

FRANCHISE DISCLOSURE DOCUMENT



IN HOME PERSONAL SERVICES DEVELOPMENT, L.L.C.

813 Tek Drive
Crystal Lake, IL 60114
(847) 829-8708
franchise@IHPS.com
www.ihps.com

Our franchisees will operate businesses under the name “In Home Personal Services” that provide non-medical daily living assistance services targeted primarily to senior citizens.

The total initial investment necessary to begin operating an In Home Personal Services business ranges from \$36,325 to \$105,575. This includes \$7,500 to \$55,000 that must be paid to the franchisor or its affiliate.

This Disclosure Document summarizes certain provisions of your franchise agreement and other information in Plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, franchisor or an affiliate concerning 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 for you. To discuss the availability of disclosures in different formats, contact Michael Collura at 813 Tek Dr Crystal Lake, Illinois 60014; (847)878-5833. The terms of your franchise agreement will govern our franchise relationship. Do not rely on the disclosure document alone to understand your franchise agreement. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

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

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

ISSUANCE DATE: April 22, 2026

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 may also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit C.
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 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 E 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 In Home Personal Services 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 an In Home Personal Services franchisee?	Item 20 or Exhibit C 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, access to customers, what you sell, how you market, and your hours of operation.

Competition from the 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 require 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. Use the agency information in Exhibit A to find out if your state has a registration requirement or to contact your state.

Your state may also have laws requiring special disclosures or amendments to your franchise agreement. If so, you should check the State Specific Addenda. The location of the State Specific Addenda is in the Table of Contents.

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 Illinois. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable dispute settlement. Mediating, arbitrating, or litigating with the franchisor in Illinois may also cost more than in your own state.
2. **Mandatory Minimum Payments.** You must make mandatory minimum royalty payments regardless of your sales levels. Your inability to make these payments may result in termination of your franchise and loss of your investment.
3. **Sales Performance Requirement.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise and loss of your investment.
4. **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.

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.

ADDITIONAL DISCLOSURES FOR THE STATE OF MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than five years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENFORCEMENT BY THE ATTORNEY GENERAL.

If the franchisor's most recent financial statements are un-audited, and show a net worth of less than \$100,000.00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

Any questions regarding this notice should be directed to:

State of Michigan
Consumer Protection Division
Attn: Franchise
670 G. Mennen Williams Building
525 West Ottawa
Lansing, Michigan 48933
(517) 373-7117
miag@michigan.gov

**IN HOME PERSONAL SERVICES DEVELOPMENT, L.L.C.
FRANCHISE DISCLOSURE DOCUMENT**

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

To simplify the language in this Disclosure Document, “we,” “us” or “our” means In Home Personal Services Development, L.L.C., the franchisor of this business. “You” or “your” means the person granted the franchise and includes your owners if you are a corporation, limited liability company, partnership, or other legal entity.

The Franchisor

We are an Illinois limited liability company organized on March 30, 2009. Our principal business address is 813 Tek Drive, Crystal Lake, Illinois 60114. We do business under our company name and the trade name “In Home Personal Services.” Our business is limited to offering franchises, and operating ourselves or through affiliated companies, the In Home Personal Services business described in this Disclosure Document. Other than the franchise described in this Disclosure Document, we do not now and have never offered franchises in this or any other line of business. We are not engaged in any other line of business. We have offered franchises for In Home Personal Services businesses since October 2009. Our agents for service of process are listed in Exhibit A.

Our Parents, Predecessors, and Affiliates

We do not have a parent or predecessor, but we have two affiliates. Our first affiliate is In Home Personal Services, Inc. (“IHPS”), an Illinois corporation formed on January 26, 2004. IHPS maintains its principal place of business at our address. IHPS developed a system for establishing, operating, and marketing a business that provides non-medical home care and personal services to seniors and other persons requiring assistance in daily living (the “System”) under the In Home Personal Services service mark and other trademarks, service marks and trade names (the “Mark(s)”). Under a License Agreement dated June 1, 2009, we have the exclusive right from IHPS to use and license others to use the System and Marks in the United States. IHPS owns and operates four In Home Personal Services businesses similar to the franchises we offer. IHPS has never offered franchises in this or any other line of business.

Our second affiliate is Matthews Home Health and Caregiver Center, LLC (“Matthews”), an Illinois limited liability company formed on March 30, 2009. Matthews maintains its principal place of business at our address. Matthews provides training and certification for in-home services workers as required under Section 245.71 of the Illinois Department of Public Health Administrative Code. You may elect to use Matthews in providing training services for in home services workers. Matthews does not charge our franchisees but reserves the right to do so. Matthews has never offered franchises in this or any other line of business.

The In Home Personal Services Franchise

If we grant a franchise to you, you will sign our Franchise Agreement, which we have provided as Exhibit B to this Disclosure Document. Under the Franchise Agreement, you will establish and operate a single In Home Personal Services business (“Business” or “Franchised

Business”) within a specific geographic area known as a “Protected Territory” that will be specified in your Franchise Agreement. You will have the right to use the System and Marks to operate your In Home Personal Services business.

As a franchisee, you will operate a business that seeks to provide the public with affordable and exceptional in-home care by compassionate and dependable caregivers using our distinctive system under the name and mark “In Home Personal Services”. You will not provide any medical services. The services provided by caregivers include household assistance, companionship, and personal care. As a franchisee, you will be committed to providing high quality, client-centered, affordable, and worry-free home care services to our clients to assist them with leading dignified, independent lives in the comfort and safety of their homes. We do not guarantee your success. We will provide training in these key areas, but your success will significantly depend on your efforts.

We refer to the services you and other franchisees must perform as “Authorized Services.” Authorized Services include companionship services, daily living support services including personal care, housekeeping services, personal laundry, cooking, shopping, getting to and from appointments, meal preparation, grocery shopping, exercise, and any other related services as we consider appropriate in our sole discretion. You may not provide any services other than Authorized Services. We believe a distinctive feature of our System is the ability to offer clients a range of standard packages, à la carte services or a combination of standard packages with selected à la carte services (but as with all aspects of this offer, you should compare our System to the competition in your area in making your decision.) Packages vary in price and are based on the services provided. In addition, our System provides for a free in-home assessment. We do not require our clients to purchase a minimum number of billable hours daily because we charge by the service. We offer one-on-one care from less than one hour to twenty-four hours daily. Clients typically pay directly, or we receive payment from long-term care insurance providers and veterans benefits as our services generally do not qualify for reimbursement by Medicare.

We also offer conversion opportunities to existing independent businesses that provide services and products similar to those offered by In Home Personal Services (“Conversion Franchise”). To be eligible for us to consider granting you a Conversion Franchise, you must have operated your business for at least one (1) year at the time of conversion and with an annual Gross Revenue of at least \$100,000.00 for the twelve months preceding the application, be licensed and in compliance with all applicable laws and regulations. Conversion Franchisees must modify their business premises to our design plans and specifications, use our Marks, and complete our training. Conversion Franchisees must sign the Franchise Agreement and the Conversion Addendum attached to this Franchise Disclosure Document as Exhibit B.

You must have and maintain a “Principal Office” where most of your day-to-day operational tasks including record keeping, marketing, scheduling, conducting staff and client meetings, responding to email requests, and telephone conferences will be conducted. Your Principal Office may be within a home office, office building, office condominium or a standalone facility. You will typically need approximately 500 to 800 square feet for your Principal Office. In addition to your

Principal Office, you may, with our written permission, establish one or more satellite office(s). The “Satellite Office” is not a stand-alone franchise. A “Satellite Office” is an additional facility from which you operate some functions of the Franchised Business within your Protected Territory. Satellite Offices are typically in independent living communities such as nursing homes, assisted living facilities, hospice care facilities, adult day care centers, continuing care retirement communities, and non-medical and medical home health care providers and are staffed with full-time- or part-time personnel to provide certain Authorized Services to members of the independent living community. We approve Satellite Offices on a case-by-case basis in our sole discretion.

Market and Competition

The market for your Business’ services is intensely competitive. You will serve senior citizens and others needing assistance above the age of eighteen (unless local law permits) with daily living activities. You will compete with established local, regional, and national medical and non-medical service providers. Some service providers may have been in business longer and have substantial financial and other resources. We recommend you conduct independent research with key words such as “Home Care,” “Senior Care,” “Elder Care,” “Independent Living Care,” “Assisted Living,” “Caregiver,” and “Nursing Homes” to estimate the number of potential competitors in your area.

Industry Regulations

More states are enacting laws, regulations or executive orders that apply to businesses that provide daily living assistance services. You may have to obtain licenses, registrations and/or certifications to provide the services as part of your In Home Personal Services business operation. In some instances, state moratoria may be placed on these licenses, registrations and/or certifications. In addition, you may have to comply with state data privacy laws. Many states have administrative agencies such as the Department of Public Health, Department of Human Services or similar agencies that can guide you in this area. There are also federal laws and regulations with which you must comply with including the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), privacy laws, and laws that regulate recipients of Medicare and Medicaid funds, even if your services are not reimbursable. It is your ongoing responsibility to check the laws and regulations that may apply to your Business and ensure that you and your employees comply with them.

You must comply with all laws that apply generally to all businesses including (without limitation) minimum age and wage laws, Americans with Disabilities Act, immigration laws, and other laws and regulations that apply to businesses generally. Your state may have the same or similar laws. You should investigate these and other laws. You should consult with your own professional advisors, such as an attorney or accountant, regarding applicable laws and regulations, before you purchase the Business and during the life of the Business.

Note for California Residents only:

Pursuant to the Home Care Services Consumer Protection Act of 2013 (the “Act”), you must conform to the Licensure and Certificate requirements of the Home Care Services Bureau (“HCSB”) effective January 1, 2016. The Act will apply to California agencies that provide home care services to consumers. Home care services, as related to this Act include nonmedical services and assistance provided by a registered home care aide to a client who, perhaps because of advanced age or physical or mental disability, cannot perform these services. These services enable the client to remain in his or her residence and include, but are not limited to, assistance with the following: bathing, dressing, shopping, eating, exercising and personal hygiene and grooming. For further information about the Home Care Services Consumer Protection Act, please visit the following website: <http://cclld.ca.gov/PG3654.htm>

ITEM 2. BUSINESS EXPERIENCE

President: Michael Collura

Mr. Collura is one of the founders of the In Home Personal Services brand and business model. He has served as President of our affiliate IHPS since 2004 and as our President since March 2009. Mr. Collura has more than 20 years of experience in the healthcare industry, and at age 16, he began working in a nursing home.

ITEM 3. LITIGATION

No litigation is required to be disclosed in this disclosure document.

ITEM 4. BANKRUPTCY

On June 15, 2024, IHPS, our affiliate, filed a petition to reorganize under Chapter 11 of the U.S. Bankruptcy Code in the Northern District of Illinois, No. 24-08842. IHPS requested a voluntarily dismissal of the case on February 10, 2026, which was approved. .

On October 18, 2024, Michael Collura filed a petition to discharge certain debts under Chapter 7 of the U.S. Bankruptcy Code in the Northern District of Illinois, No. 24-15617. The matter was discharged on January 21, 2025.

ITEM 5. INITIAL FEES

Initial Franchise Fee

If you acquire a franchise for an In Home Personal Services business, you must pay us an Initial Franchise Fee in a lump sum when you sign the Franchise Agreement. Our standard Initial Franchise Fee is \$55,000. We provide a discounted Initial Franchise Fee under certain circumstances.

If you are an employee of ours or our affiliates; or a health care employee such as a registered nurse, medical doctor, nurse practitioner, physician's assistant, licensed practical nurse, occupational therapist, physical therapist, speech therapist, or social worker; or a first responder such as a police officer, firefighter, paramedic or emergency medical technician; or an honorably discharged veteran; or an educator; you or your spouse may be eligible for an Initial Franchise fee of \$45,000.00 ("Status Discount"). In addition, as an employee of ours or our affiliates, you or your spouse may be eligible for an installment benefit, namely, the Initial Franchise Fee will be paid in monthly installments over ten years starting from the first anniversary of the opening of your Business ("Installment Benefit").

A current franchisee who signs a Franchise Agreement for a second or subsequent franchise may be eligible for a 25% reduction of the applicable Initial Franchise Fee (the “Multi-Unit Discount”). A Conversion Franchisee may qualify for an Initial Franchise Fee of \$7,500.00 (the “Conversion Discount”).

Lastly, you are eligible for a \$10,000 discount from your initial franchise fee if you pay the total amount when signing the Franchise Agreement (the “Early Payment Discount”). However, this discount is unavailable if you sign the Promissory Note, which spreads the initial franchise fee payment over ten years (see Exhibit I).

The Status Discount, Multi-Unit Discount, and Early Payment Discount may be applied in combination. However, the discounted Initial Franchise Fee shall never be lower than \$7,500.00, which is the minimum Initial Franchise Fee after all available discounts are applied.

Partial Refund Upon Inability to Acquire Licenses

The Initial Franchise Fee is not refundable; however, you have a one-time Termination Option with the right to terminate the Franchise Agreement if you cannot acquire the necessary licenses for the operation of your Franchised Business within 120 days of signing a Franchise Agreement. If you do so, you must promptly return all of our Manuals and other documents, including any copies we previously provided. When you do so, we will retain \$7,500.00 of the Initial Franchise Fee paid as a flat fee to cover our reasonable costs and expenses incurred before termination and refund the rest of the Initial Franchise Fee. You must sign a general release described in the Franchise Agreement Section 3.6 before a refund and your obligations under the Franchise Agreement will be released, except that post-term obligations under the Franchise Agreement, such as non-competition will not be released. You will remain liable for all expenses and any debts you may have in establishing the Franchised Business.

If you are a conversion franchisee, you already possess the necessary licenses and the above limited right to terminate, and a partial refund would not be available to you.

No refunds are available under any other circumstances.

ITEM 6. OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Royalty Fee ¹	6% of Gross Revenue subject to a monthly minimum amount. Conversion	On or before the 10 th day of each month	Payable by ACH

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
	franchise 4% of Gross Revenue for year one, 6% of Gross Revenue for subsequent years, subject to a monthly minimum amount. Employees who open a franchise are subject to a \$0 Royalty Fee for the first 12 months.		
Marketing Fund Contribution	Currently, not charged. Once established, not to exceed one percent (1%) of your monthly Gross Revenue.	On or before the 10 th day of each month	Currently, not established.
Initial Advertising and Promotion	\$3,000	Prior to beginning operation of your Franchised Business	Payable directly to your advertising providers to create awareness of your Business before beginning operation
Local Advertising and Promotion	1.5% of your Gross Revenue for the prior month but not to exceed \$2,500	Monthly; as incurred by you	Payable directly to your advertising providers. All advertising materials must be approved by us prior to your use
Advertising Cooperative ²	Up to 1% of the Business' Gross Revenue	As Directed	Currently, not established. This contribution will be credited against the Local Advertising and promotion requirement.
Initial Training of Additional Personnel	Currently, there is no additional charge	Before Training	You will be responsible for travel and accommodations

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Additional Training and Assistance at Your Principal Office	Currently, there is no additional charge	Before Additional Training and Assistance	You will be responsible for travel and accommodations
Renewal Franchise Fee ³	\$15,000	Upon notice of your election to obtain a renewal franchise	
Transfer Fee ⁴	\$15,000	Upon submission of request for consent to transfer	
Alternate Supplier Testing/ Inspection ⁵	Currently there is no charge	Immediately upon billing	
Interest on Overdue Payments	18% per year or the rate allowed by law, whichever is less	As Incurred	
Delinquent Report Fee ⁶	\$25/ per day	As Incurred	
Insurance ⁷	The Cost of Premium	As Incurred	We may acquire insurance on your behalf and seek reimbursement from you if you fail to do so
Operation of the Business in the Event of Death or Disability	A then-current per diem amount for each representative (currently \$250/ per day plus expenses).	As Incurred	If we elect to operate the Business upon your death or disability we will have the right to reasonable compensation
Audit Expenses ⁸	Cost of audit and interest on any underpayment	Upon Demand if audit reveals an understatement of 2% or more	Interest begins from the date of underpayment.
Indemnification ⁹	All associated costs	As Incurred	You must reimburse us for any liability or cost of defense we incur

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			resulting from the operation of your Franchised Business
Attorneys' Fees and Costs ¹⁰	Varies	Immediately upon billing if we are the prevailing party	We may recover its reasonable attorneys' fees and costs.
Microsoft Office 365 Enterprise® License	Reimbursement of subscription fees charged by Microsoft at \$4, \$10, or \$23 per month depending on number of Office features you select.	Quarterly, as invoiced	Price is subject to change per the vendor.

Notes

All fees listed above are not refundable and are uniformly paid to us, unless otherwise noted. We reserve the right to require you to pay the fees and other amounts due to us via electronic funds transfer (ACH) or similar means.

Note 1: "Gross Revenue" is defined in Section 1.8 of the Franchise Agreement and means all revenue and other income derived from your services or others, directly or indirectly connected with the Business. Gross Revenue shall also include all proceeds from any business interruption insurance. Gross Revenue shall exclude: (i) any sales tax or similar tax collected from clients and paid to any federal, state, local or any other governmental authority; and (ii) refunds made in good faith to clients in accordance with prudent business practices.

Each month during the term of the Agreement, you must pay to us a Royalty Fee equal to the greater of (i) 6% of Gross Revenue or (ii) the following Minimum Monthly Royalty:

Month of Operation	Minimum Monthly Royalty
1-12	\$500
13-24	\$1,000
25 thereafter	\$2,000

If you sign a Conversion Addendum, we will reduce the Royalty Fee payable during your first 12 months of operation to 4%. You will have no royalty for the first 12 months of operation if you are our employee.

Note 2: We may designate a geographic area in which two or more In Home Personal Services businesses are located as an area for an advertising cooperative (an “Advertising Cooperative”). The Advertising Cooperative’s members own all In Home Personal Services businesses operating in the area, including us and our affiliates, if applicable. All material decisions of the Advertising Cooperative, including contribution levels (which also require our approval), will require the affirmative vote of 51% of all In Home Personal Services businesses operating within the Advertising Cooperative’s area (including those that we and our affiliates operate, if applicable), with each business receiving one vote. There are currently no Advertising Cooperatives in the In Home Personal Services business network.

Note 3: You may obtain a renewal franchise only if you meet certain conditions specified in the Franchise Agreement.

Note 4: We must approve all transfers. The Transfer Fee must be paid before any proposed transfer.

Note 5: You may request our approval to approve an alternative supplier by submitting the request to us in writing. Currently there is no cost to evaluate an alternative supplier.

Note 6: You must submit a monthly Royalty Report, financial statements, and other reports as we may require in connection with your Franchised Business. If you are late in submitting any required report, you must pay us a Delinquent Report Fee.

Note 7: You must obtain and retain the required insurance coverage as outlined in Item 8 and in the Franchise Agreement or as we may periodically require. If you fail to obtain or retain such insurance, we may, but are not required to, obtain this insurance for you and charge you the premiums, plus our reasonable costs in obtaining this insurance.

Note 8: We have the right to inspect or audit your business's books and records. If any audit reveals an understatement in any report of 2% or more, you must reimburse us for the cost of the inspection or audit and any other money that may be due us. In addition, we may require that you provide audited year-end financial statements.

Note 9: You must indemnify, defend, and hold us, our affiliates, and our and their respective stockholders, members, owners, principals, directors, officers, employees, representatives and agents, harmless from any losses, expenses, judgments, claims, reasonable attorneys’ fees and damages related to the Franchised Business or from your breach of the Franchise Agreement.

Note 10: The prevailing party of any arbitration or other proceeding will have the right to recover its reasonable attorneys’ fees and costs from the non-prevailing party.

[The remainder of this page intentionally left blank. Item 7 begins on the next page]

ITEM 7. ESTIMATED INITIAL INVESTMENT**YOUR ESTIMATED INITIAL INVESTMENT**

TYPE OF EXPENDITURE	MINIMUM AMOUNT	MAXIMUM AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee ¹	\$7,500	\$55,000	Lump sum	Upon signing Franchise Agreement	Us
First Month Rent for Office ²	\$0	\$2,000	As arranged	Upon signing Franchise Agreement	Landlord
Deposits ³	\$0	\$1,000	As arranged	As per terms of lease	Landlord and utility providers
Leasehold Improvements ⁴	\$0	\$2,000	As arranged	As arranged	Landlord and contractors
Office Equipment and Supplies- including Computer System ⁵	\$2,825	\$4,075	Lump sum	Before beginning operations	Suppliers
Furniture and Fixtures ⁶	\$0	\$1,000	Lump sum	Before beginning operations	Suppliers
Pre-Opening Marketing ⁷	\$3,000	\$4,000	As arranged	30 Days before beginning operations	Us, approved suppliers
Initial Inventory- Supplies & Marketing Materials ⁸	\$1,000	\$2,000	Lump sum	Before beginning operations	Approved suppliers
Signage ⁹	\$0	\$1,000	Lump sum	Before beginning operations	Approved suppliers
Vehicle ¹⁰	\$0	\$2,000	As arranged	Before beginning operations	Suppliers
Business Licenses and Permits ¹¹	\$1,500	\$2,000	Lump sum	Before beginning operations	Government agencies and other licensing authorities
Membership Dues ¹²	\$0	\$500	Lump Sum	As arranged	Applicable organization
Insurance ¹³	\$2,000	\$3,000	As arranged	Before beginning	Insurance provider

TYPE OF EXPENDITURE	MINIMUM AMOUNT	MAXIMUM AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
				operations	
Initial Training Program Expenses ¹⁴	\$1,500	\$2,000	Lump sum	Before beginning operations	Third parties
Professional Fees ¹⁵	\$2,000	\$4,000	Lump sum	As incurred	Third parties
Additional Funds ¹⁶	\$15,000	\$20,000	As arranged	First three months of operation	Landlord, utilities, and various suppliers and third parties
TOTAL ESTIMATED INITIAL INVESTMENT¹ 7	\$ 36,325	\$ 105,575			

Notes:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your Business. Our estimates are based on our experience, the experience of our affiliates and/or franchisees, and our current requirements for In Home Personal Services Businesses. The factors underlying our estimates may vary depending on several variables, and the actual investment you make in developing and opening your Business may be greater or less than the estimates given depending on the location of your Business, and current relevant market conditions. Your costs will also depend on factors such as how well you follow our methods and procedures; your management skills; your business experience and capabilities; local economic conditions; the local market for our products and services; the prevailing wage rates; competition; and sales levels reached during your initial phase of business operations. All expenditures paid to us, or our affiliates, are uniform and non-refundable under any circumstances once paid (except the Initial Franchise Fee may be partially refundable if you cannot obtain required licenses). All expenses payable to third parties are non-refundable, except as you may arrange for utility deposits and other payments.

