion, due to local business conditions or otherwise, waive or modify comparable provisions of other Franchise Agreements previously executed or executed after the Effective Date with other franchisees in a non-uniform manner.

13.13 Anti-Terrorism Laws. Franchisee shall comply with, and/or assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with the "**Anti-Terrorism Laws**," which shall mean Executive Order 13224 issued by the President of the United States, the USA Patriot Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and any other requirements of any Governmental Authority addressing or in any way relating to terrorist acts and acts of war. Franchisee and its Owners certify, represent and warrant that none of their property or interests is subject to being blocked under any of the Anti-Terrorism Laws and that neither Franchisee nor its Owners are otherwise in violation of the Anti-Terrorism Laws. Any violation of the Anti-Terrorism Laws by Franchisee or Franchisee's employees or any "blocking" of Franchisee's assets under the Anti-Terrorism Laws constitute grounds for immediate termination of this Agreement and any other agreements Franchisee has entered into with Franchisor or any of its affiliates, in accordance with the provisions of this Agreement. Franchisee shall notify Franchisor by telephone within 24 hours, and confirm in writing within 2 days after receiving notice of an investigation or violation of any Anti-Terrorism Laws, and notify Franchisor in writing within 3 days of the commencement of any other litigation or proceeding that may adversely affect the operation or financial condition of the Franchised Business.

13.14 State Law Addenda. The state law addenda included in Schedule 4 are an integral part of this Agreement. If you are a resident of one of these states, the applicable state law addendum included in Schedule 4 amends this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first shown above.

FRANCHISOR:

Spend The Day Franchising, Inc., a Massachusetts corporation

By: _____

Its: _____

FRANCHISEE:

_____,

☐ an individual

☐ a _____ general partnership;

☐ a _____ limited partnership;

☐ a _____ limited liability company;

☐ a _____ corporation

By: _____

Its: _____

**SCHEDULE 1
DATA SHEET**

1. **Initial Franchise Fee.** _____
2. **Franchise Location.** As referenced in Section 2.1 of the Franchise Agreement, the Franchised Location is: _____

3. **Licensed Service Area.** As referenced in Section 2.1 of the Franchise Agreement, the Licensed Service Area under this Agreement shall mean: _____

4. **Agreement Effective Date.** As referenced in Section 2.1, the term of this Agreement shall commence on the following date: _____ (“**Agreement Effective Date**”).
5. **Business Start Date.** As referenced in Section 2.2 of the Agreement, the Business Start Date by which Franchisee hereby agrees to commence operations hereunder shall be no later than _____.
6. **Monthly Minimum Royalty Fee.** As referenced in Section 4.2.1 of the Agreement, beginning nine (9) months after the signing of the Franchise Agreement, Franchisee must begin to pay a monthly Minimum Royalty Fee according to the chart below.

	Minimum Monthly Royalty Fee
Year 1-5:	Seven Hundred Dollars (\$700.00) per month
Year 6-10:	One Thousand Dollars (\$1,000.00) per month

For the sake of clarity, because payments are due by the 1st of the month following the reporting period, this means that for every month beginning on the 1st of ____, 20__, Franchisee shall submit a monthly payment equal to the greater of the Percentage Royalty Fee or the Minimum Royalty Fee. Subsequent years are determined on the anniversary date of the Agreement Effective Date.

7. **Monthly Minimum Brand Development Fee:** As referenced in Section 4.3.1 of the Agreement, beginning three (3) months after the signing of the Franchise Agreement, Franchisee must begin to pay a monthly Minimum Brand Development Fee in the amount of **\$100.00**.
8. **Monthly Technology Fee:** As referenced in Section 4.4 of the Agreement, beginning three (3) months after the signing of the Franchise Agreement, Franchisee must begin to pay a monthly Technology Fee of **\$150.00**.
9. **Franchisee Information.** Franchisee represents and warrants that the following ownership information is accurate and complete in all material respects:
 - a. If Franchisee is/are natural person(s), please identify all people who are Owners here:

NAME	ADDRESS	PERCENTAGE OWNERSHIP INTEREST

b. **Franchisee Entity.** If Franchisee is an Entity, identify name of Franchisee Entity:
_____.

Franchisee represents and warrants that the following information is accurate and complete in all material respects:

Franchisee is a (check as applicable):

☐ sole proprietor

☐ corporation

☐ limited liability company

☐ general partnership

☐ limited partnership

☐ Other (specify): _____

Franchisee shall make available to Franchisor upon request a true and accurate copy of its entity records: Articles of Incorporation, Bylaws, Operating Agreement, Partnership Agreement, resolutions authorizing the execution hereof, and any amendments to the foregoing (“**Entity Records**”).