A Conversion Franchisee may not need to incur all of these expenses. While still within the estimated range set forth above, the estimated initial investment for a conversion franchisee may include a reduced Initial Franchise Fee. In addition, Conversion Owners may not be required to make any new payments for security deposits, licensing and credentialing, business licenses, business permits, Furniture or Fixtures, or computer hardware.

Note 1: Initial Franchise Fee. The standard Initial Franchise Fee is \$55,000. If you are an existing franchisee, a conversion franchisee, an employee or ours or our affiliates, a health care professional, an honorably discharged veteran, an educator or Spouse of the above your Initial Franchise Fee may be discounted. (See Item 5).

Note 2: Rent for Office. You will need approximately 500 – 800 square feet of space for your Principal Office. In Home Personal Services businesses may be in a home office, office building, office condominium or stand alone. Estimated monthly lease expenses vary based on the size, location and character of the space, and market conditions. We have not included rent for any Satellite Office(s) that you may elect to establish.

Note 3: Deposits. Your landlord may require a security deposit before leasing the premises to you, typically equal to one month's rent. Some utility companies also may require a security deposit before commencing services.

Note 4: Leasehold Improvements. A typical leased office premises will not require extensive build-out, but may need general refurbishment such as painting, carpeting, and decorating prior to your move-in. Your landlord may contribute or provide leasehold improvements depending on your lease terms. In addition, you may need installation and setup of phone lines, high speed internet service, and computer equipment.

Note 5: Office Equipment & Supplies; Computer System. Before opening your Business, you must purchase a computer system, including hardware, software, and related equipment. The minimum requirements for these items are designated in the Operations Manual and in Item 11 of this Disclosure Document. In addition, you will need a calculator, two-line telephone, cell phone, and typical office consumables. The range of costs depends on the equipment selected.

Note 6: Furniture and Fixtures. You will need a desk, an office chair, a guest chair, and filing cabinets. The costs will depend on the brands bought, the items' quality and other factors.

Note 7: Pre-Opening Marketing. During the 30 days before and 30 days after you open your Business, you must spend at least \$3,000 to advertise, market and promote your Business. You must submit your marketing plan and proposed advertising to us for approval and we will work with you on a marketing plan and proposed advertising material. You may elect to spend more. Your actual costs may vary depending on the methods of advertising used, supplier costs, local costs, and other factors. The initial advertising may include membership dues as provided in Note 12.

Note 8: Initial Inventory-Supplies & Marketing Materials. You will need letterhead, envelopes, business cards, brochures, and other marketing and promotional materials, to be purchased from our approved vendor. The estimated amount is a 3 to 6 months' supply. Currently we provide an initial pre-opening supply kit at no additional charge. These items are consumable inventory and must be replenished occasionally. These costs will vary depending on the quantity you purchase.

Note 9: Signage. We must approve your interior and exterior signs before use. The cost of the signs varies depending on their type, size, and location. It may also be affected by shipping costs, local zoning, other ordinances and regulations, and landlord restrictions.

Note 10: Vehicle. You will need a vehicle to make sales calls on potential clients and monitor your service providers. We have no requirements for the vehicle type or model you may use. If you own or have vehicle access, you may use your existing vehicle and will not incur an incremental cost. Otherwise, you will need to lease or purchase a vehicle. The high end of the range includes a first month's payment, security deposit and minimal down payment for the lease of a typical compact to mid-sized vehicle for normal business hours. If you choose to provide 24/7 services, this amount will increase.

Note 11: Business Licenses and Permits. You must comply with all applicable federal, state, city, municipal or county laws, including, all licenses, permits or certificates required for the operation of your Business. These fees will vary depending on the state and city of your Business.

Note 12: Membership Dues. To cultivate sources of referrals, you will typically want to join local organizations such as the Better Business Bureau, Chamber of Commerce, and other networking associations. These costs will vary depending on the number and specific organizations you elect to join.

Note 13: Insurance. You must obtain insurance coverage with the limits we require, as described in Item 8 of this Disclosure Document. Your landlord may require additional insurance. The low estimate is for a semi-annual premium, and the high estimate is for an annual premium.

Note 14: Initial Training Program. You must pay for all training-related expenses, including travel, lodging, meals, and incidental expenses for anyone attending. The amount you spend will depend on the distance traveled and the accommodation you choose.

Note 15: Professional Fees. We recommend you consult with professionals including an attorney, accountant, and other advisors before signing a Franchise Agreement.

Note 16: Additional Funds. You will need capital to support on-going expenses, such as payroll, replenishing the inventory of consumables and supplies, rent, interest and principal repayments, marketing materials and services, and utilities, to the extent that your revenue does not cover these costs. The need for additional funds will vary widely among franchisees. New businesses usually generate a negative cash flow. We estimate that the amount stated will be enough to cover on-going expenses for the start-up phase of your Franchised Business, which we calculated to be 3 months. This is only an estimate, however, and we cannot assure you that you will not need additional funds during or after the start-up phase of your Business. When making this estimate, we relied on the experience of our affiliates and/or franchisees in establishing and operating seven In Home Personal Services businesses.

Note 17: Total Estimated Initial Investment. Before purchasing the franchise, review these estimates carefully with a financial advisor. Unless otherwise specified, the amounts this chart describes are not refundable. Neither we nor our affiliates offer financing for any part of your initial investment. The figures reflected in this table do not include any finance charge, interest, or debt service obligation. The availability and terms of financing depend on many factors,

including the availability of financing generally, prevailing interest rates, your creditworthiness, and collateral and lending policies of financial institutions.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Approved Suppliers

To maintain the quality, consistency, and goodwill of the In Home Personal Services System, you must comply with and maintain our System's standards. We can modify, amend, and change our System's standards, the Manual or any other standards and specifications at any time and will notify you in writing of any such changes. We may designate specific products and services you must purchase and require that you purchase products and services from suppliers and vendors we approve.

To the extent we have approved certain manufacturers, vendors, distributors, suppliers, and producers, which may be us or our affiliates (collectively, "Approved Suppliers"), if you choose to make a purchase, you must purchase from the Approved Suppliers. You must purchase all goods and services required for the operation of your Business from the Approved Suppliers (which may be one supplier for any product or service) under terms, in the manner, and from the source designated by us. We currently do not have any designated Approved Suppliers.

Regarding products or services for which we have designated one or more Approved Supplier(s), unless otherwise noted in this Franchise Disclosure Document, you may request that we permit you to purchase from an alternative supplier other than an Approved Supplier by submitting a written request for our approval. We endeavor (but are not required) to respond to your written request within 30 days of our receipt of the request. We may require that samples of the product produced by the proposed alternative supplier be delivered to us for review and testing. We may require supplier(s) to sign non-disclosure and other agreements. We do not provide our franchisees with our criteria for approving suppliers. If an inspection reveals a supplier's failure to maintain our specified criteria for products or services, we may revoke our approval by providing you with written notice of the revocation.

We will not unreasonably withhold approval of a supplier; however, in making our decision we will consider the best interests of our System as a whole. In addition, in signing our Franchise Agreement you agree it could be reasonable for us to decline an approval in favor of having ourselves or our affiliate remain the only approved supplier of a particular product or service.

We have the right to negotiate purchase arrangements with certain Approved Suppliers to benefit franchisee-owned and company-owned In Home Personal Services businesses. We or our affiliates may derive revenue or profit from your dealings with the Approved Suppliers or other suppliers such as rebates, cash payments, discounts, promotional allowances, and/or other payments. At present, there are no such arrangements in place (other than regarding the revenue our Affiliates will receive). We may also derive revenue from direct purchases you make from us or from our affiliates. If we do, we may retain all of the rebates, commissions, or other considerations we are

paid, and have the right to use these amounts without restriction (unless we or our affiliates agree otherwise with the supplier) for any purpose we or our affiliates consider appropriate. We do not provide material benefits to a franchisee based on a franchisee's purchase of particular products or services or use of particular suppliers.

At this time, there are no Approved Suppliers in which any of our officers or directors own an interest.

For our most recent fiscal year ending December 31, 2025, we received revenue of \$0 as a result of purchases by franchisees.

We estimate that your required purchases or leases from approved suppliers or in accordance with our specifications will represent 1% of the total cost to you of opening your Franchised Location and 1% of the total purchases and leases for the continuing operation of your Franchised Location. Your actual results may vary.

As of December 31, 2025, we did not have any purchasing or distribution cooperatives.

We do not provide or withhold material benefits to you (such as renewal rights or the right to open additional In Home Personal Services businesses) based on whether you purchase through the sources we approve. However, purchases of unapproved products or from unapproved vendors in violation of the Franchise Agreement may entitle us, among other remedies, to terminate your Franchise Agreement.

Insurance

During the term of the Franchise Agreement, you must carry, at your own expense, certain required types of insurance covering the risks and meeting the minimum coverage we describe occasionally. Currently, we require the following minimum coverage (i) broad form general liability of \$2,000,000 per occurrence, (ii) property insurance covering the full replacement value of your office and business interruption insurance sufficient to cover lost income, operating expenses and profits for a reasonable period of days, beyond any applicable waiting period, to allow you to resume business in the ordinary course, (iii) workers' compensation insurance, and (iv) bodily injury/accident insurance of \$1,000,000 per individual. All insurance companies must meet the standards, specifications and limits in the Franchise Agreement or otherwise provided to you in writing. We may change the minimum liability required coverage annually in our sole discretion. The carrier or carriers of all insurance must maintain an A. M. Best's rating of A+ or maintain the highest available rating with another rating service similarly recognized in the industry. All insurance policies must name In Home Personal Services Development, L.L.C. as an additional insured. You must annually give us a certificate of insurance or evidence of the renewal or extension of each insurance policy. We may adjust the amounts of coverage required under these insurance policies and require different or additional insurance. We may do so to reflect inflation, identification of new risks, changes in law or standards of liability, greater damage awards, or other relevant changes in circumstances.

If you fail to obtain and maintain insurance coverage which meet or exceed our standards, you will have breached the Franchise Agreement which may terminate your Franchise. Any termination shall be at our sole discretion. You must provide us with copies of all notices of cancellations, changes, amendments to coverage and other modifications immediately upon your receipt of notices.

Computer System

You must acquire the computer hardware and software (“Computer System”) described in Item 11.

ITEM 9. FRANCHISEE’S OBLIGATIONS

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

OBLIGATION		SECTION IN AGREEMENT	ITEM(S) IN DISCLOSURE DOCUMENT
a.	Site selection and acquisition/lease	Franchise Agreement, Section 2	Items 11 and 12
b.	Pre-opening purchases/leases	Franchise Agreement, Section 9, 10 and 11	Item 8
c.	Site development and other pre-opening requirements	Franchise Agreement, Section 2	Items 7 and 11
d.	Initial and on-going training	Franchise Agreement, Sections 7	Item 11
e.	Opening	Franchise Agreement, Section 10	Item 11
f.	Fees	Franchise Agreement, Sections 3, 4, 7, 8, 9, 10, 11, 12, 14 and 16	Items 5, 6, and 7
g.	Compliance with standards and specifications/Operating Manual	Franchise Agreement, Sections 6, 10, 11, 12, 14 and 15	Item 11
h.	Trademarks and proprietary information.	Franchise Agreement, Sections 5 and 6	Items 13 and 14
i.	Restrictions on products/services offered	Franchise Agreement, Sections 1, 2, 10, and 11	Items 16
j.	Warranty and customer service requirements	Franchise Agreement, Section 10	Item 11
k.	Territorial development and sales quotas	Franchise Agreement, Section 2	Item 12
l.	Ongoing product/service purchases	Franchise Agreement, Section 10 and 11	Item 8

OBLIGATION		SECTION IN AGREEMENT	ITEM(S) IN DISCLOSURE DOCUMENT
m.	Maintenance, appearance, and remodeling requirements	Franchise Agreement, Sections 2 and 10	Item 7
n.	Insurance	Franchise Agreement, Section 9	Items 7 and 8
o.	Advertising	Franchise Agreement, Section 11	Items 6, 7 and 11
p.	Indemnification	Franchise Agreement, Section 15	Item 6
q.	Owner's participation/management/Staffing	Franchise Agreement, Sections 1, 10, and 12	Items 11 and 15
r.	Records and reports	Franchise Agreement, Sections 3, and 8	Item 6
s.	Inspections and audits	Franchise Agreement, Section 8, 10	Item 6
t.	Transfer	Franchise Agreement, Section 12	Item 17
u.	Renewal	Franchise Agreement, Section 4	Item 17
v.	Post-termination obligations	Franchise Agreement, Sections 6, and 14	Item 17
w.	Non-competition covenants	Franchise Agreement, Section 6	Item 17
x.	Dispute resolution	Franchise Agreement, Section 16	Item 17
y.	Licensing	Franchise Agreement Section 3 and 10	Item 7 and 11

ITEM 10. FINANCING

We do not offer financing except as described below. We do not guarantee your note, lease, or obligations to third parties.

Direct Financing of the Initial Franchise Fee.

If you request, and you meet our credit standards, we may offer to finance your initial franchise fee, as determined by Item 5. If you obtain financing from us, you must sign a Promissory Note in the form attached as Exhibit I to this Disclosure Document (the "Note"). The Note provides

for payment to us over a ten-year (120-month) period at 1.5% interest paid in monthly installments. There are no additional finance charges. Your first payment on the Note will be due 30 days after beginning your franchise, concurrent with your first royalty fee becoming due (under Item 6).

We require you and any other shareholders, partners, or LLC members to personally guarantee your Note. Each person must guarantee the note jointly and severally with the other shareholders, partners, or LLC members. We require no other security for the Note. You may prepay your Note in whole or in part without penalty.

The following are events of default under the Note:

- You fail to pay any principal, charge, or expense due under this Note;
- Your death or legal incapacity, unless your successor or assignees can pay this Note according to this Agreement's terms;
- Your admission of your inability to pay any principal, charge, or expense due under your Note;
- Your petition for relief in a bankruptcy proceeding or to take advantage of any insolvency act.
- You file for an assignment to the benefit of your creditors, or you file for an appointment of a receiver, trustee, or any action for reorganization or similar relief under bankruptcy laws;
- A receiver, trustee, etc., is appointed over your property, a petition for reorganization is approved, control over your property is assumed, proceedings for reorganization have begun;
- A court declares you bankrupt, appoints a receiver, trustee, liquidator, or conservator for all or part of your property, or approves your petition for reorganization under federal bankruptcy laws or any other relevant statutes of the United States or any state
- The initiation of any proceeding against you for reorganization or similar relief under federal bankruptcy laws or any other pertinent statutes
- Any event described above remains undismissed after 30 days, or you indicate consent, approval, or acquiescence to these proceedings or petitions;
- We discover you made untrue or materially misleading representations, statements, or warranties to us, including those that become untrue or materially misleading after the delivery of this Promissory Note;
- We, in good faith, believe you are incapable of paying any principal, charge, or expense due

under your Note;

- You assign or transfer this Promissory Note or your obligations under it without our prior written consent.

Your default under the Note is a default under the § 13.2 of the Franchise Agreement. In the event of a default, we may terminate the Franchise Agreement, and all outstanding principal under the Note will be immediately due. You must also pay the costs, fees, and expenses we incur enforcing the Note.

Under the Note, you waive presentment, demand for payment, protest, and notice of nonpayment by the makers, endorsers, and guarantors of the Note. We receive no consideration for offering you financing.

We receive no payments from other sources. Likewise, we do not arrange financing for you from other sources. We do not intend to sell, assign, or discount any note, contract, or instrument you execute, in whole or in part, to a third party.

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

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

Pre-Opening Assistance

Before you open your Franchised Business, we will:

1. Provide you with specifications and guidelines for the equipment, furniture and fixtures, inventory and supplies necessary to open your Business, we currently do not require you to purchase any portion of which from us and our Approved Suppliers, however we reserve the right to do so as described in Item 8 of this Disclosure Document. These specifications and guidelines are in the Manual or elsewhere as we may designate. Other required equipment, furniture and fixtures, inventory and supplies may be purchased from any supplier, so long as the supplier and the items purchased meet our specifications. (Franchise Agreement, Section 10).

2. Loan you one copy of our Manual to assist you in the operation of your Franchised Business. (Franchise Agreement, Section 6). The Table of Contents to the Manual is included as Exhibit G. There are 176 pages in the Manual. The Manual is also available as in digital version.

3. Make an Initial Training Program available. You, or your Operating Owner (if you are an entity), or your Manager (as defined in Section 10.2 of the Franchise Agreement) must attend the Initial Training Program to our satisfaction. You are responsible for all travel, living, and miscellaneous expenses for all individuals who attend the Initial Training Program. (Franchise Agreement, Section 7).

4. Assist with advertising and marketing your Business before opening. You must spend at least \$3,000 on your pre-opening marketing. (Franchise Agreement, Section 11.1).

5. Provide you with an active e-mail account issued by us for receiving bulletins, updates, information, and other communications from us. There is no expectation of privacy in any information or activity conducted, sent, performed, or viewed on or with such e-mail account. You should assume that whatever you do, type, enter, send, receive, and view on such e-mail account is electronically stored and subject to inspection, tracking, evaluation, and our use. (Franchise Agreement, Section 10.5).

Site Selection

Within the Protected Territory, you, instead of us, will select a site for your business office (“Principal Office”). You must notify your site selection to us promptly. You may not relocate your Principal Office without our prior written consent.

Business Opening

Your Principal Office must have its own telephone number, computer system and furnishings from which you operate the Franchised Business.

You must begin operation of your In Home Personal Services business (i) within six months after you execute the Franchise Agreement; or (ii) within one month after you receive all required licenses and permits from governmental authorities and successfully complete training to our satisfaction, whichever occurs first. The time from the signing of a franchise agreement to the commencement of operation of your Business may vary depending on several factors including the time it takes to obtain governmental licenses and permits, financing, zoning, and local ordinances, hiring qualified staff and normal business startup considerations. If you cannot begin operation of your Franchised Business within the required timeframe, we may terminate the Franchise Agreement.

If you are a Conversion Franchisee, you must fully convert and begin operation of your In Home Personal Services business within two months after you execute the Franchise Agreement.

Continuing Assistance

During the operation of your Business, we will:

1. Provide continuing advice and assistance to you in the marketing, management, and operation of the Business as we consider appropriate, at the time(s) and in the manner we determine. If you request and we agree, we will assist in addition to our customary assistance and may charge you a reasonable fee. (Franchise Agreement, Section 7).

2. Provide ongoing programs including seminars, conventions, or continuing education programs periodically or meetings for all franchises at locations designated by us as we consider

appropriate. We will not require that you attend any ongoing program more often than once a year, but we may require participation in webinars or conference calls more often than yearly. You must pay for all travel, lodging, meals, salary and benefits, and incidental expenses for ongoing programs for both you and your employees. (Franchise Agreement, Section 7).

3. Periodically, provide you with recommendations and guidelines for advertising and promoting your Business as we consider appropriate. (Franchise Agreement, Section 13)

Advertising and Marketing

Marketing Fund

We currently do not have a national marketing fund program (the “Marketing Fund”). We reserve the right to establish a Marketing Fund in the future. If a Marketing Fund is established, you must contribute to the Marketing Fund an amount not to exceed one percent (1%) of your monthly Gross Revenue.

If we establish a Marketing Fund, we will direct all Marketing Fund programs and have sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The Marketing Fund may pay for preparing and producing video, audio, and written materials and electronic media; developing, implementing, and maintaining a Website that promotes In Home Personal Services businesses; administering regional and multi-regional marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail, and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; supporting public relations, market research, and other advertising, promotion, and marketing activities; and for building general brand awareness for the Authorized Services provided by us, our Affiliates and our franchisees.

If we establish a Marketing Fund, we will account for the Marketing Fund separately from our other funds and will not use the Marketing Fund for any of our general operating expenses. However, we may use the Marketing Fund to pay the reasonable salaries and benefits of staff who manage and administer the Marketing Fund, the Marketing Fund’s other administrative costs, travel expenses of staff while they are on Marketing Fund business, meeting costs, overhead relating to Marketing Fund business, and other expenses we or our affiliates incur in activities reasonably related to administering or directing the Fund and its programs, including, without limitation, conducting market research, public relations, preparing advertising, promotion, and marketing materials, and collecting and accounting for Marketing Fund contributions. In addition, our Affiliates shall be entitled to reasonable compensation for any services on behalf of the Marketing Fund.

Although the Marketing Fund is not a trust, if we establish a Marketing Fund, we will use the Marketing Fund only for the purposes described in this Section. We owe no fiduciary duty to you for administering the Marketing Fund or any other reason. The Marketing Fund may spend in

any fiscal year more or less than the total Marketing Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use.

If we establish a Marketing Fund, we will prepare an annual, unaudited statement of Marketing Fund collections and expenses and give you the statement upon written request. We may have the Marketing Fund audited yearly, at the Marketing Fund's expense, by an independent certified public accountant. We intend for the Marketing Fund to maximize recognition of the Marks and patronage of In Home Personal Services businesses. We do not guarantee that Marketing Fund expenditures in or affecting any geographic area are proportionate or equivalent to Marketing Fund contributions by In Home Personal Services businesses operating in that geographic area or that any In Home Personal Services business benefits directly or in proportion to its Marketing Fund contribution from developing advertising and marketing materials or placing advertising and marketing.

If we establish a Marketing Fund, we have the right, but no obligation, to use collection agents and institute legal proceedings to collect Marketing Fund contributions at the Marketing Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against the Marketing Fund. We assume no direct or indirect liability or obligation to you for collecting amounts due to maintaining, directing, or administering the Marketing Fund. (Franchise Agreement, Section 11.3).

If we establish this Marketing Fund, the franchisees may establish an advisor council with which we will consult regularly.

Advertising Cooperatives

We may designate a geographic area in which two or more In Home Personal Services businesses operate for an Advertising Cooperative. The Advertising Cooperative's members in any geographic area are the owners of the In Home Personal Services businesses operating in that geographic area (including us and our affiliates, if applicable). Each Advertising Cooperative will be organized and governed in a form and manner, and begin operating on a date, that we determine. We expect that Advertising Cooperatives will operate from written governing documents and prepare annual unaudited financial statements that franchisees may review. We may change, dissolve and merge Advertising Cooperatives. Each Advertising Cooperative's purpose is, with our approval, to administer advertising programs and develop advertising, marketing, and promotional materials for the area that the Advertising Cooperative covers. If, on the date you sign the Franchise Agreement, we have established an Advertising Cooperative for the geographic area in which the Business is located, or if we establish an Advertising Cooperative in that area during the Franchise Agreement's term, you must sign the documents we require to become a member of the Advertising Cooperative and participate in the Advertising Cooperative as those documents require.

If we establish an Advertising Cooperative, you must contribute to any Advertising Cooperative we establish the amounts that the Advertising Cooperative determines. These amounts are subject to our approval. All contributors typically will contribute on the same formula or at the

same rate. All material decisions of the Advertising Cooperative, including contribution levels (which also require an approval), will require the affirmative vote of at least 51% of all the In Home Personal Services businesses operating within the Advertising Cooperative's geographic area (including, if applicable, those operated by us and our affiliates), with each business receiving one vote.

You must submit to us and the Advertising Cooperative any reports we or the Advertising Cooperative require. The Advertising Cooperative will operate only to collect and spend Advertising Cooperative contributions for the purposes described above. The Advertising Cooperative and its members may not use any advertising, marketing or promotional programs or materials without our prior written consent. (Franchise Agreement, Section 11.2)

We currently do not have any Advertising Cooperative. If an Advertising Cooperative is established, you must contribute to the Advertising Cooperative an amount not to exceed two percent (2%) of your monthly Gross Revenue.

Initial Advertising Campaign/Local Advertising and Promotion

For 30 days before and 30 days after beginning of operation of the Business, you must spend \$3,000 on an advertising campaign to promote awareness of the beginning of operation of your Business. Your advertising campaign is subject to our review and approval, and we will work with you on a marketing plan and proposed advertising material. (Franchise Agreement, Section 11.1)

Starting from the third month after the month of your Business grand opening, each month you must spend on local advertising and promotion an amount equal to 1.5% of the past months Gross Revenue but not to exceed \$2,500 per month (the "Local Advertising Expenditure"). You make the Local Advertising Expenditure directly, but it is subject to our approval. You must use our Approved Supplier(s) for digital marketing and marketing materials.

Your local advertising and promotion must follow our guidelines. All advertising and promotional materials you develop for your Business must be clear, factual, and not misleading and conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies we prescribe occasionally. Before you use them, you agree to send us or our designated agency for approval samples of all advertising, promotional, and marketing materials which we have not prepared. We will use reasonable efforts to approve or disapprove the materials within five (5) business days after we or our designated agency receives the materials. You may use no advertising, promotional, or marketing materials we have not approved of or have disapproved, even if previously approved. (Franchise Agreement, Section 11.1)

We do not currently have a franchisee advertising council to advise us on advertising policies. We reserve the right to establish this council.

Marketing Materials.

All advertising and promotional materials including signs, stationery, flyers must bear the Marks and follow our guidelines and conform to our standards. Before you use them, you must send us samples of all advertising, promotional or other marketing materials we have not approved for review.

Website

We have established and maintain a system website at the uniform resource locator <https://ihps.com> (the “Website”) which is designed to promote the Marks, the System, and the system of all In Home Personal Services businesses including each Franchise (which shall have a separate page on the Website linked to a listing of all our locations). We have the right to continue to improve, develop, and promote the Website. We have the sole right to control all parts of the Website, including without limitation its design, content, functionality, links to the websites of third parties, legal notices, and policies and terms of usage; we shall also have the right to discontinue operation of the Website. Within the Website, we will provide one or more separate web page(s) to describe your and other franchisees’ In Home Personal Services businesses. You agree to comply with our policies regarding the creation, maintenance, and content of any web page(s) like this. We may refuse to post and/or discontinue posting any content and/or the operation of any web page. You agree not to establish a separate website without our prior written approval (which we shall not be obligated to provide). You may not conduct commerce or offer or sell any services or products using any website, another electronic means or medium, or otherwise over the Internet. You may use social media websites such as LinkedIn®, Twitter®, Instagram®, Pinterest®, Facebook® or YouTube® relating to your Business in accordance with our guidelines. We reserve the right to require our approval of any message you compose for a social media website or commentary for any other website before you post this message or commentary. If requested by us, you agree to cease posting on any social media website in connection with your or any other In Home Personal Services business or the Marks.

Non-Disparagement

We recognize that occasionally a franchisee may disagree with us. However, without limiting your right to engage in Dispute Resolution as provided in the Franchise Agreement, we require all disagreement or criticism to be expressed privately. You may not post on any social media or in another form of media or mass communication any statements referring to us or our Affiliates, or using any of our Marks, that are disparaging or critical to us. Under the Franchise Agreement, you agree this provision is necessary to protect our goodwill and necessary to protect your investment in your Franchise.

Computer System

To effectively operate your Business, you will need either a desktop or a laptop computer and certain required software. Your computer system will be used to manage client accounts, record revenue and expenses and integrate with our software. You must buy all hardware and software in

accordance with our specifications or, if required, from approved suppliers. The minimum computer hardware requirements are specified in the Manual or otherwise in writing by us. Some of the minimum requirements include a Dual Core processor, 4GB random access memory, and a 600GB hard drive. You will also need a laser printer and an Internet connection with a minimum speed of 15MBPS.

In addition to the hardware, you will need certain software including Microsoft Office 365 Enterprise ® (most recent version), Microsoft Office Professional Plus® (most recent version) desktop subscription for up to 5 devices, QuickBooks Pro® (most recent version). To operate your computer, you will need a high-speed internet connection and a keyboard, mouse, color monitor and a laser color printer. You must keep your computer in good working order and must provide any upgrades necessary at your cost.

The approximate cost of computer hardware and software is \$2,500 as well as the monthly charges for your internet connection which we estimate at about \$75. You are solely responsible for the acquisition, operation, maintenance, and upgrading of your computer system. We are not obligated to provide ongoing maintenance, repairs, or upgrades.

We and our affiliates may have independent access to certain information and data generated by your computer system. We reserve the right to require you to upgrade any hardware component or software program occasionally. There are currently no contractual limitations on the frequency and costs of the upgrades. We will not reimburse you for these costs. You will be responsible for all costs associated with replacing your software with our program.

Training Programs

Initial Training Program

We provide an initial training program for all franchisees. The initial training program includes a comprehensive program that gives you the methods, procedures, and techniques you need to run your Business (“Initial Training Program”). The Initial Training Program is at a location designated by us at our headquarters in Illinois. You or a Principal Owner, if you are a business entity, must attend and successfully complete the Initial Training Program. You may send multiple people to the Initial Training Program at no additional charge. All travel, lodging, meals, salary and benefits, and incidental expenses in connection with the Initial Training Program for you and your employees are your responsibility. Any training provided by us to any of your employees will be limited to training or guiding the employees regarding the delivery of approved services to clients in a way that reflects the service standards of the System. You are, and will remain, the sole employer of your employees during all training programs, and you are solely responsible for all employment decisions and actions related to your employees. You must ensure that your employees receive adequate training.

The Initial Training Program includes approximately 216 hours of training for 30 days (excluding weekends and holidays) and is currently conducted as needed. There is no fixed training

schedule. We do not set minimum or maximum prices at which you must sell your Authorized Services. You will be in control of your price, and we will provide support, guidance and suggestions based on our industry knowledge. The primary instructional material is the Manual and supplemental handouts. The Initial Training Program includes:

INITIAL TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
Day 1 Introduction • What to expect in the ITP • About IHPS • IHPS History & why is it relevant?	.5		Virtual
Day 1 Meet the team: • Executive Leadership • Corporate Support Team • Creative Service Team	1		Virtual
Day 1 Onboarding Checklist • Phase I - SWOT #1 • Phase II • Phase III • Phase IV • Phase V	.5		Virtual
Day 1 Compliance • Why we comply • Franchisor does not provide legal, or tax advise • Benefits of compliance • Advantages of the system	.5		Virtual
Day 1 Types of Compliance • Federal Wage & Labor • Federal Tax • State Wage & Labor • State Tax • Licensure • Insurance Policies • Local Ordinances • Contract (LTC) • Senior Community Rules • Advertising & Promotion • State Specific regulations • Survey Response	5.5		Virtual

• Obligations of the Franchisee • Royalty Fee & Report • Licensure Application			
Day 2 Matthews Healthcare Education • What is Matthews? • IL Board of Higher Education • Introduction to Matthews.Education • Differentiators of Matthews • Benefits & Advantages of Matthews • Certification Process Completed	8		Virtual
Day 2 Human Resources • Compliance • Accreditation • File retention / confidentiality • Employee lifecycle • Recruitment • Screening • Interviewing • Compensation & Benefits • On Boarding New Hires • Recruitment Support • Immigration Sponsorship Program • View as Business Development • Company Culture • Workplace Safety • Creating/Posting Jobs • Managing Efforts • Job Offers / Job Descriptions • Build a Team • Training never ends • Behavioral & Disciplinary Action	8		Virtual
Day 3 Administrator and Operations	8		Virtual

• Understand a day in the life of Administrator • Policy and Procedure • Services Models • Pricing, rates, holidays • Documentation & Forms • Record Retention & HIPPA • Meetings and Collaboration • Employee v Contractor • Leading your Team not managing • Lessons on failure			
Day 4 Know the Team • Let's Meet the Corporate Team • Where does Franchisee fit in a role? • How do I know who/when to hire? • Caregiver (1099) • Care Provider (Employee) JD • Team Leader JD • Director of Services JD • Regional Director JD • Business Development JD • Office Support	8		Virtual
Day 5 Leadership Training		8	Our Illinois Headquarters and/or other In Home Personal Services business
Day 6 Field Operations • Assessment • Documentation • Customer Service • Communication • Follow Up • Clear Care Training	8		Our Illinois Headquarters and/or other In Home Personal Services business
Day 7 Shadow in the Field		8	Our Illinois Headquarters and/or other In Home Personal Services business

Day 8 Caregiver Placement Team • Contractor Onboarding • Compliance & Eligibility • File retention / confidentiality • Sharing of Contractors • Company Culture • Screening • Making the match for the client • Contracts for 1099s • Placement • Relievers • Scheduling • Contractor Payments • Billing Review • Annual reminders • Clear Care Training	8		Our Illinois Headquarters and/or other In Home Personal Services business
Day 9 Billing • Types of services we bill • Veterans Contract • Long Term Care Policies • Private Pay • Billing Calendar • Documentation • Collections • Clear Care Training	8		Our Illinois Headquarters and/or other In Home Personal Services business
Day 10 Vendor Training • Clear Care • ProShop • Data Axel	8		Our Illinois Headquarters and/or other In Home Personal Services business
Day 10 Review of ITP with Franchisee			Our Illinois Headquarters and/or other In Home Personal Services business
Day 11 Business Development • Phase VI	8		Our Illinois Headquarters and/or other In Home Personal Services business
Day 12 Business Development • Brand Partners • Understanding Referral Sources	8		Our Illinois Headquarters and/or other In Home Personal Services business

• Build a Strategy • Be a Resource • Apply Day 12 Knowledge to Phase VI and create a Strategy • Teams Tools & Support Team			
Day 13 Business Development • Creative Support Team • Social Media Live Review • IHPS.com Live Review • Apply Day 13 knowledge to Phase VI and create a new Strategy	8		Our Illinois Headquarters and/or other In Home Personal Services business
Day 14 Shadow in the Field		8	Our Illinois Headquarters and/or other In Home Personal Services business
Day 15 Shadow in the Field		8	Our Illinois Headquarters and/or other In Home Personal Services business
Day 16 Shadow in the Field		8	Our Illinois Headquarters and/or other In Home Personal Services business
Day 17 Events Training • A day of Group exercises	8		Our Illinois Headquarters and/or other In Home Personal Services business
Day 18 Current Campaigns/Business Development	8		Our Illinois Headquarters and/or other In Home Personal Services business
Day 19 Risk Assessment • Phase VII	3		Our Illinois Headquarters and/or other In Home Personal Services business
Day 19 Recruitment • Phase VIII	3		Our Illinois Headquarters and/or other In Home Personal Services business
Day 19 Services Models • Phase IX	2		Our Illinois Headquarters and/or other In Home Personal Services business

Day 20 Pre-Launch Phase X	8		Our Illinois Headquarters and/or other In Home Personal Services business
Day 21 Shadow in the Field		8	Our Illinois Headquarters and/or other In Home Personal Services business
Day 22 Shadow in the Field		8	Our Illinois Headquarters and/or other In Home Personal Services business
Day 23 Shadow in the Field		8	Our Illinois Headquarters and/or other In Home Personal Services business
Day 24 Shadow in the Field		8	Our Illinois Headquarters and/or other In Home Personal Services business
Day 25 Shadow in the Field		8	Our Illinois Headquarters and/or other In Home Personal Services business
Day 26 ITP Review & Conclusion - Professional Standards - Being a Communicator - On Going Support	8		Our Illinois Headquarters and/or other In Home Personal Services business
TOTAL HOURS	136 Hours	80 Hours	

We may vary the number of classroom and on-the-job training hours based on the experience of you and your staff. All training will be under the direction of Michael Collura who is our President has over 20 years of experience in the health care industry and in the subjects being taught as part of our initial training program. In addition to Michael, there are several Teams of individuals with comparable qualifications, will be instructors for one or more classes identified in the above table:

Michael Collura. Michael is our Founder and President and has built the entire In Home Personal Services system from the ground up.

Additional Training and Assistance.

In connection with the beginning of operation of your Business, subject to our availability and scheduling conflicts, we will give you at least two days of on-site assistance in the beginning of operations of your Business at your Principal Office. Occasionally, we may present seminars, conventions, or continuing education programs, or we may conduct meetings to benefit all franchisees (“Ongoing Programs”). Some of the Ongoing Programs may be optional and some may be required. We have the right to require you to attend any required Ongoing Programs as may be offered by us. We will give you at least 30 days’ prior written notice of any Ongoing Program deemed required. We shall not require that you attend any Ongoing Program more often than once a year, but we may require participation in webinars or conference calls more often than yearly.

Shadowing Program and Credit

In addition to our comprehensive Initial Training, we offer a one-time, optional two-day “Shadowing Program” where you will engage with and shadow an established franchisee,

If you elect to participate, you will be responsible for all your associated costs, including travel, accommodations, and meals.

After you become an established franchisee, you may elect to provide the shadow experience to new prospective franchisees. In this event, you will receive a \$500 credit towards your monthly royalty fee each time you provide this service.

ITEM 12: TERRITORY

When you sign your Franchise Agreement, you will select a specifically defined territory from which you will operate your In Home Personal Services business (the “Protected Territory”). Your Protected Territory is Exhibit A of your Franchise Agreement and will be identified by zip codes or other political and geographic boundaries. Your Protected Territory is determined by the latest mapping software from Atlas Vision, which considers the population of persons 65 and older. However, we do not represent that every Protect Territory will be equal in size, the number of persons 65 and older, or economic potential. You are responsible for investigating the economic viability of the Protected Territory that we offer you. You must provide only the types of non-medical home care and personal services we designate as “Authorized Services.” We may change the Authorized Services as the System develops.

Subject to our prior written approval, which we will not unreasonably withhold, you may establish one or more satellite office(s) within your Protected Territory. A “Satellite Office” is an additional facility from which you operate some functions of the Franchised Business within your Protected Territory. Satellite Offices are typically in independent living communities such as nursing homes, assisted living facilities, hospice care facilities, adult day care centers, and continuing care retirement communities and are staffed with full-time or part-time staff to provide Authorized Services to members of the independent living community.

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.

However, your territory will have certain protection. As long as you meet the Gross Revenue Quota as defined below and are not otherwise in default under the Franchise Agreement, we will not establish an affiliate-owned or company-owned business providing Authorized Services operating under the In Home Personal Services mark or grant any additional franchise(s) or business(es) providing Authorized Services operating under the mark within in the Protected Territory granted to you.

Year of Operation	Gross Revenue Quota
1	\$100,000
2	\$280,000
3	\$555,000
4	\$650,000
5 thereafter	\$715,000

If you fail to meet any Gross Revenue Quota, we have the right to reduce the geographic size of your Protected Territory to an area we determine that you can appropriately service. We may also establish a company-owned or affiliate-owned In Home Personal Services business or grant an additional franchise for another In Home Personal Services franchisee in the Protected Territory. Failure to meet the Gross Revenue Quota, without more, would not result in the termination of your franchise agreement.

We reserve all other rights to solicit or accept customers in these situations, and you shall not be entitled to compensation:

- (a) To own and operate, and grant franchises or licenses to others to own and operate In Home Personal Services businesses outside the Protected Territory;
- (b) To own and operate, and grant franchises or licenses to others to own and operate, any business of any kind providing services other than the Authorized Services, including but not limited to medical services, group adult day care services and other related services under the Marks or any names, trademarks, service marks, logos, and other commercial symbols other than the Marks, at any locations within or outside the Protected Territory;
- (c) To use the Marks and the System to offer, sell or distribute or grant franchises or licenses to others to offer, sell or distribute any services or products (which may be similar to those that you will sell) through any alternate channels of

distribution or other methods of distribution at any location within or outside of the Protected Territory. “Other channels of distribution” means any channels of distribution including without limitation wholesale, resale, the Internet (or any other existing or future form of electronic commerce, catalogs, mail order and television); and

- (d) To be acquired (whether through acquisition of assets, or equity interests or otherwise, despite the form of transaction) by a business or entity providing products and services similar to those provided by In Home Personal Services businesses, even if that business or entity operates, franchises or licenses competitive businesses in the Protected Territory.

You may not advertise and solicit business or accept orders from consumers outside your Protected Territory without our prior written consent (which we have the right to withhold for any or no reason). If you receive a prospective client lead from outside of your Protected Territory that is not the result of advertising or solicitation of business by you, then you may service that prospective client, so long as: (1) the prospective client is not within a territory that already has been assigned to another franchisee, and (2) you receive our prior written consent (which we have the right to withhold for any or no reason). You cannot provide any Authorized Services or other services in another franchisee’s territory unless you receive our prior written consent (which we have the right to withhold for any or no reason). If you request, and we approve you to service areas outside of your Protected Territory, and we withdraw our approval or award an In Home Personal Services franchise to a third party whose territory includes clients you have been servicing, we might require you to immediately transfer all such clients to us or the other franchisee. In addition, you will refer any requests for service in the area to the franchisee who has bought the territory. You will receive no compensation for this cessation of service or loss of future revenue and failure to comply with our written notice requiring this client transfer can result in termination of the Business. In addition, the license granted to you under this Agreement may not be used at any location outside the Protected Territory and does not include the right to offer or sell services or products identified by the Marks, or any other names, trademarks, service marks, logos, or other commercial symbols outside your Protected Territory, or through any other channels of distribution within or outside your Protected Territory.

Although we have the right to do so, neither we nor our affiliates operate, franchise, or have present plans to operate or franchise a business under a different trademark that sells or will sell goods or services similar to those that are offered by our system of In Home Personal Services businesses.

Your Franchise Agreement contains no options, rights of first refusal, or similar rights to acquire additional franchises within or outside of your Protected Territory.

ITEM 13. TRADEMARKS

We will grant you the right to use certain trademarks, service marks, names, logos, and symbols in the operation of your Franchise under your Franchise Agreement (the “Marks”). Unless otherwise noted below, the primary Marks described below are registered on the Principal Register of the United States Patent and Trademark Office (“USPTO”) and all required affidavits and renewals for the Marks have been filed.

[The remainder of this page intentionally left blank. Item 13 continues on the next page.]

MARK	REGISTRATION NUMBER	REGISTRATION DATE
	4,844,891	November 03, 2015
MAKING HOME CARE AFFORDABLE AND WORRY FREE	3,733,554	January 05, 2010

In Home Personal Services, Inc. is the registered owner for the above Marks. We have the right to use the above and other Marks under an exclusive licensing agreement dated June 1, 2009, with In Home Personal Services, Inc. (the “License Agreement”). Our license lets us use the Marks in connection with the offer and sale of franchises to third parties to own and operate businesses under the Marks. The license with In Home Personal Services, Inc. covers the United States and is perpetual. The License Agreement may be terminated in the event: (i) we fail to cure a material breach within 60 days, (ii) a petition in bankruptcy is not dismissed within 60 days, (iii) we are liquidated or (iv) make an assignment of our assets to benefit creditors. There are no other agreements in effect which significantly limit our rights to use or license the above Marks in a way material to the franchisee.