Franchisee Entity has the following Ownership with Owners having the respective ownership interest identified:

NAME	ADDRESS	PERCENTAGE OWNERSHIP INTEREST

If the Owners identified above will not all be devoting their full time to the Franchised Business (i.e., passive owners), identify the names, addresses and titles of Franchisee’s Owners who will be devoting their full time to the Franchised Business:

NAME	ADDRESS	TITLE

FRANCHISOR:

Spend The Day Franchising, Inc., a Massachusetts corporation

By: _____

Its: _____

Date: _____

FRANCHISEE:

_____ ,

☐ an individual;

☐ a _____ general partnership;

☐ a _____ limited partnership;

☐ a _____ limited liability company;

☐ a _____ corporation

By: _____

Its: _____

Date: _____

SCHEDULE 2

PERSONAL GUARANTY OF PAYMENT AND PERFORMANCE

As an inducement to **Spend The Day Franchising, Inc.**, a Massachusetts corporation (“**Franchisor**”), to execute the Franchise Agreement with Franchisee as identified on the Data Sheet at Schedule 1, and in consideration of Franchisor executing the Franchise Agreement, Guarantors jointly and severally agree as follows:

1. Guarantors shall pay or cause to be paid to Franchisor all monies payable by Franchisee under the Franchise Agreement on the date and in the manner required for payment.

2. Guarantors unconditionally guarantee full performance and discharge by Franchisee of all of the obligations of Franchisee under the Franchise Agreement on the date and in the manner required.

3. Guarantors shall indemnify and save harmless Franchisor, and each of their respective shareholders, directors, employees, affiliates and agents (collectively “**Indemnitees**”) against and from all losses, damages, costs, and expenses which the Indemnitees may sustain, incur, or become liable for by reason of the failure for any reason whatsoever of Franchisee to pay the monies payable pursuant to the Franchise Agreement or to do and perform any other act, matter or thing required by the Franchise Agreement, and any act, action, or proceeding of or by Franchisor for or in connection with the recovery of monies or the obtaining of performance by Franchisee of any other act, matter or thing required by the Franchise Agreement.

4. Franchisor shall not be obligated to proceed against Franchisee or exhaust any security from Franchisee or pursue or exhaust any remedy, including any legal or equitable relief against Franchisee, before proceeding to enforce the obligations of the Guarantors of this Agreement set out, and the enforcement of such obligations may take place before, after, or contemporaneously with, enforcement of any debt or obligation of Franchisee under the Franchise Agreement.

5. Without affecting the Guarantors’ obligations under this Guaranty, Franchisor, without notice to the Guarantors, may extend, modify, or release any indebtedness or obligation of Franchisee, or settle, adjust, or compromise any claims against Franchisee. Guarantors waive notice of amendment of the Franchise Agreement and notice of demand for payment or performance by Franchisee.

6. Guarantors’ obligations under this Agreement shall remain in full force and effect, and shall be unaffected by: (i) the unenforceability of the Franchise Agreement against Franchisee; (ii) the termination of any obligations of Franchisee under the Franchise Agreement by operation of law or otherwise; (iii) the bankruptcy, insolvency, dissolution, or other liquidation of Franchisee, including, without limitation, any surrender or disclaimer of the Franchise Agreement by the trustee in bankruptcy of Franchisee; (iv) Franchisor’s consent or acquiescence to any bankruptcy, receivership, insolvency, or any other creditor’s proceedings of or against Franchisee, or by the winding-up or dissolution of Franchisee, or any other event or occurrence which would have the effect at law of terminating the existence of Franchisee’s obligations before the termination of the Franchise Agreement; or (v) by any other agreements or other dealings between the Parties having the effect of amending or altering the Franchise Agreement or Franchisee’s obligations under this Agreement, or by any want of notice by Franchisor to Franchisee of any default of Franchisee or by any other matter, thing, act, or omission of Franchisor whatsoever.