In addition to the above marks, we also use the word mark “In Home Personal Services” to identify franchised and company-owned businesses. On May 12, 2009, the USPTO rejected the application to register the word mark “In Home Personal Services” because the mark was found to be descriptive of the services provided by us. We do not have a federal registration for one of our principal trademarks. Therefore, this trademark does not have as many of the legal benefits and rights as federally registered trademarks. If our right to use the trademark is challenged, you may have to change to an alternative trademark(s), which may increase your expenses. A lack of federal protection for this mark means that other parties may sell goods and services under the name “In Home Personal Services” without violating any federal restrictions. Under certain circumstances, the word mark “In Home Personal Services” may enjoy certain limited trademark protections under state law. For example, In Home Personal Services, Inc. has obtained State Trademark registration for the “In Home Personal Services” mark in the State of Illinois. Among other rights, this means that in the State of Illinois no other party may use the name “In Home Personal Services” in connection with such party’s business. In addition, In Home Personal Services has a common law trademark in its business name. However, common law trademark rights are limited; without the federal statutory registration, a party who has established a prior use of the business name “In Home Personal Services” (or a name that is substantially similar) may enjoy superior rights to our common law trademark in “In Home Personal

Services.” A party who has such rights may seek to limit or prohibit us from expanding in areas using that mark.

Other than as described above, there are currently no effective material determinations of the USPTO, Trademark Trial and Appeal Board, or the trademark administrator of any state or any court, nor any pending infringement, opposition, or cancellation proceedings, nor any pending material litigation involving the Marks. All required affidavits have been filed in connection with the Marks.

Your use of the Marks and any goodwill established thus will inure to our or our Affiliates’ exclusive benefit. You have no ownership or other interest in the Marks. You may not contest the validity or ownership of the Marks. You must follow our rules when you use the Marks, and the Marks are the only marks you may use to identify your Business. You may not use any Mark or any part of any Mark as part of any corporate or trade name; with any prefix, suffix, or other modifying words, terms, designs, or symbols; as part of a domain name or electronic address you maintain on the internet, the worldwide web, or any other similar proprietary or common carrier electronic delivery system; to advertise or sell any unauthorized service; or in any other manner unless authorized by us in writing.

You will use the Marks as the sole identification of your Business (provided you will identify yourself as the independent owner and operator of the Business) and only in connection with the offering of the Authorized Services. You may use no Mark as part of any corporate or legal business name or in any other manner (including as an electronic media identifier, such as websites, web pages, or domain names) not expressly authorized in writing by us. We may let you add a geographic designation to one or more of the Marks to identify your Protected Territory, but you agree not to assert any rights to the Marks or the local market designation, whether combined with each other or alone.

If it becomes advisable in our sole discretion for us and/or for you to modify or discontinue use of any Mark and/or use one or more additional or substitute trademarks or service marks, you agree to comply with our directions within a reasonable time after we give you notice. We will have no liability or duty regarding any such required changes or discontinuance of any Mark, or in connection with the promotion of a substitute trademark or service mark.

You must notify us immediately of any apparent infringement of, or challenge to, your use of any Mark and may not communicate information about this infringement or challenge with any person other than us, our affiliates, or our counsel. You may settle no claim without our written consent. We may take any action we consider appropriate (including no action) and exclusively control any litigation or USPTO or other administrative proceeding arising out of any infringement, challenge or claim related to the Marks. We do not have to protect you against infringement or unfair competition claims arising out of your use of the Marks, nor are we required to participate in your defense or indemnify you. However, we might do so if, in the opinion of our legal counsel, this action is necessary or appropriate under the circumstances.

After expiration or termination of your Franchise Agreement, you will have no further right to use the Marks and you must immediately discontinue using the Marks.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any rights in or to any patents, pending patent applications, or registered copyrights material to the franchise. We do, however, claim copyright protection for the Manual and other written documents we have developed in connection with the franchise.

There currently are no effective adverse determinations of, or pending material proceedings before, the PTO, the United States Copyright Office or any court involving the copyrighted materials. No agreement limits our right to use or let others use the copyrighted materials. We do not know of any copyright infringement that could materially affect you.

We consider certain information including the methods, techniques, formats, technology, procedures, and client lists as proprietary and confidential information. Our Manual and other materials have our confidential information. You must treat the Manual, and the information it has, as confidential, and must use all reasonable efforts to maintain this information as secret and confidential. You may not copy, duplicate, record or otherwise reproduce these materials, in whole or in part, nor otherwise make them available to any unauthorized person.

You must notify us immediately of any apparent infringement of or challenge to your use of any copyrighted materials. We may take the action we consider appropriate and control exclusively any litigation or other proceeding arising from any infringement, challenge or claim or otherwise concerning any copyrighted works. We may require you to modify or discontinue using any copyrighted works and/or use one or more additional or substitute copyrighted works. We need not reimburse you for your expenses. We need not participate in your defense nor indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a copyrighted work or if the proceeding is resolved unfavorably to you.

You must ensure that anyone associated with you keeps confidential all information received about the Business. At our request, you must require anyone who may have access to confidential information to execute confidentiality covenants. We must approve these covenants and they must include specific identification of us as a third-party beneficiary of the covenants with the independent right to enforce them.

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

Your Business must be under the direct on-premises supervision of you, or your Operating Owner (if you are an entity), or a trained, competent individual (the “Manager”) who: (1) has been approved by us and you in writing, (2) devotes his or her full time and energy to the operation of the Business, and (3) has completed the initial training program to our satisfaction. We do not

require that the Managers have an ownership/equity interest in your business, but we recommend that they do.

The person responsible for the day-to-day supervision of the franchised business whether franchisee or Operating Owner or Manager we approve, must assume responsibilities for the Franchised Business on a full-time basis and must not engage in any other business or other activity, directly or have management responsibility, time commitments, or that otherwise may conflict with franchisees obligations.

If we approve your request to run one or more Satellite Offices, each Satellite must have its own direct day-to-day supervisor. If the supervisor is an employee and the employee's employment terminates, you will promptly designate a replacement supervisor. You and all of your employees must obtain any licenses required to operate the Business and must follow all applicable laws. You must perform a background check on all employees and non-employee caregivers.

Your owners, day-to-day supervisor, employees, agents, and independent contractors must enter into our form of non-compete and confidentiality agreement, which is attached to the Franchise Agreement as Exhibit E.

If you are an entity, each of your owners and his or her spouse must sign a Guaranty and Assumption of Obligations in the form attached as Exhibit F to the Franchise Agreement. The people signing the Guaranty and Assumption of Obligations agree to assume and perform the franchisee's obligations under the Franchise Agreement. In addition, all of your officers, directors, partners, shareholders, and members must be bound by the non-disclosure provisions of the Franchise Agreement.

ITEM 16. RESTRICTIONS ON WHAT FRANCHISEE MAY SELL

You must perform all services we require or may require for operating the Business (the "Authorized Services"). You must not offer, sell, or promote any services or other types of non-medical services or related services under the Marks, except for the Authorized Services and other services, products, and programs as may be approved by us. You must sell or offer for sale only services and products we require or recommend and meet our current standards established in our Manual. We have the right, without restriction, to sometimes change the products, goods, and services we require you to offer and sell. You must discontinue selling and offering for sale any services or products we may, at our sole option, disapprove in writing.

ITEM 17. RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

PROVISION		SECTION IN FRANCHISE AGREEMENT	SUMMARY
a.	Length of the term of the Franchise	Section 4	Term is 10 years from the date the Franchise Agreement is signed by all parties.
b.	Renewal or extension of the term	Section 4	Upon meeting certain conditions, you can renew your franchise for an additional term on our then current terms (which may be materially different than your past Franchise Agreement).
c.	Requirements for you to renew or extend	Section 4	Provide at least sixty (60) days prior written notice of intent to renew; not in default and substantially comply during entire term with Franchise Agreement and all other agreements with us; sign the then current Franchise Agreement; execute general release of claims against us; comply with qualifications and training requirements, pay a Renewal Franchise Fee of \$15,000. "Renewal Franchise" means signing our then-current franchise agreement which could have materially different terms than those in your original agreement.
d.	Termination by you	Section 3	If you cannot acquire all necessary licenses for the operation of your Business within 120 days of signing the Franchise Agreement, you have a one-time option to terminate the Franchise Agreement. You will have the right to a partial refund of your Initial Franchise Fee upon receipt of a general release from you in a form acceptable to us (\$7,500.00 of the Initial Franchise Fee is not refundable, post-term obligations will not be released.), but all other monies paid or incurred to termination are non-refundable and you remain liable for any other debts incurred to establish the Franchised Business. The above does not apply to Conversion Franchisees.
e.	Termination by us without cause	None	Not Applicable.
f.	Termination by us with cause	Section 13	We can terminate the Franchise Agreement only if you default in your obligations under the Franchise Agreement or any other agreement with us.

PROVISION		SECTION IN FRANCHISE AGREEMENT	SUMMARY
g.	“Cause” defined; defaults which can be cured	Section 13	Under the Franchise Agreement you have 15 days to cure defaults not listed in (h) below.
h.	“Cause” defined; defaults which cannot be cured	Section 13	Non-curable defaults include: unsafe or unsanitary conditions or inhumane treatment of clients; making false statements, conviction of felony or other crimes or other conduct likely to impair the goodwill associated with the Marks; violate any law or regulation after time to cure; failure to maintain all necessary licenses; failure to complete the Initial Training Program or begin operations; adjudicated bankrupt or make an assignment to benefit creditors; unsatisfied judgments, levy or foreclosure; unauthorized disclosure of Confidential Information; unauthorized transfer; abandonment of Business; violate noncompete covenant(s); failure to cure default after notice and opportunity to cure.
i.	Your obligations on termination/non-renewal	Section 14	Obligations include pay past due amounts owed us and our affiliates, cease using our System, the Marks, and Confidential Information, abide by the noncompete covenants, if required, sell us the Business’ assets and abide by continuing obligations.
j.	Assignment of Franchise Agreement by us	Section 12	Assignee shall be economically capable, in our reasonable judgment, of performing the obligations of franchisor and expressly assume and agree to perform such obligations.
k.	Transfer by you – definition	Section 12	Includes sale or assignment of Franchise Agreement, franchisee entity, the franchise granted to you, or the Business assets.
l.	Our approval of transfer by you	Section 12	We have the right to qualify all proposed transferees.
m.	Conditions for our approval of transfer	Section 12	Assignee must be qualified, amounts owed to us or our affiliates must be paid, must comply with all agreements with us and our affiliates, assignee must assume all obligations, you submit to us for review all documents and information respecting the transfer at least 45 days before

PROVISION		SECTION IN FRANCHISE AGREEMENT	SUMMARY
			proposed transfer, you provide us with a general release of all claims, assignee has satisfactorily completed Initial Training Program, pay a transfer fee of \$15,000, we do not elect to exercise our right of first refusal in (n) below.
n.	Our right of first refusal to acquire your business	Section 12	We may match any offer for the purchase of your business assets, stock, or interest in the Franchise Agreement.
o.	Our option to purchase your business	Section 14	We have the right to buy your assets upon termination or expiration at book value.
p.	Your death or disability	Section 12	Franchise Agreement or ownership interest must be transferred by personal representative to approved buyer within 180 days.
q.	Noncompetition covenants during the term of the franchise	Section 6	No involvement in any Competitive Business.
r.	Noncompetition covenants after the franchise is terminated or expires	Section 6	No involvement with a Competitive Business for 18 months within your Protected Territory or one hundred miles of: (i) your Protected Territory; (ii) the territory of any other In Home Personal Services business.
s.	Modification of the Franchise Agreement	Section 16	No modifications generally unless in writing signed by both parties. We can modify or change the System through changes in the Manual.
t.	Integration/merger clause	Section 16	Only the terms of the Franchise Agreement and the exhibits attached to the Franchise Agreement are binding and may be modified only if required by a proper court to make the Franchise Agreement enforceable. Any representations or promises outside the Franchise Disclosure Document and franchise agreement may not be enforceable.
u.	Dispute resolution by arbitration or	Section 16	Except for certain claims, all disputes must be submitted to binding arbitration.

PROVISION		SECTION IN FRANCHISE AGREEMENT	SUMMARY
	mediation		
v.	Choice of forum	Section 16	Arbitration must be conducted in the Chicago, Illinois metropolitan area.
w.	Choice of law	Section 16	Illinois law applies.

ITEM 18. PUBLIC FIGURES

We do not use any public figures to promote the sale of our franchises but reserve the right to do so.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

This Item 19 contains historical financial performance data as provided by certain franchisees and all company-owned outlets. The representations made in this Item 19 are based upon the franchise system’s outlets existing for the time described below unless otherwise specifically excluded, as discussed below.

The financial performance information in Table 1 below reflects gross revenue for fifteen (15) outlets, including four (4) company owned outlets and eleven (11) franchised outlets, that: (1) were open and in operation for at least one full calendar year (during the entire period of January 1, 2024 through December 31, 2024, the “Measurement Period”); and (2) have reported at least 12 months of gross sales data (the “Included Outlets”). It excludes four (4) franchised outlets that (1) were not open and in operation for at least one full calendar year; and/or (2) did not report at least 12 months of gross sales data (the “Excluded Outlets”). We consider an outlet to be “open and in operation” once it has completed the training and all assigned door opening tasks, and can provide, at least, unlicensed homemaker/companionship services within the protected area. “Gross Revenue” is defined as all revenue and other income received, which arise from services by the outlet or others, connected with the Business including all proceeds from any business interruption insurance and excluding: (i) any sales tax or similar tax collected from clients and paid to any federal, state, local or any other governmental authority; and (ii) refunds made in good faith to clients under

prudent business practices.

In some instances, the Included Outlets have purchased more than one territory or a larger territory and report sales and royalty information as a single unit for all territories they own and/or operate out of one central office. In addition, in conjunction with the services provided to seniors, the population size, density of seniors and number of people over the age of 65 in the protected areas for the franchise owners represented in Table 1 below may not be similar to, or representative of, the protected area you may purchase.

The financial performance information presented below has been extracted from line 1 of the tax returns provided to us by the Franchisees. We have not audited this information, nor have we independently verified this information. Written substantiation is available upon request.

Table 1
Certain Outlets Gross Revenue
For Years 2022 to 2025

Outlet Type	Outlet No.	2022 Gross Revenue	2023 Gross Revenue	2024 Gross Revenue	2025 Gross Revenue
Company Owned	IL01	\$2,072,459	\$2,089,050	\$2,122,050	\$2,128,000
	IL02	\$1,114,753	\$1,002,958	\$1,022,750	\$1,140,000
	IL03	\$1,000,259	\$821,730	\$849,993	\$743,000
	IL05	\$550,010	\$231,963	\$255,195	\$310,012
Franchised ¹	IL04	\$1,957,248	\$2,186,654	\$1,946,173	\$2,145,766
	IL07	\$370,640	\$66,820	\$71,250	\$226,667
	IL09	\$324,112	\$435,219	\$345,118	\$266,950
	IL10	-	\$124,832	\$304,588	\$405,890
	IL11	-	\$72,170	\$267,120	\$333,350
	FL17 ²	\$675,064	\$522,867	\$596,862	\$687,516
	NV01	-	\$70,208.50	\$407,510	\$501,566
	MI01	-	-	-	\$156,448
	MD01	-	-	-	\$114,300

Notes

Note 1: The sizes of the territory for each outlet and the years opened differ.

Note 2: This territory does not offer live-in caregiver services.

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

Other than the preceding financial performance representation, the Franchisor makes no financial performance representations. The Franchisor also does not authorize its employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, the Franchisor may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, report it to the Franchisor's management by contacting Michael Collura, 813 Tek Drive, Crystal Lake, Illinois 60114; (847) 829-8708 the Federal Trade Commission, and the proper state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

**Table 1
Systemwide Outlet Summary
For Years 2023 to 2025**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	7	9	+2
	2024	9	9	0
	2025	9	10	+1
Company Owned	2023	4	4	0
	2024	4	4	0
	2025	4	4	0
Total Outlets	2023	11	13	+2
	2024	13	13	0
	2025	13	14	+1

Table 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2023 to 2025

State	Year	Number of Transfers
Total	2023	0
	2024	0
	2025	0

Table 3
Status of Franchised Outlets
For Years 2023 to 2025

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
Illinois	2023	6	0	0	0	0	1	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5
Florida	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Michigan	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Nevada	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Virginia	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Wisconsin	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Total	2023	7	3	0	0	0	1	9
	2024	9	0	0	0	0	0	9
	2025	9	1	0	0	0	0	10

Table 4
Status of Company Owned Outlets¹
For Years 2023 to 2025

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
Illinois	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	0	0	0	0	4
Totals	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	0	0	0	0	4

¹ All company-owned outlets are owned by our affiliate IHPS.

Table 5
Projected Openings as of December 31, 2025

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets In The Next Calendar Year	Projected New Company Owned Outlets In The Next Calendar Year
Florida	1	1	0
Massachusetts	0	1	0
Oregon	1	1	0
Total	2	3	0

The name, address, and telephone number of all franchisees as of December 31, 2025 is included as Exhibit C.

The name, city and state, and current business telephone number, or if unknown, the last

known home telephone number of every franchisee with an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily stopped doing business under the franchise agreement during the most recently completed fiscal year or who has not communicated with the franchisor within 10 weeks of the issuance date of this Disclosure Document appear at Exhibit D. If you buy a Franchised Business, your contact information may be disclosed when you leave the franchise system.

No current or former franchisees have signed confidentiality clauses.

As of December 31, 2025, there are no In Home Personal Services franchisee associations in existence whether they use our trademark or not.

ITEM 21. FINANCIAL STATEMENTS

Included as Exhibit E are our audited financial statements for the years ended December 31, 2025, December 31, 2024, and December 31, 2023.

ITEM 22. CONTRACTS

Attached to this Disclosure Document are the following agreements with exhibits:

Franchise Agreement (with Exhibits) - Exhibit B

Form of General Release – Exhibit F

Promissory Note – Exhibit I

ITEM 23. RECEIPTS

The Receipt pages are located on the last two pages of this Disclosure Document. Please sign and return one copy to us, and keep the other copy for your records.

EXHIBIT A TO THE DISCLOSURE DOCUMENT

AGENTS FOR SERVICE OF PROCESS AND STATE ADMINISTRATORS

List of State Regulatory Administrators

We intend to register this disclosure document as a “franchise” in some or all of the following states, if required by the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states:

LIST OF STATE ADMINISTRATORS	
<u>CALIFORNIA</u> Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free (866) 275-2677	<u>CONNECTICUT</u> State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, Connecticut 06103-1800 (860) 240-8230
<u>HAWAII</u> Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	<u>ILLINOIS</u> Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465
<u>INDIANA</u> Indiana Secretary of State Franchise Section 302 Washington Street, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	<u>MARYLAND</u> Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360
<u>MICHIGAN</u> Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 W. Ottawa Street G. Mennen Williams Building, 1 st Floor Lansing, Michigan 48933 (517) 373-7117	<u>MINNESOTA</u> Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600
<u>NEW YORK</u> New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21 st FL New York, NY 10005 (212) 416-8222	<u>NORTH DAKOTA</u> North Dakota Securities Department State Capitol Department 414 600 East Boulevard Avenue, Fourteenth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
<u>OREGON</u> Department of Business Services Division of Finance and Corporate Securities Labor and Industries Building 350 Winter Street, NE Room 410 Salem, Oregon 97310 (503) 378-4387	<u>RHODE ISLAND</u> Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
<u>SOUTH DAKOTA</u> Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563	<u>VIRGINIA</u> State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051
<u>WASHINGTON</u> Department of Financial Institutions Securities Division, P.O. Box 9033 Olympia, Washington 98507 (360) 902-8760	<u>WISCONSIN</u> Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

List of Agents for Service of Process

We intend to register this disclosure document as a “franchise” in some or all of the following states, if required by the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states:

LIST OF STATE AGENT FOR SERVICE OF PROCESS	
<u>CALIFORNIA</u> Commissioner Department of Financial Protection and Innovation 320 West 4 th Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free (866) 275-2677	<u>CONNECTICUT</u> Banking Commissioner Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, Connecticut 06103-1800 (860) 240-8230
<u>HAWAII</u> Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	<u>ILLINOIS</u> Illinois Attorney General Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465
<u>INDIANA</u> Indiana Secretary of State Franchise Section 302 West Washington Street, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	<u>MARYLAND</u> Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360
<u>MICHIGAN</u> Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 W. Ottawa Street G. Mennen Williams Building, 1 st Floor Lansing, Michigan 48933 (517) 373-7117	<u>MINNESOTA</u> Minnesota Commissioner of Commerce Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600
<u>NEW YORK</u> New York Secretary of State 99 Washington Avenue Albany, NY 12231	<u>NORTH DAKOTA</u> North Dakota Securities Commissioner State Capitol 600 East Boulevard Avenue, Fifth Floor Bismarck, North Dakota 58505 (701) 328-4712
<u>OREGON</u> Secretary of State Corporation Division - Process Service 255 Capitol Street NE, Suite 151 Salem, OR 97310-1327 (503) 986-2200	<u>RHODE ISLAND</u> Director of Department of Business Regulation Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
<u>SOUTH DAKOTA</u> Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563	<u>VIRGINIA</u> Clerk of the State Corporation Commission 1300 East Main Street, 1 st Floor Richmond, Virginia 23219 (804) 371-9733
<u>WASHINGTON</u> Director, Department of Financial Institutions Securities Division, 3rd Floor 150 Israel Road, Southwest Tumwater, Washington 98501 (360) 902-8760	<u>WISCONSIN</u> Administrator, Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

EXHIBIT B TO THE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC

FRANCHISE AGREEMENT

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EXHIBITS:

- A. PROTECTED TERRITORY**
- B. ACKNOWLEDGMENT REGARDING OWNERSHIP**
- C. INITIAL FRANCHISE FEE DETERMINATION**
- D. ACH AUTHORIZATION**
- E. FORM OF NON-DISCLOSURE AND NON-COMPETITION AGREEMENT**
- F. GUARANTY AND ASSUMPTION OF OBLIGATIONS**
- G. FORM OF BUSINESS ASSOCIATE AGREEMENT**
- H. ADDENDUM FOR CONVERSION FRANCHISEES**
- I. U.S. SMALL BUSINESS ADMINISTRATION ADDENDUM**

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this “Agreement”) with an effective date of this _____ day of _____, _____ (the “Effective Date”), is made between **IN HOME PERSONAL SERVICES DEVELOPMENT LLC**, an Illinois limited liability company, with its principal place of business 813 Tek Drive, Crystal Lake, Illinois 60114

(“we,” “us,” or “our”), and _____,
with its principal place of business at _____ (“you”
or “your”).

RECITALS

WHEREAS, as a result of the expenditure of time, effort, and money, we and our affiliate In Home Personal Services, Inc. (“IHPS”), have developed a System for establishing, operating, and marketing a non-medical home care and personal services business targeted toward to seniors and other persons who need assistance above the age of eighteen in daily living. The distinguishing characteristics of our System include, without limitation, uniform operating methods, procedures, and techniques for operations, personnel management, promotion, marketing, advertising, training, and customer service, all of which we may change, improve, and develop.

WHEREAS, we are a licensee of certain intellectual property, including the Mark “In Home Personal Services” and design® and other Marks from IHPS, and are allowed by agreement to license the Marks to you, subject to certain restrictions and obligations in this Agreement,

WHEREAS, we desire to grant to you, and you desire to accept from us, the right to operate an In Home Personal Services business, using the System and the Marks under the terms and conditions; and

NOW, THEREFORE, the parties agree to the mutual covenants, agreements, terms, and conditions herein.

1 DEFINITIONS

Whenever used in this Agreement, the following capitalized words and terms shall have these meanings:

1.1 “Affiliate(s)” means a person or entity that controls, is controlled by, is under common control with, another person or entity.

1.2 “Authorized Services” means the services that we require you to offer in the operation of the Business namely non-medical home care and personal services including companionship services; daily living services including assistance with eating, bathing, hair care, skin care and dressing; light housekeeping services including assistance with housekeeping duties, meal preparation, grocery shopping, medication reminders and exercise; and any other related services as we consider appropriate in our sole discretion. We may change the Authorized Services as the System develops.

1.3 “Competitive Business” means any business that offers services or products that are the same as or competitively similar to those offered by an In Home Personal Services business under the System.

1.4 “Confidential Information” means, without limitation, means the methods, techniques, formats, technology, marketing and promotional techniques and procedures, specifications, information, materials, systems, processes, suggested and required pricing, know-how, and knowledge of and experience in operating an In Home Personal Services business we communicate to you in writing, verbally or through the Internet or other online or computer communications, or that you otherwise acquire in operating the Franchised Business under the System, including without limitation the Manual and client lists. “Confidential Information” does not include information, processes or techniques generally known to the public, other than through disclosure (deliberate or inadvertent) by you or your owners, employees, or agents.

1.5 “Confidential Operations Manual” or “Manual” means all manuals and other written materials we provide to you, including bulletins, memoranda, e-mail, and other written and electronic communications prepared by us or under our directive setting out the standards, methods, procedures, and specifications for the operation of an In Home Personal Services business.

1.6 “Franchisee” shall be considered to include not only the individual or entity defined as “you” in the introductory section but shall also mean any person or entity that owns an interest in you. This includes all partners of the entity that executes this Agreement, (if the entity is a partnership); all shareholders of the entity that executes this Agreement (if the entity is a corporation); and all members of the entity that executes this Agreement (if the entity is a limited liability company).

1.7 “Franchised Business” or “Business” means the In Home Personal Services business you establish and operate under this Agreement.

1.8 “Gross Revenue” means all revenue and other income received, which arise from your services or others, connected with the Business. Gross Revenue shall also include all proceeds from any business interruption insurance. Gross Revenues shall expressly exclude: (i) any sales tax or similar tax collected from clients and paid to any federal, state, local or any other governmental authority; and (ii) refunds made in good faith to clients under prudent business practices.

1.9 “Mark(s)” means the trademarks and service marks and such other trade names, logos, trade dress, and other commercial symbols and similar and related words or symbols, that we own or license and that we have designated or may designate, for the System or the Business understanding that we may modify, stop, add to, or substitute the Marks used in the System.

1.10 “Operating Owner” means a designated partner, shareholder or member of a partnership, corporation or limited liability company who otherwise is responsible for the personal supervision and day-to-day operation of the Franchised Business.

1.11 “Protected Territory” shall mean the geographic area designated in Exhibit A.

1.12 “System” means the standards, specifications, methods, techniques, and procedures including the Confidential Information, advertising, marketing and sales promotion programs and materials developed by us and IHPS for establishing and operating an In Home Personal Services business, including providing Authorized Services, which may be changed occasionally.

1.13 “Website” shall mean an interactive electronic document, series of symbols, or otherwise, that is in a network of computers linked by communications software. The term Website includes, but is not limited to, Internet and World Wide Web home pages.

Capitalized terms not defined in this section shall have the meaning assigned to this term in the applicable section.

2. GRANT OF FRANCHISE; PROTECTED TERRITORY; GROSS REVENUE QUOTA

2.1 Grant of Franchise

We grant you, and you accept, the exclusive right to use the System and Marks under this Agreement in connection with the establishment and operation of a Franchised Business within the Protected Territory identified in Exhibit A.

You agree to use your best efforts to promote and operate the Business. You will use the Marks and System to operate the Business under the methods and systems we develop and prescribe occasionally. You will offer and sell from the Business all Authorized Services and shall be restricted from offering or selling any services and products not previously approved by us in writing and using the Business, System or Marks for any other purposes.

2.2 Protected Territory

As long as you comply with all of your obligations under this Agreement and subject to our reservation of rights described below, we will not establish an Affiliate-owned or company-owned business providing Authorized Services operating under the mark In Home Personal Services or grant any additional franchise(s) or business(es) providing Authorized Services operating under the mark In Home Personal Services within in the Protected Territory granted to you.

2.3 Rights We Reserve

We reserve all rights not expressly granted in this Agreement, including, but not limited to, the right to offer franchises to others for any area that is not included within your Protected Territory. This Agreement does not limit our or our Affiliates' rights to use or license the Marks and/or System or any part of them or to engage in or license any business activity at any other location and/or via any other means. You acknowledge that we and/or our Affiliates may engage in other business activities, including activities that may compete with the System. You acknowledge that you are not acquiring any rights under this Agreement other than the right to use the System as specifically defined in this Agreement and in accordance with its terms. In particular, but without limiting the foregoing, you expressly agree that, we, for our self and any Affiliate(s), retain these rights, which we may exercise and, on any terms, and conditions that we consider advisable:

(a) To own and operate, and grant franchises or licenses to others to own and operate In Home Personal Services businesses outside the Protected Territory;

(b) To own and operate, and grant franchises or licenses to others to own and operate, any business of any kind providing services other than the Authorized Services, including but not limited to medical services, group adult day care services, transportation and livery services, non-medical services training, and sale and distribution of medical equipment and other related services under the Marks or any names, trademarks, service marks, logos and other commercial symbols other than the Marks, at any locations within or outside the Protected Territory;

(c) To use the Marks and the System to offer, sell or distribute or grant franchises or licenses to others to offer, sell or distribute any services or products (which may be similar to those that you will sell) through any alternate channels of distribution or other methods of distribution at any location within or outside of the Protected Territory. "Other channels of distribution" mean any channels of distribution include without limitation the Internet (or any other existing or future form of electronic commerce, catalogs, mail order and television); and

(d) To be acquired (whether through acquisition of assets, or equity interests or otherwise, despite the form of transaction) by a business or entity providing products and services similar to those provided by In Home Personal Services businesses, even if that business or entity operates, franchises or licenses Competitive Businesses in the Protected Territory.

2.4 Solicitation

You may not advertise and solicit business outside your Protected Territory, without our prior written consent, which we have the right to withhold for any or no reason. Despite the foregoing, if you receive a prospective client lead from outside of your Protected Territory that is

not the result of advertising or solicitation of business by you, then you may service that prospective client, so long as the prospective client is not within a territory that already has been assigned to another franchisee, and so long as you receive our prior written consent, which we have the right to withhold for any or no reason. You cannot provide any Authorized Services or other services in another franchisee's territory, unless you receive our prior written consent, which we have the right to withhold for any or no reason. If you request, and we approve, to service areas outside of your Protected Territory, and we withdraw our approval or award an In Home Personal Services franchise to a third party whose territory includes clients you have been servicing, we might require you to immediately transfer such clients to us. You will receive no compensation for this cessation of service or loss of future revenue and failure to comply with our written notice requiring this client transfer can result in termination of the Business as specified in Section 15. In addition, the license granted to you under this Agreement may not be used at any location outside the Protected Territory and does not include the right to offer or sell services or products identified by the Marks, or any other names, trademarks, service marks, logos, or other commercial symbols outside your Protected Territory, or through any other channels of distribution within or outside your Protected Territory. You may not sub franchise or sublicense any of your rights under this Agreement.

2.5 Principal Office and Satellite Office(s)

You must maintain a permanent business office facility with its own telephone number, internet connection and computer system from which you operate the Franchised Business ("Principal Office"). The site for your Principal Office must be approved by us. You shall use and occupy the Principal Office premises only for the operation of the Franchised Business, shall not use or permit the use of the Principal Office for any other purpose or activity, and shall keep the Principal Office in normal operation for at least such minimum hours and days as we may specify in the Manual or otherwise in writing. The Principal Office must be kept clean, orderly and in excellent repair in the way that we prescribe occasionally in the Manual or otherwise in writing. In connection therewith, you shall, at your expense, make such additions, alterations, repairs, and replacements to the Principal Office as may be required for that purpose, including, without limitation, this periodic repainting, repairing, and replacing of obsolete or deteriorated signs, furnishings, fixtures, equipment and decor as we may reasonably direct by written notice to you. You shall complete all work specified in the notice within thirty (30) days after receipt of this notice.

The site for your Principal Office must be within your Protected Territory. You may not locate your office outside of your Protected Territory without our express written consent. If you have authorization from us to locate your office outside of your Protected Territory; you agree that should a franchisee purchase the territory where your business office is located, you will move the location of your Principal Office. Should it become necessary, because of condemnation, sale or other cause, including expiration or cancellation of your lease, to relocate your Principal Office, we will grant you authority to do so at a site acceptable to us that is in your Protected Territory and that is reasonably suited for your Business; provided that your Business is open and operating within 30 days after closing at the previous location, in accordance with our current standards. You must provide an uninterrupted telephone service to your clients during the transition.

Subject to our prior written approval which we will not unreasonably withhold, you may, but are not required to do so, establish one or more satellite office(s) within your Protected Territory. A “Satellite Office” is an additional facility from which you operate functions of the Franchised Business within your Protected Territory. Satellite Offices are typically in captive communities such as nursing homes, assisted living facilities, hospice care facilities, adult day care centers, continuing care retirement communities, independent living communities, senior apartment buildings and non-medical health care providers’ facilities. Each Satellite Office is staffed with full-time-or part-time staff to provide Authorized Services to members of the captive community. As with your Principal Office, each Satellite Office must be kept clean, orderly and in excellent repair in the way that we prescribe occasionally in the Manual or otherwise in writing. In connection therewith, you shall, at your expense, make such additions, alterations, repairs, and replacements to each Satellite Office as may be required for that purpose, including, without limitation, this periodic repainting, repairing, and replacing of obsolete or deteriorated signs, furnishings, fixtures, equipment and decor as we may reasonably direct by written notice to you. You shall complete all work specified in the notice within thirty (30) days after receipt of this notice.

2.6 Minimum Gross Revenue Quota

Your Franchised Business must achieve and maintain the following annual minimum Gross Revenue quota (“Gross Revenue Quota”).

Year of Operation	Gross Revenue Quota
1	\$100,000
2	\$280,000
3	\$555,000
4	\$650,000
5 thereafter	\$715,000

If you fail to meet any Gross Revenue Quota, we have the right to reduce the geographic size of the Protected Territory to an area we determine that you can appropriately service or establish a company-owned or Affiliate-owned In Home Personal Services business or grant an additional franchise for an In Home Personal Services business in the Protected Territory. **THE INCLUSION OF THE GROSS REVENUE QUOTA IS IN NO WAY INTENDED TO IMPLY THAT YOU WILL EXPERIENCE GROSS REVENUE OF ANY PARTICULAR LEVEL.**

3. FEES AND OTHER MONETARY REQUIREMENTS

3.1 Initial Franchise Fee

You agree to pay us a non-recurring fee (the “Initial Franchise Fee”) under the amount in the Initial Franchise Fee Determination attached as Exhibit C to this Agreement. Except as provided in Section 3.6 below, the Initial Franchise Fee shall be non-refundable and considered earned, in consideration of the administrative and other expenses incurred by us in granting the franchise and for our lost or deferred opportunity to grant this franchise to any other party.

3.2 Royalty Fee

Each month during the term of this Agreement, you shall pay to us a continuing royalty fee (“Royalty Fee”) equal to the greater of (i) six percent (6%) of Gross Revenue or (ii) the following Minimum Monthly Royalty:

Month of Operation	Minimum Monthly Royalty
1-12	\$500
13-24	\$1,000
25 thereafter	\$2,000

If you are a Conversion Franchisee, you will sign Exhibit H Addendum for Conversion Franchisees. If you are a Current Employee of us, you will not pay a percentage or the Minimum Monthly Royalty for month 1-12.

The Royalty Fee shall be due by the 10th day of each month, provided that this day is a business day, based on the Gross Revenue for the preceding one month period. A business day for the purpose of this Agreement means any day other than Saturday, Sunday, or a banking holiday. If the date on which such payments would otherwise be due is not a business day, then payment shall be due on the next business day. By executing this Agreement and at our option, you agree that we shall have the right to withdraw funds from your designated bank account by electronic funds transfer (“EFT”) for the Royalty Fee and any other amounts due to us or our Affiliates. You shall, upon execution of this Agreement provide us with a completed ACH Payment Authorization in the form included as Exhibit D and any time thereafter such documents or forms as we determine are necessary for us to process EFTs from your designated bank account for the payments due. Should any EFT not be honored by your bank, you agree that you shall be responsible for that payment plus a service charge applied by us and the bank, if any. If Royalty Fee payments are not received when due, interest and late fees may be charged by us under Section 3.4 below. If any state imposes a sales or other tax on the Royalty Fee, then we have the right to collect this tax from you.

3.3 Royalty Report and Delinquent Report Fee

Each such Royalty Fee shall be preceded by a royalty report itemizing the Gross Revenue for the preceding month ("Royalty Report") and any other reports required. If you are late in submitting any Royalty Report, any report required by Section 9, or any other required report, you shall pay us a fee (the "Delinquent Report Fee") equal to Twenty-Five Dollars (\$25.00) per day for each day that such required report is past due. The Delinquent Report Fee shall be separately imposed for each required report you fail to submit by the due date.

3.4 Late Fees and Interest

You will not have the right to withhold payments due us under this Agreement on grounds of alleged non-performance by us. Any payment not received by us by such due date shall be considered overdue. Time is of the essence regarding all payments to be made by you to us. All unpaid obligations under this Agreement shall bear interest from the date due until paid at the lesser of (i) eighteen percent (18%) per annum; or (ii) the maximum rate allowed by applicable law. Notwithstanding anything to the contrary contained herein, no provision of this Agreement shall require the payment or permit the collection of interest over the maximum rate allowed by applicable law. If any excess of interest is provided for herein or shall be adjudicated to be so provided in this Agreement, this paragraph shall govern and prevail, and you shall not have to pay the excess amount of such interest. If interest over the maximum rate allowed by applicable law shall be considered charged, required, or permitted, any excess like this shall be applied as a payment and reduction of any other amounts which may be due, and if no such amounts are due then such excess shall be repaid to you.

3.5 Other Amounts Due Us

All other purchases by you from us or our Affiliates shall be paid according to the terms established by us or our Affiliates. We and our Affiliates reserve the right to modify payment terms occasionally. In addition, you shall pay such other fees or amounts described in this Agreement.

3.6 Limited Right to Terminate; Partial Refund

If you cannot acquire the necessary licenses for the operation of your Business within one hundred twenty (120) days of executing this Agreement ("License Acquisition Period"), you will have a one-time option to terminate this Agreement ("Termination Option"). To exercise the Termination Option, you must have diligently pursued all licenses necessary for the operation of the Business and have provided us with written notice of your intent to terminate within ten (10) days before the end of the one hundred twenty (120) day license acquisition period. We shall have the right to determine if you have diligently pursued such licenses. This determination shall be in our sole discretion and shall be a final and binding determination. If you exercise the Termination Option and we determine you have diligently pursued all licenses, we will retain \$7,500.00 of the Initial Franchise Fee paid to us which is considered be our reasonable costs and expenses incurred before termination and refund the rest of the Initial Franchise Fee. You remain liable for all expenses and debts you may have incurred in connection with the establishment of the Franchised Business including the fees in this Section 3 and as specified in this Agreement.

For us to release your obligations under this Agreement and to issue a refund, you, on behalf

of yourself and your heirs, executors, administrators, representatives, successors and assigns, must sign a general release to voluntarily release and forever discharge us, our affiliates, predecessors, insurers, successors or assigns, officers, directors, employees, agents, shareholders, successors, assigns, trustees, heirs, administrators, executors, representatives and principals (collectively, "Releasees"), both individually and in their business capacities, to the full extent allowed by law, of and from any claims, causes of action, agreements, attorneys' fees, costs, and debts, known and unknown, asserted and unasserted, which you have or may have against any Releasees as of the general release agreement. Post-term obligations such as non-competition will not be released.

4. INITIAL TERM AND RENEWAL

4.1 Term

Unless sooner terminated under this Agreement, the initial term ("Initial Term") of this Agreement shall be for ten (10) years from the Effective Date.

4.2 Renewal

At the end of the Initial Term, so long as we continue to offer franchises for In Home Personal Services Businesses you will have the option to renew your franchise agreement for an additional term (each called a "Renewal Franchise") under these conditions:

- (a) You have given us written notice of your election enter into a Renewal Franchise not earlier than ninety (90) days or later than sixty (60) days before the end of the Initial Term;
- (b) You are not in default under or in breach of any provision, including amendments, of this Agreement, or any other agreement between you and us, and have substantially complied with all terms of such agreements during their respective terms;
- (c) You sign our then-current form of Franchise Agreement, which agreement shall supersede this Agreement, and which may differ from this Agreement including without limitation, higher Royalty Fees, Marketing Fund contributions, and other fees;
- (d) You execute a general release, in a form prescribed by us;
- (e) You comply with our then-current qualifications and training requirements, at your sole expense; and
- (f) You pay a Renewal Franchise Fee of \$15,000 ("Renewal Franchise Fee"). The Renewal Franchise Fee is deemed earned when you pay it and is not refundable under any circumstances.

5. THE MARKS

5.1 Ownership of the Marks

You acknowledge that we own the Marks. your right to use the Marks is derived only from this Agreement and is limited to operating the Franchise under and in compliance with this Agreement. Any unauthorized use of the Marks breaches this Agreement and an infringement of our and/or our Affiliates rights in the Marks. This Agreement does not confer any goodwill or other interests in the Marks on you. Your use of the Marks and any goodwill established thus will inure to our or our Affiliates' exclusive benefit. All provisions of this Agreement applicable to the Marks will apply to any additional or substitute trademarks and service marks we allow for your use. You may not during or after the Term contest, or assist any other person in contesting, the validity or ownership of the Marks.

5.2 Your Use of the Licensed Marks

You agree to use the Marks as the sole identification of your Business (provided you will identify yourself as the independent owner and operator of the Business) and only in connection with the offering of the Authorized Services. You may use no Mark as part of any corporate or legal business name or in any other manner (including as an electronic media identifier, such as websites, web pages, or domain names) not expressly authorized in writing by us. We may let you add a geographic designation to one or more of the Marks to identify your Protected Territory, but you agree not to assert any rights to the Marks or the local market designation, whether combined with each other or alone.

5.3 Discontinuance of Use of the Marks

If it becomes advisable in our sole discretion for us and/or for you to modify or discontinue use of any Mark and/or use one or more additional or substitute trademarks or service marks, you agree to comply with our directions within a reasonable time after we give you notice. We will have no liability or duty regarding any such required modification or discontinuance of any Mark, or in connection with the promotion of a substitute trademark or service mark in accordance with our direction.

5.4 Notification of Infringement and Claims

You agree to promptly notify us of any possible infringement of, or challenge to, your use of any Mark, or any claim by another person of any rights to any Mark. You may not communicate with any person, other than us, our counsel, and your counsel, in connection with any such infringement, challenge or claim. We, or our licensor, will have sole discretion to take such action as we, or they, consider appropriate and the right to control exclusively any litigation, any U.S. Patent and Trademark Office proceeding or any other administrative proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Mark. You must execute any instruments and documents, render such assistance and do such acts and things as, in the opinion of our counsel, may be necessary or advisable to protect and maintain our interests in any litigation,

any U.S. Patent and Trademark Office proceeding or any other proceeding, or otherwise to protect and maintain our interests in the Marks.

6. THE MANUAL AND CONFIDENTIAL INFORMATION

6.1 The Manual

To protect our reputation and goodwill and to maintain high standards of operation under the Marks, you shall conduct your business under the Manuals and other written directives that we may reasonably issue to you occasionally. The Manual is provided to you on loan and includes required and suggested standards and business operating procedures, specifications, technical advice, and rules and regulations for operating the Franchised Business. You and your owners shall treat the Manual and the information therein as confidential and shall maintain a trade secret and confidential. You shall divulge and make such materials available only to such of your employees as must have access to it to operate the Business. Any required standards, operating procedures, specifications, technical advice, and rules and regulations exist to protect Franchisor's interest in the System and the Marks and to create a uniform client experience, and not to establish any control or duty to take control over the day-to-day operational matters reserved to Franchisee.