7. ALL DISPUTES INVOLVING A GUARANTOR (WHETHER OR NOT RELATED TO THIS GUARANTEE) SHALL BE ADJUDICATED AND RESOLVED IN ACCORDANCE WITH THE PROVISIONS APPLICABLE TO FRANCHISEE THAT ARE SET FORTH IN THE FRANCHISE AGREEMENT, WHICH, AMONG OTHER THINGS, INCLUDES MEDIATION OF MOST DISPUTES, A MUTUAL WAIVER OF TRIAL BY JURY IN ANY COURT PROCEEDINGS, LIMITATIONS ON THE TIME WITHIN WHICH TO COMMENCE AN ACTION, AND A WAIVER TO THE EXTENT PERMITTED BY LAW OF ANY RIGHT TO OR CLAIM OF ANY PUNITIVE, EXEMPLARY, OR CONSEQUENTIAL DAMAGES.

8. The provisions of Section 13.4 of the Franchise Agreement shall apply to any notice to either Party, except that notice to Guarantors shall be as follows:

Name	Address
_____	_____
_____	_____
_____	_____

IN WITNESS WHEREOF, each of the undersigned has signed this Guaranty on the date set forth adjacent to his or her signature.

GUARANTORS:

_____	Dated: _____
_____	Dated: _____

SCHEDULE 3
COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned _____ ("Assignor") hereby assigns and transfers to Spend the Day Franchising, Inc., a Massachusetts corporation with an address of 12 Washington Street, Natick, Massachusetts 01760, ("Assignee"), all of Assignor's right, title and interest as tenant in, to and under that certain lease, a copy of which shall be attached hereto (the "Lease") respecting premises commonly known as _____. This Assignment is for collateral purposes only and except as specified herein, Assignee shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment or the Lease unless Assignee takes possession of the premises demised by the Lease pursuant to the terms hereof and assumes the obligations of Assignor thereunder.

Assignor represents and warrants to Assignee that Assignor has full power and authority to so assign the Lease and Assignor's interest therein and that Assignor has not previously assigned or transferred, and is not obligated to assign or transfer, any of Assignor's interest in the Lease or the premises demised thereby.

Upon a default by Assignor under the Lease or under the franchise agreement for its Elder-Well franchised location between Assignee and Assignor (the "Franchise Agreement"), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, Assignee shall have the right and is hereby empowered to take possession of the Premises demised by the Lease, expel Assignor therefrom, and, in such event, Assignor shall have no further right, title or interest in the Lease.

Assignor agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Assignee. Throughout the term of the Franchise Agreement and any renewals thereto, Assignor agrees that it shall elect and exercise all options to extend the term of or renew the Lease not less than thirty (30) days prior to the last day that the option must be exercised, unless Assignee otherwise agrees in writing. If Assignee does not otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as aforesaid, Assignor hereby appoints Assignee as its true and lawful attorney-in-fact to exercise such extension or renewal options in the name, place and stead of Assignor for the purpose of effecting such extension or renewal.

ASSIGNOR:

DATED: _____

By: _____

_____,
(Print Name, Title)

DATED: _____

DATED: _____

CONSENT AND AGREEMENT OF LANDLORD

to that Collateral Assignment of Lease from _____ (Assignor) to Spend the Day Franchising, Inc. (Assignee) dated _____ for the property known as _____.

The undersigned Landlord under the aforescribed Lease further hereby:

- (a) Agrees to notify Assignee in writing of and upon the failure of Assignor to cure any default by Assignor under the Lease;
- (b) Agrees that Assignee shall have the right, but shall not be obligated, to cure any default by Assignor under the Lease within 30 days after delivery by Landlord of notice thereof in accordance with paragraph (a) above;
- (c) Consents to the foregoing Collateral Assignment and agrees that if Assignee takes possession of the Premises demised by the Lease and confirms to Landlord the assumption of the Lease by Assignee as tenant thereunder, Landlord shall recognize Assignee as tenant under the Lease, provided that Assignee cures within the 30-day period the non-monetary defaults, if any, of Assignor under the Lease;
- (d) Agrees that Assignee may further assign the Lease to a person, firm or corporation who shall agree to assume the tenant's obligations under the Lease and who is reasonably acceptable to Landlord and upon such assignment Assignee shall have no further liability or obligation under the Lease as assignee, tenant or otherwise.
- (e) Permits Assignee to enter upon the Premises without being guilty of trespass or any other crime or tort to de-identify the Premises as a Elder-Well tenant fails to do so following termination of the Franchise Agreement or Lease, provided that Assignee shall repair any damage caused thereby.

DATED: _____

LANDLORD:

SCHEDULE 4
STATE LAW ADDENDA FOR FRANCHISE AGREEMENT

ADDENDUM TO THE FRANCHISE AGREEMENT FOR THE STATE OF CALIFORNIA.