You shall not copy, duplicate, record or otherwise reproduce these materials, in whole or in part, or otherwise make the same available to any person other than those allowed above.

The Manual and any other Confidential Information provided or approved by us shall remain our sole property, shall be kept in a secure place at your Principal Office, and shall be returned to us immediately upon request or upon termination or expiration of this Agreement. We may occasionally revise the contents of the Manual and the contents of any other materials created or approved for the operation of the Business. You shall remove and destroy all pages of the Manual that have been replaced or updated by us. You expressly agree to meet each new or changed standard which we consider required. You shall ensure the Manual is kept current and up to date. In the event of any dispute as to the contents of the Manual, the master copy of the Manual maintained by us at our headquarters shall control. We reserve the right to provide the Manuals electronically.

6.2 Confidential Information

We will disclose Confidential Information to you as part of your operation of the Business. You shall acquire no interest in the Confidential Information, other than the right to use it to operate the Business. You agree that the Confidential Information is proprietary, including our trade secrets, and that you:

(a) shall not use the Confidential Information in any other business or capacity;

(b) shall maintain the absolute confidentiality of the Confidential Information during and after the term of this Agreement;

(c) shall not make or permit making any unauthorized copies of any portion of the Confidential Information disclosed in any form;

(d) shall limit exposure of the Confidential Information only to those in a confidential relationship to us;

(e) shall not use any such Confidential Information to the detriment of us, the Business or any other In Home Personal Services franchisee or client; and

(f) shall adopt and implement all reasonable procedures prescribed by us to prevent unauthorized use or disclosure of the Confidential Information.

Immediately upon the termination of this Agreement, you agree to cease and forever abstain from using any Confidential Information and otherwise comply with this Agreement; you further agree to return to us at your expense all documents or other tangible evidence of any Confidential Information, both original and any reproductions.

6.3 In Term Non-Competition Covenant

You agree that we would be unable to protect the Confidential Information against unauthorized use or disclosure and would be unable to encourage a free exchange of ideas and information among In Home Personal Services franchisees, if franchisees could hold interests in, or perform services for, any Competitive Businesses. During the Initial Term and any Renewal Franchise term, you agree that you will not, without our prior consent: (a) own any legal or beneficial interest in, or render services or give advice to, any Competitive Business located anywhere; or (b) divert or try to divert any business or client of any In Home Personal Services Business to any competitor or do anything injurious or prejudicial to the goodwill associated with the Marks or the integrity of the System.

6.4 Post-Term Non-Competition Covenant

If this Agreement is terminated or expires (without obtaining a Renewal Franchise), or you or your Owners transfer the Business, then for eighteen (18) months, starting on the effective date of termination, transfer, or expiration, you agree that you will not own a legal or beneficial interest in, or render services or give advice to, any Competitive Business located or operating:

(a) in your Protected Territory;

(b) within one hundred (100) miles of the boundaries of your Protected Territory;

or

(c) in the territory, or within one hundred (100) miles of the boundaries of the territory, of any other In Home Personal Services Business then in operation.

You and each of your Owners expressly acknowledge that you possess skills and abilities of a general nature and have the opportunity for exploiting those skills in other ways, so that enforcement of the covenants made in this Section will not deprive any of you of your personal

goodwill or ability to earn a living. If you or any of your Owners fail or refuse to abide by the foregoing covenants, and we obtain enforcement in a judicial or arbitration proceeding, the obligations under the breached covenant will continue in effect for a period ending one (1) year after the date this person begins compliance with the order enforcing the covenant.

6.5 Improvements Developed by You

You shall fully and promptly reveal to us all ideas, concepts, methods, and techniques (“Improvements”) relating to the development and/or operation of the Business conceived or developed by you and/or your employees or agents during the term of this Agreement. All such materials in connection with the Improvements created or conceived by you or in collaboration with others during the term of this Agreement shall be our sole and exclusive property and you hereby assign all right, title, and interest in any intellectual property in connection with the Improvements. You further agree to execute any additional documentation necessary to perfect our ownership rights, including, without limitation, copyright, trademark, and patent applications, assignments, and/or recordings as we may request.

6.6 Client List

Except as otherwise provided by applicable law, you agree that we own any client lists and their contents that you may develop during the normal course of operating the Business. Except as otherwise provided by applicable law, you promise to provide to us, upon our request, an electronic copy, or in a form we approve, of a complete list of current and former clients, including their name, telephone number, complete mailing address, frequency of service, last date serviced, and price of service, and other information about such clients as we request. You promise not to use any client list for any purpose other than in the normal operation of the Business without our prior written approval. Except as otherwise provided by applicable law you acknowledge that all client lists belongs to us because of having been developed under the Marks and as part of the goodwill associated with the Marks and we may use and transfer this information in our sole discretion subject to applicable law. Attached as Exhibit G is our form of Business Associate Agreement to comply with privacy and security provisions of HIPAA, as may be changed occasionally.

6.7 Third Party Nondisclosure

Your owners, spouses, employees, managers (and if you are an individual franchisee, your immediate family members) shall execute non-disclosure and non-competition agreements (in the form of Exhibit E) which have substantially the restrictions of this Section 6. We shall be a third party beneficiary of such agreements and you shall not amend, modify, or terminate any such agreement without our prior written consent. Upon our request, you shall provide us with the contact information for each of these person(s) and shall update necessary.

6.8 System Website

We have established and maintain a website at the uniform resource locator <https://ihps.com> (the “Website”) which is designed to promote the Marks, the System, and the

system of In Home Personal Services businesses. We have the sole right to control all aspects of the Website, including without limitation its design, content, functionality, links to the websites of third parties, legal notices, and policies and terms of usage; we shall also have the right to discontinue operation of the Website. Within the Website, we will provide one or more separate web page(s) to describe your and other franchisees' In Home Personal Services businesses. You agree to comply with our policies regarding the creation, maintenance, and content of any such web page(s). We may refuse to post and/or discontinue posting any content and/or the operation of any web page. You agree not to establish a separate website without our prior written approval (which we shall not have to provide). We retain the right to modify the provisions of this Section 6.8 relating to the Website as we shall determine is necessary or appropriate. You may not conduct commerce or offer or sell any services or products using any website, another electronic means or medium, or otherwise over the Internet. If we approve the use of any social media websites such as LinkedIn®, twitter®, Facebook® or YouTube® relating to your Business, you will do so only in accordance with our guidelines. We reserve the right to require our approval of any message you compose for a social media website or commentary for any other website before you post this message or commentary. If requested by us, you agree to cease posting on any social media website in connection with your or any other In Home Personal Services business or the Marks.

We recognize that occasionally a franchisee may disagree with us. However, without limiting your right to dispute resolution as provided in Section 16.6 of this Franchise Agreement, we require all disagreement or criticism be expressed privately. You may not post on any social media or in another form of media or mass communication any statements referring to us or our Affiliates, or using any of our Marks, that are disparaging or critical to us. You agree this provision is necessary to protect our goodwill and necessary to protect your investment in your Franchise.

7. INITIAL AND ONGOING TRAINING

7.1 Initial Training Program

Before beginning operation of the Business, we will provide you with an initial training program (the "Initial Training Program") which you (or your Operating Owner, if you are an entity; or your Manager as defined in Section 10.2) must attend. All travel, lodging, meals, salary, benefits, and incidental expenses for both you and your designees incurred in connection with the Initial Training Program shall be your responsibility. You (or your Operating Owner if you are an entity; or your Manager as defined in Section 10.2) must complete the Initial Training Program to our satisfaction. We shall determine, in our reasonable discretion, whether you, or your Operating Owner, or your Manager has satisfactorily completed the Initial Training Program. If the Initial Training Program is (a) not completed within the four (4) months after signing this Agreement or (b) not satisfactorily completed by you, or your Operating Owner, or your Manager, we may delay the opening of your Business until such requirements have been met.

7.2 Beginning Operations Assistance

With the beginning of operation of your Business, subject to our availability and scheduling conflicts, we shall provide you with on-site assistance in the beginning of operations of your

Business your Principal Office. If you request additional on-site assistance in connection with the beginning of operation, you shall pay to us the per diem fee then being charged to franchisees generally for additional on-site assistance, including payment of any expenses incurred by our representatives, such as costs of travel, lodging, and meals.

7.3 Ongoing Programs

Occasionally, we may present seminars, conventions, or continuing education programs, or we may conduct meetings to benefit all franchisees (“Ongoing Programs”). Some of the Ongoing Programs may be optional and some may be required. We have the right to require you to attend any required Ongoing Programs as may be offered by us. We will give you at least 30 days’ prior written notice of any Ongoing Program deemed required. This notice may be via email or other means of electronic communication we elect to use in our sole discretion. We shall not require that you attend any Ongoing Program more often than once a year, but we may require participation in webinars or conference calls more often than yearly.

8. BOOKS AND RECORDS

8.1 Books and Records

You shall maintain during the term of this Agreement full, complete and accurate books, records and accounts, including, but not limited to, invoices and billing statements, purchase orders, payroll records, check stubs, bank statements, sales tax records and returns, cash receipts and disbursements, journals and ledgers, records of EFT transactions, and backup or archived records of information maintained on any computer system under generally accepted accounting principles and in the form and manner prescribed by us occasionally in the Manual or otherwise in writing. You agree to preserve and maintain all records in a secure location at the Principal Office for at least seven (7) years from their preparation and to provide us with copies or any such records as we may request.

8.2 Reports

In addition to the Royalty Report required by Section 3.3 above, you agree to establish and maintain at your expense a bookkeeping, accounting and recordkeeping system conforming to the requirements and formats we periodically specify. We may require you to use your computer system to maintain certain financial data and other information, in such formats as we periodically prescribe, and to transmit certain data and information to us on a schedule that we periodically specify. You also agree to give us in the way and format we periodically specify:

(a) within ten (10) days after the end of each month, the operating statements, financial statements (including a balance sheet and profit and loss statements), statistical reports and other information we request regarding you and the Franchised Business covering that month;

(b) within sixty (60) days after the end of each of your fiscal years, annual profit

and loss and source and use of funds statements and a balance sheet for the Franchised Business as of the end of the previous fiscal year; and

I within thirty (30) days after our request, copies of federal and state income and other tax returns and any other forms, records, books, reports, and other information we periodically require relating to the Franchised Business.

If required by us, you agree that the reports you provide under 8.2(b) above shall be audited by a certified public accountant at your expense. We will provide you with at least sixty (60) days' notice if we require the requisite reports be audited.

8.3 Inspections

We or our designees shall have the right, during normal business hours, to review, audit, examine and copy any of your books, records, computer system and reports as we may require. You shall make such books and records available to us or our designees immediately upon request. If any required royalty or other payments due to us are delinquent, or if an inspection should reveal that such payments have been understated in any report to us, then you shall immediately pay to us the amount overdue or understated upon demand with interest determined under Section 3.4. If an inspection reveals an understatement in any report of two percent (2%) or more, you shall, in addition, reimburse us for all costs and expenses connected with the inspection (including, without limitation, reasonable accounting and attorneys' fees). These remedies shall be in addition to any other remedies we may have at law or in equity.

8.4 Corporation, Limited Liability Company, Partnership or Other Entity

If you are a corporation, limited liability company, partnership, or other entity:

(a) Upon execution (or transfer) of this Agreement, you shall give to us a copy of your articles of incorporation, certificate of incorporation, bylaws, and a list of shareholders showing the percentage interest of shares owned by each by completing the Acknowledgement Regarding Ownership attached as Exhibit B. You shall promptly provide us copies of any amendments or changes to these documents. If your entity is other than a corporation, you shall provide the corresponding documents that apply to your entity (e.g. limited liability company articles of organization, operations agreement, list of members, etc.);

(b) You shall provide copies of such corporate records as we may request occasionally or as required in the Manual; and

(c) You shall maintain stop-transfer instructions on your corporate records against transferring any securities with voting rights, subject to the restrictions of this Agreement, and each stock certificate (or certificate evidencing an ownership interest) shall have conspicuously endorsed upon it a legend in substantially the following for

“The sale, transfer, pledge, or hypothecation of this [stock] is subject to the terms and conditions of the In Home Personal Services Franchise Agreement dated _____ between In Home Personal Services Development, LLC, and the issuer of these [shares]. Reference is made to the provisions of said Franchise Agreement and to the [Articles and Bylaws] of this [corporation].

(d) You shall maintain a current list of all owners of record and all beneficial owners of any class of voting stock as required by executing an Acknowledgement Regarding Ownership in the form contained as Exhibit B.

(e) Each present and future holder of any legal or beneficial ownership interest, and his or her spouse, shall jointly and severally guarantee your performance of, and agree to be bound by and liable for the breach of, every provision of this Agreement, by executing a Guaranty and Assumption of Obligations in the form contained as Exhibit F.

9. INSURANCE

You agree to purchase and maintain in full force and effect throughout the term of this Agreement the types of insurance designated periodically by us. You must designate us as an additional named insured and maintain the following minimum insurance policies: (i) broad form general liability of \$2,000,000 per occurrence, (ii) property insurance covering the full replacement value of your office (iii) workers’ compensation insurance, and (iv) bodily injury/accident insurance of \$1,000,000 per individual. The insurance policies described above are minimum requirements and you may purchase and maintain additional insurance policies or insurance policies with greater coverages.

In addition, you agree to purchase and maintain in full force and effect, at your expense, other insurance in amounts designated periodically by us or required by prudent business practices covering operation or maintenance of any building, equipment or motor vehicle owned or leased by you in connection with your Business and any other insurance we specify in writing occasionally or required by local, state, or federal law. You further agree to deliver to us sometimes or at our request a proper certificate evidencing the existence of this insurance coverage and your compliance with this Section. All insurance coverage must (i) name us as an additional insured, (ii) insure you, us and our Affiliates and their respective officers, directors, agents, and employees from any and all loss, liability, claim or expense of any kind and (iii) provide that we will be given 30 days’ prior written notice of material change in or termination or cancellation of the policy. This insurance coverage must commence as of the date you commence operating your Business.

10. YOUR FRANCHISED BUSINESS OPERATIONS

10.1 Manner of Operation

Beginning no later than (i) six (6) months after you execute the Franchise Agreement; or within one (1) month after you receive all required licenses and permits from governmental authorities and complete training to our satisfaction; whichever occurs first.

You shall run the Business within the Protected Territory from the Principal Office during common business hours in compliance with our System, including all standards, policies, and procedures which we may occasionally establish in the Manual, bulletins, notices, or otherwise in writing. You shall maintain the highest standards of quality and workmanship in its operation of the Business under the standards established by us to provide the highest quality service to your clients and to preserve and enhance the value of the Marks licensed. During the term of this Agreement, you shall meet the obligations and requirements under this Agreement and the Manual in your operation of the Business; act in good faith; cooperate with us in accomplishing the purpose of this Agreement; not engage in any business activity which would harm or interfere with the operation, reputation, or goodwill of the Business, us, the System, or any other franchisee.

10.2 Supervision of the Business

Your Business must be under the direct on-premises supervision of you, or your Operating Owner (if you are an entity), or a trained, competent individual (the “Manager”) who: (1) has been approved by us and you in writing, (2) devotes his or her full time and energy to the operation of the Business, and (3) has completed the initial training program to our satisfaction. We do not require that the Managers have an ownership/equity interest in your Business, but we recommend that they do.

The person responsible for the day-to-day supervision of the franchised business whether franchisee or Operating Owner or Manager we approve, must assume responsibilities for the Franchised Business on a full-time basis and must not engage in any other business or other activity, directly or have management responsibility, time commitments, or that otherwise may conflict with franchisees obligations.

10.3 Employee Policy

You shall maintain a competent and conscientious staff who maintain a professional appearance and have been trained under the procedures in the Manual, and who meet any applicable governmental standards. You shall take such steps as are necessary to ensure that your employees and other staff members preserve good client relations and render competent, prompt, courteous and knowledgeable service. You agree to conduct a background check on each and every potential employee before making an offer of employment. You shall be solely responsible for all employment decisions about the Business, including, without limitation, those related to hiring, firing, compensation, personnel policies, benefits, record keeping, supervision and discipline, and even if you received advice from us on such subjects.

10.4 Compliance with Laws, Rules, and Regulations

You shall comply with all federal, state, and local laws, codes, ordinances, rules and regulations which affect the operation of the Business. You must comply with all applicable provisions of the Health Insurance Portability and Accountability Act (“HIPAA”) including its Privacy Rule, Security Rule, Breach Notification Rule, Enforcement Rule, Omnibus Rule, and HITECH Act. Among other things you will need to: (a) appoint a privacy officer; (b) adopt policies and procedures to prevent, detect, contain, and correct security violations; (c) implement a security awareness and training program for members of your workforce; (d) provide notice of breach to affected individuals. You acknowledge that you are solely responsible for complying with all federal, state, municipal or other laws, as well as all local licensing requirements for the operation of the Business. We assume no responsibility for your acts or omissions. You shall obtain and keep in force all licenses, permits and certificates necessary for the full and proper operation of the Business, including, without limitation, licenses or permits necessary to perform the Authorized Services, to do business, assumed name registrations and sales tax permits. You shall pay promptly, as, and when due, all taxes and charges lawfully assessed by any governmental authority, including, without limitation, state and federal employment and unemployment taxes, income taxes, sales taxes, payroll taxes, and all accounts and other indebtedness of every kind.

10.5 Computer System

To maximize the operation of your Business, you shall acquire, install, maintain, and upgrade computer hardware, software and Internet access (the “Computer System”) as sometimes required by us during the term of the Agreement. We or our Affiliates or designees may be a designated supplier or the sole designated supplier for some or all of the required computer hardware, software, and ongoing Computer System support. You expressly agrees to implement any changes like these to the Computer System when necessary, within the period specified for all franchisees and at your sole expense, to maintain the uniformity and integrity of the System and to comply with all policies and procedures, and execute any required agreements, regarding software and/or hardware support, use of intranet or any electronic communication, data storage/retrieval system, or the website as we may prescribe occasionally. You are solely responsible for protecting from disruptions, Internet access failures, Internet content failures, and attacks by hackers and other unauthorized intruders and you waive any claims you may have against us or our affiliates as the direct or indirect result of such disruptions, failures, or attacks. You must comply with all laws and regulations relating to privacy and data protection and must comply with all privacy policies or data protection and breach response policies as we may periodically establish. You must notify us immediately of any suspected data breach at or in connection with the Franchised Business.

You shall maintain an active e-mail account issued by us for receiving bulletins, updates, information, and other communications from us. We use software in our electronic information systems that allows monitoring by authorized staff and that creates and stores copies of any messages, files, or other information entered into, received by, sent, or viewed on the e-mail account issued by us. There is no expectation of privacy in any information or activity conducted, sent, performed, or viewed on or with such e-mail account. You should assume that whatever you do, type, enter, send, receive, and view on such e-mail account is electronically stored and subject to

inspection, monitoring, evaluation, and our use. Further, you agree that your use of the e-mail account issued by us to send or receive files or other data otherwise subject to any confidentiality or disclosure privilege is waived regarding any right of confidentiality or non-disclosure. Should you wish to maintain any confidentiality or disclosure privilege, you must send or receive this information using means other than the e-mail account issued by us.

10.6 Customer Service

You are solely responsible for the quality of the services performed and shall render and shall cause each of your employees, contractors, and agents to render prompt, competent and courteous service to clients. We expect that you shall respond to any dissatisfied clients within twenty-four (24) hours after the complaint is received. If you cannot equitably resolve the client's complaint within seven (7) days after the initial contact, you shall contact us for possible assistance in handling the complaint. In no event shall our assistance be construed to make us liable to you or to your client in connection with this complaint since you are solely responsible for satisfactorily resolving all client disputes. Should you fail to do so, you are responsible for reimbursing us or any other franchisee that does so for the reasonable cost of such services. To ensure that our reputation for providing superior services is maintained and to ensure that all franchisees use the System to maintain high standards of quality and service in compliance with this Agreement, we may contact your clients about the quality of services, the level of client satisfaction, or other aspects of the Business that we consider relevant.

10.7 Products, Services and Approved Suppliers

All products, supplies and equipment used in the Business shall be of high quality to assure uniformly high standards. You shall offer all, and only such Authorized Services and other products and services as have been expressly approved by us and shall refrain from or discontinue offering any products or services which we may disapprove in writing. Specified products, inventory, supplies, uniforms, tools, chemicals, equipment, and other materials used in the operation of the Business shall be purchased from suppliers whose products and workmanship demonstrate, to our continuing reasonable satisfaction, the ability to meet our specifications and high standards of quality and uniformity. Approved suppliers may include us and our Affiliates. We will sometimes advise you, in writing, of designated and/or approved suppliers. You have the right to seek our approval of an unapproved supplier provided that before any such purchase, you give us written notice you wish to purchase from sources other than previously approved suppliers. The notice shall be given sufficiently in advance to permit us to conduct any verification and testing we consider advisable. We will not unreasonably withhold our approval of any alternate supplier, and we will use reasonable efforts to respond to your request for approval within thirty (30) business days from our receipt of your request. We may require that samples from alternate suppliers be delivered to us or to a designated independent testing laboratory for testing before approval is given. A charge (to cover the actual cost of the test or inspection and any related cost/expense) may be made by us or by an independent testing laboratory designated by us and shall be paid by you to us or the independent testing laboratory upon demand. We reserve the right to revoke our approval upon the supplier's failure to meet our criteria even if previously approved. We and our Affiliates may receive payments from suppliers because of such suppliers' dealings with you and other

franchise owners and may use any amounts so received without restriction and for any purpose we and our Affiliates consider appropriate.

10.8 Proprietary Products and Supplies

You may purchase and/or may be required to purchase, from us, our Affiliate, or designee, certain proprietary products including advertising and marketing materials, sales aides and other promotional materials which now comprise, or in the future may comprise, a part of the System. We shall sell you proprietary products at the price specified by us occasionally.