In recognition of the requirements of the California Franchise Investment Law, Cal. Corp. Code §§ 31000-31516, and the California Franchise Relations Act, Cal. Bus. & Prof. Code §§ 20000-20043, the Franchise Agreement, in connection with the offer and sale of franchises for use in the State of California, shall be amended to include the following:

1. Sections 13.10 and 13.11 of the Franchise Agreement are deleted in their entirety for franchises operated in or franchisees residing in the State of California.
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.

FRANCHISOR:

Spend The Day Franchising, Inc., a Massachusetts corporation

By: _____

Its: _____

FRANCHISEE:

_____,

☐ an individual

☐ a _____ general partnership;

☐ a _____ limited partnership;

☐ a _____ limited liability company;

☐ a _____ corporation

By: _____

Its: _____

SCHEDULE 5
ACKNOWLEDGMENT ADDENDUM TO
ELDER-WELL FRANCHISE AGREEMENT

Please review each of the following questions carefully and provide honest responses to each question. California franchisees should not complete this Questionnaire. If any California franchisee completes this Questionnaire, it is against California public policy and will be void and unenforceable, and we will destroy, disregard, and will not rely on such Questionnaire.

Acknowledgments and Representations.

1. Did you receive a copy of our Disclosure Document (and all schedules and attachments) at least fourteen (14) calendar days prior to signing the Franchise Agreement? Insert response of Yes or No: ____ If no, please comment: _____

2. Have you received and personally reviewed our Disclosure Document, Franchise Agreement and related Schedules? Insert response of Yes or No: ____ If no, please comment: _____

3. Was any oral, written or visual claim or representation made to you that contradicts the disclosures in the Disclosure Document? Insert response of Yes or No: ____ If yes, please state in detail the oral, written or visual claim or representation: _____

6. Did any employee or other person speaking on behalf of Franchisor make any statement or promise regarding the costs involved in operating a franchise that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document? Insert response of Yes or No: ____ If yes, please comment: _____

7. Did any employee or other person speaking on behalf of Franchisor make any oral, written or visual claim, statement, promise or representation to you that stated, suggested, predicted or projected sales, revenues, expenses, earnings, income or profit levels at any Elder-Well location or business, or the likelihood of success at your franchised business? Insert response of Yes or No: ____ If yes, please state in detail the oral, written or visual claim or representation: _____

9. Do you understand that that the franchise granted is for the right to operate the Franchised Business at the Franchise Location within the Licensed Service Area only and that we and our affiliates have the right to issue franchises or operate competing businesses for or at any other location outside your Licensed Service Area or within such area as described in the Franchise Agreement and through alternative channels of distribution? Insert response of Yes or No: ____ If no, please comment: _____

10. Do you understand that the Franchise Agreement and Disclosure Document contain the entire agreement between you and us concerning the Elder-Well franchise, meaning that any prior oral or written statements not set out in the Franchise Agreement or Disclosure Document will not be binding? Insert response of Yes or No: ____ If no, please comment: _____

11. Have you had adequate opportunity to discuss the benefits and risks of operating an Elder-Well franchise with an attorney, accountant or other professional advisor? Insert response of Yes or No: ____ If no, please comment: _____

12. Do you understand that there are risks associated with operating an Elder-Well franchise and are you comfortable undertaking those risks? Insert response of Yes or No: ____ If no, please comment: _____

13. Have you conducted your own independent investigation of the Elder-Well franchise and have not relied solely upon any oral or written representation about the franchise made by Franchisor, including assessing market conditions and investigation the Elder-Well reputation in your geographic area? Insert response of Yes or No: ____ If no, please comment: _____

14. In conducting your independent investigation of the Elder-Well franchise, did you conduct any analysis of the competition you are likely to face in and around your Licensed Service Area? Insert response of Yes or No: ____ If no, please comment: _____

15. Do you understand that the success or failure of the Franchised Business will depend in large part upon your skills and experience, your dedication and efforts to the Franchised Business, your business acumen, your location, the local market for services and products under the Elder-Well trademarks, the economy, inflation, the number of employees you hire and their compensation, competition and other economic and business factors? Further, do you understand that the economic and business factors that exist at the time you open your Franchise Business may change? Insert response of Yes or No: ____ If no, please comment: _____

16. Do you understand that you are bound by the non-compete covenants (both in-term and post-term) listed in Section 11.8 and that an injunction is an appropriate remedy to protect the interest of the Elder-Well system if you violate the covenant(s)? Further, do you understand that the term “you” for purposes of the non-compete covenants is defined broadly in Section 11.8, such that any actions in violation of the covenants by those holding any interest in the franchisee entity may result in an injunction, default and termination of the Franchise Agreement? Insert response of Yes or No: ____ If no, please comment: _____

17. Have all your questions about the Elder-Well franchise been answered to your satisfaction? Insert response of Yes or No: _____. If no, please comment: _____

NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS PRINCIPAL OWNERS MUST EXECUTE THIS ACKNOWLEDGMENT IN HIS/HER INDIVIDUALLY CAPACITY AND ON BEHALF OF THE LEGAL ENTITY.

Signed:_____

Signed:_____

Print Name:_____

Print Name:_____

Date:_____

Date:_____

APPROVED ON BEHALF OF
FRANCHISOR

Signed_____

By:_____

Print Name:_____

Title:_____

Date:_____

Date:_____

EXHIBIT C
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ELDER-WELL OPERATIONS AND GUIDELINES MANUAL

Branding and Operations Guidelines Manual:

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EXHIBIT D
LIST OF CURRENT FRANCHISEES
As of December 31, 2023

Franchisees signed but not opened as of December 31, 2023

Mary Anne Roberto
The Art of Aging, Inc.
2434 Pier Ave Santa Monica, CA 90405
marvianne@alwayshomeconnected.com

Amie Parcinski and Jessica Heather Menke
Funshine Breeze, LLC
1710 Country Club R N, St. Petersburg, FL 33710
parcinskia@yahoo.com

EXHIBIT E
LIST OF FORMER FRANCHISEES
As of December 31, 2023

None

EXHIBIT F
DEPOSIT REMITTANCE FORM

The deposit fee and this Deposit Remittance Form may not be paid or submitted to Spend The Day Franchising, Inc. until 14 days after the delivery of the Franchise Disclosure Document to you.

Date: _____

Sir/Madam:

I am enclosing my check in the amount of \$_____ as a deposit to be applied toward the Initial Franchise Fee for an Elder-Well franchise. I understand and agree that you will reserve the territory I have selected below not previously sold or otherwise reserved as of the effective date you receive my deposit through *[insert date]* _____. If I fail to purchase the identified territory in full on or before **[insert date]**, I understand that I will lose the deposit. I understand and agree that this deposit is fully earned and non-refundable in consideration of your removal of the territory from the market and your lost or deferred opportunity to franchise it to others.

Please reserve the following Licensed Service Area for me (as identified by zip codes): _____

I understand and certify that no representations have been made concerning the franchise other than those contained in the Franchise Agreement and Franchise Disclosure Document, both of which I have had in my possession for fourteen (14) days. In particular, no representations have been made to me concerning the financial prospects of the franchise I am acquiring. Nothing contained in this remittance form shall acts as a release, estoppel or waiver of any liability arising under any state franchise registration or disclosure law.

I also understand that monthly Minimum Royalty Payments will begin nine (9) months after execution of the Franchise Agreement and monthly Minimum Brand Development Fees will begin three (3) months after execution of the Franchise Agreement, as outlined in the Franchise Agreement.

Franchisee

Spend The Day Franchising, Inc.

Signature of Authorized Representative

Signature

Print Name

Print Name

EXHIBIT G
RENEWAL AND RELEASE AGREEMENT

RENEWAL AND RELEASE AGREEMENT

This Renewal and Release Agreement (this "Agreement") is made this __ day of _____, 20__. It is between **SPEND THE DAY FRANCHISING, INC.** ("We/Us") and **[INSERT FRANCHISEE ENTITY]** and **[INSERT OWNERS NAMES]**, Individuals (collectively "You").

On or about [DATE], you and we entered into an **Elder-Well** franchise agreement (the "Previous Franchise Agreement") for the operation of a **Elder-Well** franchise in the following territory: [TERRITORY] area designated by zip/postal codes: [POSTAL CODES].

You and We desire to enter into a successor franchise agreement on the terms of our current franchise agreement forms.

You desire to release us from any and all claims whatsoever arising out of the negotiation, execution, delivery, and performance of the Previous Franchise Agreement.