10.9 Pricing Policies

You have the right to set the prices you charge for the services offered at your Business. We may occasionally suggest to you regarding your pricing policies. We have the right to change our standard pricing policies which will give us the right to establish prices, both minimum and maximum. Any such changes will be in writing. Unless we so change our standard pricing policies any list or schedule of prices we furnish to you is a recommendation only and any decision you make to accept or reject the suggestion will not affect the relationship between you and us.

10.10 System Adaptations

Because complete and detailed uniformity under many varying conditions may not be possible or practical, and to remain competitive and respond to new technology, client needs and market conditions, we reserve the right to vary standards for any franchisee based on the peculiarities of a particular site or circumstance, density of population, business potential, population of trade area, existing business practices, or any other conditions we deem of importance to the operation of this business. You have no right to the same or similar standards or variations we give other franchisees. You agree that we have the right to make periodic changes or rescind any requirement, standard or specification under this Agreement in order to adapt our System to changing conditions and competitive circumstances.

11. MARKETING

11.1 Initial Advertising Campaign/Local Advertising and Promotion

For thirty (30) days before and thirty (30) days after beginning of operation of the Business, you must spend \$3,000 on an advertising campaign to promote an awareness of the beginning of operation of the Business. The advertising campaign is subject to our review and approval as stated below and we will work with you on a marketing plan and proposed advertising material.

Starting from the third month after the month of your Business's grand opening, each month you shall spend on local advertising and promotion an amount equal to one and one-half percent (1.5%) of the prior months Gross Revenue (the "Local Advertising Expenditure"). You do not have to spend over twenty-five Hundred Dollars (\$2,500) per month for your Local Advertising

Expenditure. Such Local Advertising Expenditure shall be made directly by you, subject to our approval. You must use our Approved Supplier(s) for digital marketing and marketing materials.

Your local advertising and promotion must follow our guidelines. All advertising and promotional materials, signs, stationery supplies and other items we designate for your Business (“Marketing Materials”) must bear the Marks in the form, color, location, and manner we specify, and you must obtain all such materials from Approved Suppliers. You may prepare and use your own advertising and promotional materials only with our prior written approval. We will respond to your request for approval within 30 days after we receive it. You may use no advertising, promotional, or marketing materials we have not approved of or have disapproved, even if previously approved. All advertising and promotional materials you use for your Business must be clear, factual, and not misleading and conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies we prescribe occasionally.

11.2 Cooperative Advertising Program

Subject to the terms and conditions of this Section 11.2, you agree that we may establish an advertising cooperative (“Advertising Cooperative”) in geographical areas in which two (2) or more In Home Personal Services businesses are operating. The Advertising Cooperative members in any area will include all In Home Personal Services franchisees in this area. Each Advertising Cooperative will be organized and governed in a form and manner, and begin operating on a date, that we determine in advance. We may change, dissolve and merge Advertising Cooperatives. Each Advertising Cooperative’s purpose is, with our approval, to administer advertising programs and develop advertising, marketing, and promotional materials for the area that the Advertising Cooperative covers. If, as of the time you sign this Agreement, we have established an Advertising Cooperative for the geographic area in which your Protected Territory is located, or if we establish an Advertising Cooperative in that area during this Agreement’s term, you agree to sign the documents we require to become a member of the Advertising Cooperative and to participate in the Advertising Cooperative as those documents require.

Once an Advertising Cooperative is established, in which you must participate, you agree to contribute to the Advertising Cooperative an amount not to exceed two percent (2%) of monthly Gross Revenue. This amount will be set off against amounts required to be spent by you for your Local Advertising Expenditure, required under Section 11.1 above. Your Advertising Cooperative contribution is payable in the same manner as the Royalty. These contributions may be capped based on the by-laws adopted by the advertising cooperative, subject to our approval. You will pay these monies to us electronically, and we will sometimes remit them to the Advertising Cooperative. Each Franchised Business contributing to the Advertising Cooperative will have one (1) vote. The Advertising Cooperative may not use any advertising, marketing or promotional plans or materials without our prior written consent. We agree to help formulate marketing plans and programs, which will be implemented under the direction of the Advertising Cooperative. You acknowledge and agree that, subject to our approval, the Advertising Cooperative will have sole discretion over the creative concepts, materials and endorsements used by such Advertising Cooperative. You agree that the Advertising Cooperative assessments may be used to pay the costs of preparing and producing video, audio and written advertising and direct sales materials, buying

direct mail and other media advertising, and putting direct sales programs into practice, and using marketing, advertising, and public relations firms to help with the development and administration of marketing programs.

11.3 Marketing Fund

Subject to the terms and conditions of this Section 11.3, you agree that we may establish a national marketing fund program (the “Marketing Fund”) for the advertising, marketing, and public relations programs, and materials we consider appropriate.

Once a Marketing Fund is established, you agree to contribute to the Marketing Fund an amount equal to the amounts that we prescribe occasionally, not to exceed one percent (1%) of the Gross Revenue from your Franchised Business, payable in the same manner as the Royalty Fee. Your contributions will be paid by the method described in Section 3.3.2.

Once a Marketing Fund is established, the In Home Personal Services businesses operated by us or operated by our Affiliates will contribute to the Marketing Fund on the same basis as franchisees of In Home Personal Services businesses. We have the right to collect for deposit into the Marketing Fund any rebates, advertising, marketing, or similar amounts paid to us by suppliers who deal with In Home Personal Services businesses.

Once a Marketing Fund is established, we will direct all programs that the Marketing Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The Marketing Fund may pay for preparing and producing video, audio, and written materials and electronic media; developing, implementing, and maintaining a website that promotes In Home Personal Services businesses (including the Website described in Section 6.8); administering regional and multi-regional marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail, and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; supporting public relations, market research, and other advertising, promotion, and marketing activities; and for building general brand awareness for the Authorized Services provided by us, our Affiliates and our franchisees.

Once a Marketing Fund is established, we will account for the Marketing Fund separately from our other funds and not use the Marketing Fund for any of our general operating expenses. However, we may use the Marketing Fund to pay the reasonable salaries and benefits of staff who manage and administer the Marketing Fund, the Marketing Fund’s other administrative costs, travel expenses of staff while they are on Marketing Fund business, meeting costs, overhead relating to Marketing Fund business, and other expenses we or our affiliates incur in activities reasonably related to administering or directing the Fund and its programs, including, without limitation, conducting market research, public relations, preparing advertising, promotion, and marketing materials, and collecting and accounting for Marketing Fund contributions. In addition, our Affiliate(s) shall be entitled to reasonable compensation for any services on behalf of the Marketing Fund.

Although the Marketing Fund is not a trust, once a Marketing Fund is established, we will use the Marketing Fund only for the purposes described in this Section. We owe no fiduciary duty to you for administering the Marketing Fund or any other reason. The Marketing Fund may spend in any fiscal year more or less than the total Marketing Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use.

Once a Marketing Fund is established, we will prepare an annual, unaudited statement of Marketing Fund collections and expenses and give you the statement upon written request. We may have the Marketing Fund audited yearly, at the Marketing Fund's expense, by an independent certified public accountant. We intend for the Marketing Fund to maximize recognition of the Marks and patronage of In Home Personal Services businesses. Although we will try to use the Marketing Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all In Home Personal Services businesses, we need not ensure that Marketing Fund expenditures in or affecting any geographic area are proportionate or equivalent to Marketing Fund contributions by In Home Personal Services businesses operating in that geographic area or that any In Home Personal Services business benefits directly or in proportion to its Marketing Fund contribution from developing advertising and marketing materials or placing advertising and marketing.

We have the right, but no duty, to use collection agents and institute legal proceedings to collect Marketing Fund contributions at the Marketing Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against the Marketing Fund. Except as expressly provided in this Subsection, we assume no direct or indirect liability or duty to you for collecting amounts due to, maintaining, directing, or administering the Marketing Fund.

12. ASSIGNMENT AND TRANSFER

12.1 Assignment by Us

We may assign this Agreement and all or any portion of its rights and privileges and/or duties to any other person or legal entity; provided, however, that for any assignment resulting in the subsequent performance by the assignee of the functions of franchisor, the assignee shall, at the time of this assignment be economically capable, in our reasonable judgment, of performing the obligations of franchisor hereunder and expressly assume and agree to perform such obligations.

12.2 Assignment by You

The rights and duties created by this Agreement are personal to you and we have entered into this Agreement in reliance on our perception of your individual or collective character, skill, aptitude, attitude, business ability, and financial capacity. You shall not transfer this Agreement (nor any interest in this Agreement), any part or all of the ownership of the Business, the franchise, or all or a substantial portion of your assets without our express written consent. Any unauthorized transfer breaches this Agreement, void, and of no effect. The term "transfer" includes your (or an owner's) voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition of

any interest in: (i) this Agreement; (ii) the franchisee entity; (iii) the franchise governed by this Agreement; or (iv) all or a substantial portion of the assets of the Business. Transferring your ownership, possession, or control, or all or a substantial portion of its assets, may be made only upon our prior written consent and is subject to these conditions:

(a) the assignee must show the necessary skills, qualifications, and economic resources necessary, in our reasonable judgment, to operate the Business and to fulfill the obligations to us;

(b) all amounts due and owing to us and our Affiliates must be paid in full;

(c) as of the date of an assignment, you have fully complied with all of your obligations to us and any Affiliate of ours, whether under this Agreement or any other agreement or understanding with such parties,

(d) the assignee must expressly assume in writing all of your obligations under this Agreement, or at our option, the assignee shall execute a separate franchise agreement and on the terms and conditions then being offered by us to prospective franchisees similarly situated, except that the assignee shall not have to pay an Initial Franchise Fee to us. The execution of a new franchise agreement by an approved assignee shall be considered to terminate this Agreement, except for the contractual obligations which specifically survive the termination of this Agreement;

(e) you provide written notice to us at least sixty (60) days before the proposed effective date of the transfer and include information reasonably detailed to enable us to evaluate the terms and conditions of the proposed transfer, which at a minimum includes a written offer conveying the assets or stock from the proposed assignee;

(f) you shall have executed a general release, in a form satisfactory to us, of any claims against us and our Affiliates, and their respective officers, directors, shareholders, employees, successors and assigns, in their corporate and individual capacities;

(g) the assignee shall have satisfactorily completed the training then required of all new franchisees of Franchisor; and

(h) a transfer fee of \$15,000.00 shall be paid to us; except there is no transfer fee if the transfer is to your immediate family members.

12.3 Our Right of First Refusal

Within thirty (30) days following the receipt by us of written notice from you (or, if we request additional information, within thirty (30) days following receipt of such information), we shall either (1) consent to the proposed transfer; or (2) withhold our consent under this Section; or (3) exercise our right of first refusal by purchasing the interest on the same terms and conditions contained in the written notice of the proposed transfer.

If we choose not to exercise our right of first refusal, you shall be free to complete the transfer subject to compliance with this Section. If you do not complete the approved transfer within ninety (90) days after delivery of the initial written offer to us, or if there is a material change in the terms of the sale, we shall have an additional thirty (30) days' right of refusal on the same terms as applied to the initial offer. We have the unrestricted right to assign this right of first refusal to a third party, who then will have the rights described in this Section.

If the consideration or manner of payment offered by a proposed transferee is such that we cannot reasonably be expected to provide the same, then we may purchase the interest proposed to be sold for the reasonable cash equivalent. If the parties cannot agree within a reasonable time on the cash consideration, an independent appraiser shall be designated by us, whose determination will be binding upon the parties; all expenses of the appraiser shall be paid for equally by us and you; and, we will have an additional fifteen (15) days after the determination of the cash consideration to exercise our right of first refusal.

12.4 Transfer Due to Death or Disability

Upon your death or permanent disability (or the death or disability of the Operating Owner), the personal representative of such deceased or disabled person shall transfer such person's interest in this Agreement or such interest in the Franchisee entity to an approved third party. This disposition of this Agreement or such interest (including, without limitation, transfer by bequest or inheritance) shall be completed within a reasonable time, not to exceed one hundred eighty (180) days from death or permanent disability (unless extended by probate proceedings), and shall be subject to all terms and conditions applicable to transfers in this Section; provided, however, that for this Section, we shall not charge a transfer fee. Failure to transfer the interest within the period of time shall be a breach of this Agreement. The term "permanent disability" shall mean a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually prevents you (or an Operating Owner) from supervising the management and operation of the Business for a period of one hundred eighty (180) days from the onset of such disability, impairment, or condition. The Business shall be managed by a qualified Operating Owner or Manager who has complied with all of our training requirements, despite any death or permanent disability covered by this Section.

To prevent any interruption of the Franchised Business operations which would cause harm to the Franchised Business, you allow us, and we may at our option, in the event of your death or disability to operate the Franchised Business for so long as we consider necessary and practical, and without waiver of any other rights or remedies we may have under this Agreement. All monies from the operation of the Franchised Business during this period of operation by us shall be kept in a separate account, and the expenses of the Franchised Business, including reasonable compensation and expenses for our representative, shall be charged to said account. If we temporarily operate the Franchised Business for you, you agree to indemnify and hold harmless us or any representative of ours who may act, from any acts which we may perform in connection with the operation of the Franchised Business.

12.5 Transfer to Your Corporation or Other Entity

If you are an individual franchisee and desire to assign this Agreement to a corporation, limited liability company or similar legal entity controlled by you, the transfer shall not be an assignment requiring payment of a transfer fee, provided:

(a) franchisee is, and covenants to remain, the owner of all or the majority of the voting stock of the legal entity or, if franchisee is more than one individual, each individual shall have the same proportionate ownership interest in the legal entity as that individual had in the franchise before the transfer of the franchise; and

(b) all entity documents and supporting documentation reasonably required by us are given to us before the transfer; and

(c) you or another qualified individual is specifically designated Operating Owner under Section 11.2. hereof; and

(d) you and the principal owners guarantee the obligations to be performed under this Agreement by the assignee entity.

13. DEFAULT AND TERMINATION

13.1 Our Right to Terminate With Notice

We have the right upon written notice to you to terminate this Agreement and all rights granted to you, without giving you the opportunity to cure (subject to any state laws to the contrary) in any one or more of these events:

(a) if you create or allow to exist any condition that presents health or safety concerns to any client of the Business, or if you otherwise engage in the inhumane treatment of any client;

(b) if you make any materially false statement to us, whether oral or written, in connection with this Agreement, or your application to become a franchisee, or your operation of the Business;

(c) if you are convicted of a felony or other crime, or if you otherwise engage in conduct likely to impair the goodwill associated with our Marks;

(d) if you violate any law or regulation applicable to the operation of the Franchised Business, and if you fail to cure this non-compliance within ten (10) days after receiving notification of your non-compliance by a proper authority or civil complaint;

(e) if you fail to acquire and maintain any industry or federal, state, or local licenses required for your operation of the Franchised Business;

(f) if you (or your Operating Owner, or your Manager) fails to complete the Initial Training Program to our satisfaction or to begin operations of the Franchised Business within the specified period;

(g) if you are adjudicated bankrupt, or any action is taken by you, or by others against you under any insolvency, bankruptcy, or reorganization act (subject to federal bankruptcy law) or if you make an assignment to benefit creditors or if a receiver is appointed for you;

(h) if any judgment is obtained against you and remains unsatisfied or of record for over thirty (30) days, (unless an appeal has been filed) or if execution is levied against your business or any property used in the operation of the Business and not discharged within five (5) days;

(i) if you or any person under your control reveals to any unauthorized person, or copies or reproduces the contents of the Manual or any other trade secrets or Confidential Information;

(j) if you attempt to sell, transfer, or otherwise assign the franchise, an interest in the franchise (or franchisee entity), this Agreement, the Franchised Business, or a substantial portion of the assets of the Franchised Business without complying with the transfer provisions of this Agreement;

(k) if you abandon the Business or cease to operate the Business for seven (7) consecutive days or more (other than during authorized vacations or holidays);

(l) if you engage in a Competitive Business or violate any covenant against competition;

(m) if you fail to cure any other default under this Agreement after receiving written notice from us and an opportunity to cure this default; and

(n) if you fail to pay any Royalties.

13.2 Our Right to Terminate with Notice and Opportunity to Cure

Except as stated in Section 14.1. above, you shall have fifteen (15) days after receipt of a written Notice of Default from us within which to remedy any default under this Agreement and provide evidence thereof to us; provided, however, that you may avoid termination by immediately initiating a remedy to cure this default and curing it to our satisfaction within the fifteen (15) day period (or other period, as required by state law), and by promptly providing proof thereof to us. If any such default is not cured within the specified time, or such longer period as applicable law may require, this Agreement shall terminate without further notice to you, effective immediately upon the expiration of the fifteen (15) day period or such longer period as applicable law may require. You shall be in default under this Agreement for failure to comply with the requirements imposed by the Agreement. Such defaults include, but are not limited to:

- (a) if you fail to pay any amounts due to us or our Affiliates when due;
- (b) if you violate the standards, specifications or procedures prescribed by us in this Agreement, the Manual, or otherwise in writing;
- (c) if you misuse or fail to follow our directions and guidelines concerning the Marks and fail to correct this misuse or failure;
- (d) if you fail to submit the Royalty Report or any other required report when due;
- (e) if you refuse to abide by the solicitation provisions in Section 2.4;
- (f) if you refuse to permit us to inspect the Business or the books and records of the Business, under this Agreement
- (g) if your heirs, legatees, personal representative, conservator, or guardian fails to dispose of your interest in the franchise following your death or permanent disability;
- (h) if you fail to begin operation of the Business under the time specified in this Agreement; and
- (i) if you fail to acquire, or to continuously maintain the required minimum levels of insurance, fail to have us named as an additional insured, or fail to provide a current certificate of insurance.

Notwithstanding anything to the contrary contained in this Section, if applicable law limits our rights to terminate or requires longer notice periods than those set forth above, this Agreement shall be deemed amended to conform to the minimum notice periods or restrictions upon termination required by such laws and regulations.

14. OUR AND YOUR OBLIGATIONS ON EXPIRATION OR TERMINATION

14.1 Payment of Past Due Amounts Owed

You agree to pay us within fifteen (15) days after this Agreement expires or is terminated, or on any later date we determine, the amounts due to us, the Royalty Fees, interest, and all other amounts owed to us and our Affiliates which then are unpaid, and contemporaneously with payment, provide a complete accounting of all amounts owed to Franchisor and its affiliates.

14.2 Marks

You may not at any time or in any manner (except with other In Home Personal Services

business(es) you own and operate) identify yourself or any business as a current or former In Home Personal Services Business or as one of our current or former franchise owners; use any Mark, any colorable imitation of a Mark, or other indicia of an In Home Personal Services business or for any purpose; or use for any purpose any trade name, trade or service mark, or other commercial symbol that shows or suggests a connection or association with us. When this Agreement expires or is terminated:

(a) you agree to take the action required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Mark;

(b) you agree to deliver to us within thirty (30) days all signs, marketing materials, forms, and other materials containing any Mark or otherwise identifying or relating to an In Home Personal Services business we request; and

(c) you agree to notify the telephone company and all telephone directory publishers of the termination or expiration of your right to use any telephone, or other numbers and telephone directory listings associated with any Mark; to allow the transfer of these numbers and directory listings to us or at our direction; and to instruct the telephone company to forward all calls made to your numbers to numbers we specify. If you fail to do so, we may take whatever action and sign whatever documents we consider appropriate on your behalf to effect these events.

14.3 Confidential Information

You agree that, when this Agreement expires or is terminated, you will immediately cease using any of our Confidential Information in any business or otherwise and return to us the Manual and all confidential materials we have loaned you.

14.4 Covenant not to Compete

You agree to abide by Section 6 Post-Term Non-Competition Covenant in this Agreement.

14.5 Our Right to Purchase the Assets of the Business

Upon termination of this Agreement, or upon expiration of this Agreement without renewal, we shall have the right and option, but not the duty, to purchase some or all of the assets of the Business at a purchase price equal to its then-current book value determined using the straight-line method of depreciation, provided that such price shall in no event be less than twenty-five percent (25%) of the original purchase price. If we elect to exercise this option, we will deliver written notice to you of our election within thirty (30) days after termination or expiration of this Agreement. We will have the right to inspect the assets during this thirty (30) day period. If we elect to purchase the assets, we will be entitled to, and you must provide, all customary warranties and representations relating to the asset purchase, including, without limitation, representations, and warranties as to your good title to the assets (including that you own the assets free and clear of any liens and encumbrances).

14.6 Continuing Obligations

All of our and your obligations which expressly or by their nature survive this Agreement's expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire.

15. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION

15.1 Indemnification

You agree to protect, defend, indemnify, and hold us, and our current and former Affiliates, and our and their respective past and present stockholders, members, owners, principals, directors, officers, employees, representatives and agents ("Indemnitee(s)") harmless and promptly to reimburse Indemnitees for, from, and against all claims, actions, proceedings, damages, costs, expenses and other losses and liabilities, consequently, directly or indirectly incurred (including without limitation attorneys' and accountants' fees) as a result of, arising out of, or connected with your operation of the Business, your employees, agents and representatives actions or inactions, or your breach under this Agreement.

For this indemnification, "claims" include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnitee reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants', attorneys', and expert witness fees, costs of investigation, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, even if litigation, arbitration, or alternative dispute resolution is begun. Each Indemnitee may defend any claim against it at your expense and agree to settlements or take any other remedial, corrective, or other actions. This indemnity will continue in full force and effect subsequent to and despite this Agreement's expiration or termination.