Now, therefore, in consideration of the mutual covenants set forth below, the parties agree as follows:

1. Successor Franchise Agreement.

- A. The Previous Franchise Agreement and your rights and obligations thereunder will continue in full force and effect until [**Expiration Date**]. The parties agree that this Agreement fully and completely expresses the present understanding between the parties.
- B. Contemporaneously with execution of this Agreement, you agree to execute our current franchise agreement forms (the "Successor Agreement."). The Successor Agreement may vary materially from the Previous Franchise Agreement and will govern the franchise relationship from the Agreement Effective Date through the end of the Term. Royalty Fees, Brand Development Fees, and other fees will be set at the currently prevailing rates and terms.
- C. Concurrently with the execution of the Successor Agreement, you will pay to us a Successor Agreement Fee in the amount of **\$0.00** per LSA territory, **\$0.00** total.

You represent that you and your designated management persons, if any, are in reasonably satisfactory condition of health to satisfactorily operate and perform the obligations of the Franchised Business. You acknowledge and agree that you and your designated management persons, if any, shall attend any and all marketing and operations as determined by us in our sole discretion. You shall bear all expenses related to such training, including travel, meals, lodging, salaries and wages for your employees and management persons, if any.

2. Communication of Confidential Information. Neither you nor your owners, officers, directors, or other persons enumerated in the Previous Franchise Agreement will communicate or divulge to any person or entity the contents of this Agreement, the contents of the Previous Franchise Agreement, the substance of the **Elder-Well** Manuals, or any other nonpublic information related to the operation of the **Elder-Well** franchise system. You represent and warrant that neither nor any listed individual has communicated or divulged any such information to anyone prior to the date of this Agreement. You will continue to comply with all the confidentiality requirements of the Previous Franchise Agreement.

3. Release. You agree to the following general release, subject to and following the laws applicable, to release us from any claims they may have against us:

In consideration of the mutual covenants and understandings set forth in this release Agreement, you individually and collectively release and discharge us and our current and former owners, partners, directors, officers, employees, and agents from all obligations, duties, covenants and responsibilities to be performed under the Previous Franchise Agreement.

You do release and forever discharge us and our current and former owners, partners, directors, officers, members, employees and agents from any and all claims, demands, actions or causes of action of every name, nature, kind and description whatsoever, whether in tort, in contract or under statute, arising directly or indirectly out of the offer of, negotiation of, execution of, performance of, nonperformance, or breach of the Previous Franchise Agreement and any related agreements between the parties and out of any other action or relationship between the parties arising prior to the date of this Agreement.

You represent that this release has been read and that it is fully understood and voluntarily accepted. The purpose of this release is to make a full, final and complete settlement of all claims, known or unknown, arising directly or indirectly out of the Previous Franchise Agreement and the relationship between the parties including, but not limited to, economic loss.

It is expressly understood and agreed that this release is intended to cover and does cover not only all known losses and damages but any further losses and damages not now known or anticipated but which may later develop or be discovered, which arise under the Previous Franchise Agreement, including all the effects and consequences thereof.

These releases are intended to waive, release and discharge all claims, other than those expressly reserved herein, with the express waiver of any statute, legal doctrine or other similar limitation upon the effect of general releases. **[Include for CA citizens:** In particular, the parties waive the benefit of any applicable statutory provision such as by illustration, California Civil Code Section 1542, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

The parties, with the advice of their respective counsel, waive the benefit of both statute and any other legal doctrine or principle of similar effect in any jurisdiction.

4. Miscellaneous Provisions. This writing constitutes the entire agreement between the parties and supersedes all prior understandings among the parties with respect to its subject matter. This Agreement may not be modified or amended in a manner adverse to any party except by written agreement signed by that party. This Agreement is subject to the Successor Agreement referred to herein, including without limitation its dispute resolution and choice of law and venue provisions.

This Agreement may be executed in counterparts.

IN WITNESS WHEREOF, the parties have executed this Agreement.

SPEND THE DAY FRANCHISING, INC. (“We/Us”):

FRANCHISEE (“You”):

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

OWNER (“You”):

Individual

OWNER (“You”):

Individual

EXHIBIT H
LIST OF STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

California

Commissioner of Financial
Protection and Innovation
320 West Fourth Street, Suite 750
Los Angeles, CA 90013-2344
(866) 275-2677

For service of process:
California Commissioner of Financial
Protection and Innovation
320 West Fourth Street, Suite 750
Los Angeles, CA 90013-2344

Hawaii

Hawaii Commissioner of Securities
Department of Commerce and
Consumer Affairs
335 Merchant Street, Room 203
Honolulu, HI 96813
(808)586-2722

For service of process:
Hawaii Commissioner of Securities
335 Merchant Street, Room 203
Honolulu, HI 96813

Illinois

Illinois Attorney General
500 South Second Street
Springfield, IL 62706
(217)782-4465

For service of process:
Illinois Attorney General
500 South Second Street
Springfield, IL 62706

Indiana

Securities Commissioner
State of Indiana
Securities Division
302 W. Washington Street, Room E-111
Indianapolis, IN 46204
(317)232-6681

For service of process:
Secretary of State
201 State House
Indianapolis, IN 46204

Maryland

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

For service of process:
Maryland Securities Commissioner
Securities Division
200 St. Paul Place
Baltimore, MD 21202

Michigan

Consumer Protection Division
Franchise Section
Michigan Department of Attorney General
670 Williams Building
Lansing, MI 48913
(517)373-7117

For service of process:
Michigan Department of Commerce
Corporations and Securities Bureau
525 W. Ottawa
670 Williams Building
Lansing, MI 48913

Minnesota

Commissioner of Commerce
Minnesota Department of Commerce
Securities-Franchise Registration
85 7th Place East, Suite 280
St. Paul, MN 55101 (651) 539-1500

For service of process:
Minnesota Commissioner of Commerce
85 7th Place East, Suite 280
St. Paul, MN 55101

New York

NYS Department of Law
Investor Protection Bureau
28 Liberty St. 21
New York, NY 10005
(212)416-8200

For service of process:
Secretary of State
99 Washington Avenue
Albany, NY 12231

North Dakota

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol – 5th Floor, Dept. 414
Bismarck, ND 58505-0510
(701)328-4712

For service of process:
North Dakota Securities Commissioner
600 East Boulevard Avenue
State Capitol – 5th Floor, Dept. 414
Bismarck, ND 58505-0510

Rhode Island

Principal Securities Examiner
Division of Securities
1511 Pontiac Avenue
John O. Pastore Complex, Bldg. 69-1
Cranston, RI 02920
(401) 492-9527

For service of process:
Director of Rhode Island Department of
Business Regulation
1511 Pontiac Avenue
John O. Pastore Complex, Bldg. 69-1
Cranston, RI 02920

South Dakota

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

For service of process:
Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, SD 57501

Virginia

Director, Division of Securities
and Retail Franchising
State Corporation Commission
1300 E. Main Street, 9th Floor
Richmond, VA 23219
(804)371-9051

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

Washington

Dept. of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, WA 98507-9033
(360)902-8760

For service of process:
Washington Dept. of Financial
Institutions, Securities Division
150 Israel Rd SW
Tumwater, WA 98501

Wisconsin

Division of Securities
Department of Financial Institutions
201 W. Washington Ave. Suite 300
Madison, WI 53701-9033
(608)266-8559

For service of process:
Wisconsin Commissioner of Securities
201 W. Washington Ave. Suite 300
Madison, WI 53703

EXHIBIT I
STATE DISCLOSURE ADDENDUM

ADDITIONAL DISCLOSURES FOR THE STATE OF CALIFORNIA

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

In recognition of the requirements of the California Franchise Investment Law, Cal. Corp. Code §§ 31000-31516, and the California Franchise Relations Act, Cal. Bus. & Prof. Code §§ 20000-20043, the Franchise Disclosure Document, in connection with the offer and sale of franchises for use in the State of California, shall be amended to include the following:

The following is added to the Cover Page of this Disclosure Document:

“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.

SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

The California’s Department of Financial Protection and Innovation toll free number is 866.275.2677.”

Item 6 of the Franchise Disclosure Document is hereby supplemented with the following: “The highest interest rate allowed in California is 10%.”

The following paragraphs are added at the end of Item 17 of the Franchise Disclosure Document:

1. California Law Regarding Termination and Non-Renewal. California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement contains any provision that is inconsistent with the law, the law will control.
2. Non-Competition Covenants. The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.
3. Applicable Law. The Franchise Agreement requires application of the laws of the Commonwealth of Massachusetts. This provision may not be enforceable under California law.
4. General Release. The Franchise Agreement requires you to sign a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000-31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000-20043).
5. Litigation. The Franchise Agreement requires that all disputes be litigated in Massachusetts. This provision may not be enforceable under California law. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5 and Code of Civil Procedure Section 1281) to any provisions of the Franchise Agreement restricting venue to a forum outside of the State of California.

Item 19 of the Franchise Disclosure Document shall be amended by adding the following:

“The financial performance representation does not reflect all of the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your ElderWell Franchise. Franchisees or former franchisees, listed in the Franchise Disclosure Document, may be one source of this information.”

The Department has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a requirement for us to maintain a surety bond under California Corporations Code section 31113 and 10 C.C.R. section 310.113.5, which must remain in effect during our registration period. The surety bond is in the amount of \$42,500 with Travelers Casualty and Surety Company of America and is available for you to recover your damages in the event we do not fulfill our obligations to you to open your franchised business. We will provide you with a copy of the surety bond upon request.

OUR WEBSITE WWW.ELDERWELLADULTDAY.COM HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT, ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT WWW.DBO.CA.GOV.

Neither Spend The Day Franchising, Inc., nor any person, or franchise broker in Item 2 of the Disclosure Document, is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

The Franchise Agreement contains a provision requiring you to waive your right to punitive or exemplary damages against the franchisor or any of its representatives, limiting your recovery to actual damages. Under California Corporations Code section 31512, these provisions are not enforceable in California for any claims you may have under the California Franchise Investment 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.

ADDITIONAL DISCLOSURES FOR THE STATE OF MARYLAND

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the Uniform Franchise in connection with the offer and sale of franchises for use in the State of Maryland, shall be amended to include the following:

Item 17.C. and 17.M. require a general release as a condition of renewal, sale, and/or transfer. Any such release shall not apply to any liability that falls under the Maryland Franchise Registration and Disclosure Law.

Item 17.U. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought by you within three (3) years after the grant of the Franchise.

Item 17.V. requires that all actions will be commenced in the state, and any court of general jurisdiction in Massachusetts, or the United States District Court for the District of Massachusetts except for claims arising under the Maryland Franchise Registration and Disclosure Law, which may be commenced by you in Maryland.

The following is added to the end of the Item 17 chart:

Despite any contradicting provision in the Franchise Agreement, you have three years from the date on which we grant you the franchise to bring a claim under the Maryland Franchise Registration and Disclosure 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.

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, Florida, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Utah, Virginia, Washington, and Wisconsin.

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

State:	Effective Date:
California	pending
Hawaii	Not Registered
Illinois	Not Registered
Indiana	Not Registered
Maryland	Pending
Michigan	Not Registered
Minnesota	Not Registered
New York	Not Registered
North Dakota	Not Registered
Rhode Island	Not Registered
South Dakota	Not Registered
Virginia	Not Registered
Washington	Not Registered
Wisconsin	Not Registered

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

RECEIPT OF DISCLOSURE DOCUMENT

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

If Spend The Day Franchising, Inc. offers you a franchise, it must provide this Disclosure Document to you 14 calendar days (and 10 business days in Michigan, Oregon, and Washington) before you sign a binding agreement with, or make a payment to us or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

If Spend The Day 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 appropriate state agency identified in Exhibit H.

The name, principal business address and telephone number of each franchise seller offering the franchise:

Check as applicable:

____ Kara Harvey, 12 Washington Street, Natick, Massachusetts 01760, 508-655-2536

____ Ken Harvey, 12 Washington Street, Natick, Massachusetts 01760, 508-655-2536

[Insert name, address and telephone number of any additional franchise sellers]

Issuance date: April 19, 2024, as amended May 21, 2024

I have received a Franchise Disclosure Document dated April 19, 2024, as amended May 21, 2024 including the following Exhibits:

- A. Financial Statements
- B. Franchise Agreement (with Schedules)
- C. Table of Contents of Elder-Well Manual
- D. List of Franchisees
- E. List of Former Franchisees (None)
- F. Deposit Remittance Form
- H. Renewal and Release Agreement
- I. State Disclosure Addendum

DATED: _____

(Signature)

(Full Name - Printed)

(Identify Franchisee Corporate Entity for which you are an Authorized Representative)

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

If Spend The Day Franchising, Inc. offers you a franchise, it must provide this Disclosure Document to you 14 calendar days (and 10 business days in Michigan, Oregon, and Washington) before you sign a binding agreement with, or make a payment to us or an affiliate in connection with the proposed franchise sale.

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- E. List of Former Franchisees (None)
- F. Deposit Remittance Form
- H. Renewal and Release Agreement
- I. State Disclosure Addendum

DATED: _____

(Signature)

(Full Name - Printed)

(Identify Franchisee Corporate Entity for which you are an Authorized Representative)