15.2 Independent Contractor

In all dealings with third parties including, without limitation, employees, suppliers, and clients, you shall reveal appropriately acceptable to us you are an independent entity licensed by us as a franchisee. You and we are independent contractors. This Agreement does not constitute you as an agent, servant, representative, partner, or employee of ours. It is expressly agreed that the parties intend by this Agreement to establish the relationship of franchisee and franchisor. Neither party is authorized to make any contract, agreement, warranty, or representation on behalf of the other. Neither party is the employer, employee, agent partner, fiduciary or coventurer of or with the other, each being independent. All employees or agents hired or engaged by or working for you will be only the employees or agents of yours and will not for any purpose be considered employees or agents of ours or any of our affiliates, nor subject to our or our affiliates control and we and our affiliates will have no authority to exercise control over the hiring or termination of these employees independent contractors, or others who work for you; their compensation; working hours or conditions; or their day-to-day activities except to the extent necessary to protect the Marks. You are not granted any right or authority to assume or create any obligations or responsibility, express

or implied, on behalf of or in our name, in any matter or thing. This Agreement does not create a fiduciary relationship or a relationship of special trust and confidence. All employees, independent contractors, representatives or agents hired or engaged by or working for you will be only your employees, independent contractors, representatives or agents and will not for any purpose be considered our or our Affiliates employees, independent contractors, representatives or agents, nor subject to our or our Affiliates control and we nor our affiliates will have no authority to exercise control over the solicitation, hiring, paying, disciplining, scheduling, managing or termination of your employees, independent contractors, agents, representatives or others who work for you; their compensation; working hours or conditions; or their day-to-day activities except to the extent necessary to protect the Marks. You shall, prominently display a sign in the Franchised Business, suggesting to the general public that the business is independently owned and operated by you under a license granted by us. All business cards, stationery, checks, and employment communications used by you in connection with the Franchised Business must clearly reveal that the business is independently owned and operated by you under a license granted by us. If required by us, marketing materials used by you must clearly reveal that the Franchised Business is independently owned and operated by you under a license granted by us.

16. ENFORCEMENT

16.1 Severability

If any provision of this Agreement, or any other agreement entered into under or in connection with this Agreement, is contrary to, prohibited by, or considered invalid under applicable law or regulation, this provision is inapplicable and considered omitted to the extent so contrary, prohibited, or invalid, but the remainder of this Agreement is not invalidated thereby and must be given full force and effect so far as possible. If any provision of this Agreement may be construed in two or more ways, any of which would render the provision invalid or otherwise voidable or unenforceable and another of which would render the provision valid and enforceable, this provision has the meaning that renders it valid and enforceable. If any applicable law of any jurisdiction requires greater prior notice of termination or non-renewal of this Agreement than is required or taking some action not required under this Agreement, the greater prior notice and/or other action required by such law must be substituted for its counterpart under this Agreement. If, under any applicable law of any appropriate jurisdiction, any provision of this Agreement or any requirement prescribed by us is invalid or unenforceable, we may, in our sole discretion, modify such invalid or unenforceable requirement to the extent required to be valid and enforceable. Unless we elects to give them greater applicability, the foregoing substitutions and modifications to this Agreement are effective only in the jurisdiction in which they are required. In all other jurisdictions, this Agreement must be enforced as originally made and entered.

16.2 Entire Agreement

This Agreement constitutes the entire agreement between us and you regarding the subject matter hereof and supersedes all prior and contemporaneous agreements between us and you regarding such subject matter. No officer, employee, servant or agent of ours or Franchisee has

been allowed to make any representation, warranty or other promise not in this Agreement or in the Franchise Disclosure Document. Nothing in this Agreement or any related agreement is intended to disclaim the representations made in the Disclosure Document. No amendment, change or variance from this Agreement shall bind either party unless executed in writing by both parties.

16.3. Waiver

No waiver of any term, covenant or condition, or the breach of any term, covenant, or condition of this Agreement to be kept or performed by the other party shall be a waiver by the waiving party of any subsequent breach of this term, covenant or condition or allow the breach of non-observance on any other occasion of the same or any other term, covenant or condition. Subsequent acceptance by us of any payments due shall not be considered a waiver by us of any preceding breach by you of any terms, covenants, or conditions of this Agreement. Whenever this Agreement requires our approval or consent, this approval or consent shall be obtained in writing. We will also consider granting, in our sole discretion, other reasonable requests individually submitted by you in writing for our past waiver of any duty imposed by this Agreement. We make no warranties or guarantees on which you may rely, and assume no liability or duty to you, by providing any waiver, approval, consent, or suggestion to you in connection with this Agreement, or for any neglect, delay or denial of any request, so. Any waiver granted by us shall be subject to our continuing review, may be revoked effective upon ten (10) days prior written notice, and shall be without prejudice to any other rights we may have.

16.4. Cumulative Rights and Remedies

All rights and remedies under this Agreement are cumulative. There are no exclusive rights or remedies that prevent enforcing or obtaining any others.

16.5. Notices

Any notice shall be in writing and shall be either mailed by certified mail, return receipt requested, or delivered by a recognized courier service, receipt acknowledged. Notices shall be addressed to the addresses listed below. Any notice complying with these provisions shall be deemed given three (3) days after mailing, or on the date of receipt, whichever is earlier. Each party shall have the right to designate any other address for such notices by giving notice to the other party in the foregoing manner.

If to Franchisor:

In Home Personal Services Development, LLC
813 Tek Drive
Crystal Lake, Illinois 60114
Attention: President

If to Franchisee:

16.6. Governing Law

This Agreement is accepted by you in the State of Illinois and shall be governed by and construed under the laws of Illinois, which laws shall prevail in the event of any conflict; provided, however, that the restrictive covenants shall be construed under the laws of the state where such restrictions are to apply, and the laws of this state shall determine the enforceability of such covenants.

16.7. Arbitration

We and you agree that, except for controversies, disputes, or claims related to or based on improper use of the Marks or Confidential Information, all controversies, disputes, or claims between us and our Affiliates, and our and their respective shareholders, officers, directors, agents, and/or employees, and you (and/or your owners, guarantors, Affiliates, and/or employees) arising out of or related to (i) this Agreement or any other agreement between you and us; (ii) our relationship with you; or (iii) the validity of this Agreement or any other agreement between you and us must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association. The arbitration proceedings will be conducted by one arbitrator and, except as this Section otherwise provides, according to the then current commercial arbitration rules of the American Arbitration Association. All proceedings will be conducted at a suitable location chosen by the arbitrator in the Chicago, Illinois metropolitan area. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). Judgment upon the arbitrator's award may be entered in any court of competent jurisdiction. The arbitrator has the right to award or include in his or her award any relief which he or she considers proper, including, without limitation, money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs, provided that the arbitrator may not declare any Mark generic or otherwise invalid or award any punitive or exemplary damages against either party (we and you hereby waiving to the fullest extent permitted by law any right to or claim for any punitive or exemplary damages against the other). We and you agree to be bound by any limitation on the time in which claims must be brought under applicable law or this Agreement, whichever expires earlier. We and you further agree that, in any arbitration proceeding, each must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any claim not submitted or filed as required is forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either you or us. We and you agree that arbitration will be conducted on an individual, not a class-wide, basis and that an arbitration proceeding between us and our Affiliates, and our and their respective shareholders, officers,

directors, agents, and/or employees, and you (and/or your owners, guarantors, Affiliates, and/or employees) may not be combined with any other arbitration proceeding between us and any other person. Despite our and your agreement to arbitrate, we and you each have the right in a proper case to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction; provided, however, that we and you must contemporaneously submit our dispute for arbitration on the merits. This section is intended to benefit and bind certain third-party non-signatories and will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination.

16.8. Injunctive Relief

You agree that in addition to all other remedies at law or equity, we have the right to seek injunctive relief against any actual, threatened, or contemplated breach of this Agreement or to protect the goodwill associated with the Marks. In addition, either party may seek emergency injunctive relief in a court of competent jurisdiction to protect against threats to health or safety. In any action in which we seek to obtain injunctive relief, we shall not be required to post bond.

16.9 Consent to Jurisdiction

The parties agree that any action brought by you or us in any court, whether federal or state, shall be brought within the state and in the judicial district in which we have our principal place of business. Any action brought by us against you in any court, whether federal or state, may be brought within the state and judicial district in which we have our principal place of business. The parties hereby waive all questions of personal jurisdiction or venue to carry out this provision.

16.10. Waiver of Punitive Damages

We and you waive to the fullest extent permitted by law, any right or claim to punitive or exemplary damages against the other. You and we agree that in any dispute between us, any claims for damages shall be limited to those actual losses or damages you or we sustain.

16.11 Waiver of Jury Trial

WE AND YOU IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING (INCLUDING A COUNTERCLAIM) WHETHER AT LAW OR EQUITY BROUGHT BY EITHER PARTY.

16.12 Limitation Period for Claims

ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE RELATIONSHIP OF FRANCHISOR AND FRANCHISEE, OR FRANCHISEE'S OPERATION OF THE BUSINESS BROUGHT BY ANY PARTY

HERETO AGAINST ANY OTHER SHALL BE COMMENCED WITHIN TWO (2) YEARS FROM THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIM OR ACTION, OR SUCH CLAIM OR ACTION SHALL BE FOREVER BARRED.

16.13 Costs and Attorneys' Fees

In the event either party (or any of the Bound Parties) initiates a judicial, arbitration or other proceeding, the prevailing party will be entitled to reasonable costs and expenses (including reasonable attorneys' fees incurred in connection with such judicial or other proceeding).

16.14 No Reliance of Oral Representations

You acknowledge and agree that no representations or statements of any kind, including without limitation actual, average, projected, forecasted or potential sales, costs, income, or profits are made to you by us, and in entering this Agreement, you only relying on the information in this Agreement and the Franchise Disclosure Document and are not in reliance on any other information.

17. ACKNOWLEDGEMENTS

17.1. Independent Investigation

You have conducted an independent investigation of the franchise and understand and acknowledge that it involves business risks that make the success of the venture largely dependent upon your abilities and efforts as an independent businessperson. You agree that we have made no claims of success or failure before you signed this Agreement; and that you freely undertake all the terms and conditions of this Agreement. We expressly disclaim the making of, and you acknowledge that you have not received or relied on any representation, warranty, or guarantee, express or implied, as to the potential volume, costs, expenses, profits, or success of the Business.

17.2. True and Accurate Information

You represent and warrant that all the information in any applications, financial statements, and other submissions to us is true, complete, and accurate in all respects. You expressly acknowledge that we are relying on the truthfulness, completeness, and accuracy of this information.

17.3. Receipt of Franchise Disclosure Document

You acknowledge that we have given you a franchise disclosure document not later than fourteen (14) days before the execution of this Agreement, or fourteen (14) days before any payment of any consideration by you that we have made no material change to the Agreement within the seven calendar days before the date on which this Agreement is executed..

17.4. Independent Advice

You acknowledge that, before the execution of this Agreement, you have had the opportunity to contact existing franchisees of ours. You further acknowledge that you have had the opportunity to independently investigate, analyze and construe both the business opportunity being offered and the terms and provisions of the Agreement itself, using the services of such independent attorneys, accountants, or other advisers as you so elect.

18. MISCELLANEOUS

18.1 Compliance with Anti-Terrorism Laws

You and your owners certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your owners otherwise do not violate, the Anti-Terrorism Laws. “Anti-Terrorism Laws” 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 other requirements of any governmental authority addressing or relating to terrorist acts and acts of war.

18.2 Counterparts

This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be considered an original, but such counterparts together shall be the same instrument.

18.3 Headings; Captions

The table of contents, headings, and captions are for convenience and reference only and are not to be construed as separate parts of this Agreement. All terms and words used shall be construed to include the number and gender as the context of this Agreement may require. The parties agree that each section of this Agreement shall be construed independently of any other section or provision.

18.4. Business Judgment

We retain the right to operate, develop and change the System and the products and services offered by In Home Personal Services Businesses in any manner that is not specifically prohibited in this Agreement. Whenever we have reserved the right in this Agreement to take or not take any action, or to prohibit you from taking or refraining from any action, we may, except as otherwise specifically in this Agreement, make our decision or exercise our rights based on the information then readily available to us and on our judgment of what is in our best interests, the best interests of our Affiliates and/or the best interests of In Home Personal Services Businesses when the decision is made, even if we could have made other reasonable, or even arguably preferable, alternative decisions and even if our decision or action promotes our interests, those of our Affiliates or any other person or entity.

IN WITNESS WHEREOF, the parties have duly executed this Agreement on the date first written above.

FRANCHISOR:

**IN HOME PERSONAL SERVICES
DEVELOPMENT LLC**

By: _____

Print Name: _____

Title: _____

FRANCHISEE:

If you are an individual:

Individually:

Print Name: _____

Individually:

Print Name: _____

If you are a corporation, limited liability
company or other entity:

(Name of Entity)

By: _____

Print Name: _____

Title: _____

EXHIBIT A TO THE FRANCHISE AGREEMENT

PROTECTED TERRITORY

You and we agree to the Protected Territory as specified below (use additional page if necessary):

FRANCHISOR:

**IN HOME PERSONAL SERVICES
DEVELOPMENT LLC**

By: _____

Print Name: _____

Title: _____

FRANCHISEE:

If you are an individual:

Individually:

Print Name: _____

Individually:

Print Name: _____

If you are a corporation, limited liability
company or other entity:

(Name of Entity)

By: _____

Print Name: _____

Title: _____

EXHIBIT B TO THE FRANCHISE AGREEMENT

ACKNOWLEDGMENT REGARDING OWNERSHIP

Acknowledgment Regarding Ownership Interests. You hereby acknowledge that you are a(n) (check one):

- | | |
|--|---|
| ☐ individual | ☐ corporation |
| ☐ partnership | ☐ limited liability company |
| ☐ joint venture | ☐ other business form _____ (describe) |

You represent and warrant that the following persons own, either legally or beneficially, the total ownership interest in you:

NAME, ADDRESS, TELEPHONE NUMBER	TYPE OF OWNERSHIP (LEGAL OR BENEFICIAL)	PERCENTAGE OF INTEREST OWNED

Each of the above people must sign the Form of Non-Disclosure and Non-Competition Agreement attached to the Franchise Agreement as Exhibit E and the Guaranty and Assumption of Obligations attached to the Franchise Agreement as Exhibit F.

FRANCHISEE:

By: _____

Its: _____

EXHIBIT C TO THE FRANCHISE AGREEMENT

INITIAL FRANCHISE FEE DETERMINATION

Your Initial Franchise Fee depends on the following status as determined by us in our sole discretion:

- (a) A New Franchisee. A new franchisee with In Home Personal Services must pay an Initial Franchise Fee of Fifty-Five Thousand and 00/100 Dollars (\$55,000.00).
- (b) A Current Franchisee. A current franchisee who in our sole discretion is eligible to enter into an additional franchise agreement for an additional In Home Personal Services franchise is eligible for a 25% reduction of the applicable Initial Franchise Fee.
- (c) A Conversion Franchisee. A conversion franchisee is eligible for an Initial Franchise Fee of Seven Thousand Five Hundred and 00/100 Dollars (\$7,500).
- (d) A Current Employee. A good standing employee who is currently employed with In Home Personal Services or any of its affiliates and meets our qualifications, or the spouse of this employee, who wishes to become a franchisee with In Home Personal Services is eligible for a 25% reduction of the applicable Initial Franchise Fee.
- (e) An Honorably Discharged Veteran. An honorably discharged veteran or a spouse of such honorably discharged veteran, who wishes to become a franchisee with In Home Personal Services and eligible for an Initial Franchise Fee of Forty-Five Thousand and 00/100 Dollars (\$45,000.00).
- (f) A Health Care Professional. A health care professional such as a registered nurse, medical doctor, nurse practitioner, physician's assistant, licensed practical nurse, occupational therapist, physical therapist, speech therapist or social worker, and the spouse of this health care professional, is eligible for an Initial Franchise Fee of Forty-Five Thousand and 00/100 Dollars (\$45,000.00).
- (g) A First Responder. A first responder such as a police officer, fire fighter, paramedic or emergency medical technician, and the spouse of such first responder, is eligible for an Initial Franchise Fee of Forty-Five Thousand and 00/100 Dollars (\$45,000.00).
- (h) An Educator. An educator and the spouse of such Educator, who wishes to become a franchisee with In Home Personal Services and eligible for an Initial Franchise Fee of Forty-Five Thousand and 00/100 Dollars (\$45,000.00).

Based on the above and your representations to us, we determine your status to be _____ and your Initial Franchise Fee for your In Home Personal Services franchise is \$_____.

EXHIBIT D TO THE FRANCHISE AGREEMENT

ACH Payment Authorization

I authorize In Home Personal Services Development, LLC to initiate entries to the checking account at the financial institution listed below, and, if necessary, initiate adjustments for any transactions credited/debited in error.

Date: _____

Your Information:

Franchisee: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone#: _____

Financial Institution Information:

Name on account: _____

Bank Name: _____

Address: _____

Routing#: _____ Acct.#: _____

By: _____

(Signer must be an authorized signatory on the account)

Print Name _____

(Please Attach a Voided Check)

EXHIBIT E TO FRANCHISE AGREEMENT

FORM OF NONDISCLOSURE AND NONCOMPETITION AGREEMENT

THIS NONDISCLOSURE AND NONCOMPETITION AGREEMENT (this "Agreement") is made as of _____, 20__ between _____ (the "Company") and _____, an individual ("You").

RECITALS

WHEREAS, the Company has the right to operate a business providing non-medical health care and personal services using the System as developed by In Home Personal Services Development, LLC ("Franchisor") and its affiliates including the trademark "In Home Personal Services" and such other trademarks and service marks, trade names, logos, trade dress, and other commercial symbols as designated by Franchisor (the "Marks") pursuant to a Franchise Agreement with Franchisor (the "Franchised Business" or "Business").

WHEREAS, in the establishment and operation of the Business, the Company will use standards, specifications, methods, techniques, procedures, and specifications advertising, marketing and sales promotion programs, materials and other Confidential Information developed by Franchisor (the "System").

WHEREAS, as an employee, agent, independent contract, officer, director, or interest holder of the Company you will have access to some or all of the System and Confidential Information in the management and operation of the Franchised Business;

WHEREAS, the System and Confidential Information gives an economic advantage to the Company and is rarely known to, and is not readily ascertainable by the Company's competitors who could obtain economic value from knowledge and use of the System and Confidential Information;

WHEREAS, the Company has agreed to obtain from you written agreements protecting the System and Confidential Information against unfair competition;

WHEREAS, you wish to remain, or wish to become associated with or employed by Franchisee;
and

NOW, THEREFORE, in consideration of the mutual covenants herein, the parties agree:

1. Unauthorized Disclosure of Confidential Information.

1.1 Requirement of Confidentiality. You will have access to Confidential Information (as defined below) during your affiliation with Company. You agree that the Confidential Information is proprietary, includes trade secrets, and that you:

(a) shall maintain the absolute confidentiality of the Confidential Information during and after your affiliation with Company;

(b) shall not use the Confidential Information in any other business or capacity other than in connection with your affiliation by and to benefit the Company;

The term “Confidential Information” as used in this Agreement means any proprietary and confidential information including trade secrets and any information relating to the System that is competitively advantageous and not generally known by the public, whether or not in written or tangible form and despite the media on which it is created or stored, including without limitation, information about and access to Franchisee’s clients, methods, techniques, formats, technology, marketing and promotional techniques and procedures, specifications, information, materials, systems, processes, suggested and required pricing, know-how, and knowledge of and experience in operating an In Home Personal Services business “Confidential Information” does not include information, processes or techniques that are generally known to the public, other than through disclosure (whether deliberate or inadvertent) by you.

2. Non-Competition Covenant.

2.1 In-Term. During the term of your affiliation with the Company you agree that you will not: (a) own any legal or beneficial interest in, or render services or give advice to, any Competitive Business located anywhere; or (b) divert or try to divert any business or client of the Franchised Business to any competitor or do anything injurious or prejudicial to the goodwill associated with the Marks or the integrity of the System.

2.2 Post-Term. Following the termination of your affiliation with Franchisee, you agree that that you will not own a legal or beneficial interest in, or render services or give advice to, any Competitive Business located or operating:

(a) within one hundred (100) miles of the boundaries of the Franchised Business; or

(c) within one hundred (100) miles of any other In Home Personal Services Business then operational.

2.3 Competitive Business. “Competitive Business” means any means any business which offers services or products that are the same as, or competitively similar to, those offered by an In Home Personal Services business under the System.

3. **Severability and Construction.** The parties acknowledge and agree that each covenant herein are reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the goodwill or other business interests of the Company. The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision. If all or any portion of a covenant is held unreasonable or unenforceable by a court or agency having valid jurisdiction in any unappealed final decision to which the Company is a party, then you expressly agree to be bound by any lesser covenant subsumed within such covenant that imposes the maximum duty allowed by law as if the resulting covenant were separately stated in and made a part of this Agreement.

4. **Waiver/Modification.** No waiver or modification of the terms of this Agreement shall be valid unless in writing, signed by all parties. Failure by any party to enforce any rights under this Agreement shall not be construed as a waiver of such rights, and a waiver by either party of a default in one or more instances shall not be construed as a continuing waiver or as a waiver in other instances.

5. **Governing Law.** This Agreement shall be governed by and construed under the State laws of Illinois, which laws shall prevail in the event of any conflict. Any legal actions arising out of this Agreement will be brought in state court in Cook County, Illinois, or in federal court of competent jurisdiction sitting in Cook County, Illinois, and each party submits to and accepts the exclusive jurisdiction of this court for this suit, legal action or proceeding; provided, however, that any action which includes injunctive relief or other extraordinary relief, the Company may bring this action in any court in any state which has jurisdiction.

6. **Injunction.** You agree that a remedy at law for any breach or threatened breach of this Agreement would be inadequate and in the event of any breach or threatened breach, the Company shall have the right to interim relief, including, without limitation, the entry of a temporary restraining order, preliminary injunction, permanent injunction, writ of attachment, appointment of a receiver and any other equitable relief which the court considers necessary, all without the requirement that bond be posted, in addition to any other available rights and remedies in case of any such breach; provided, however, that nothing herein shall be construed as prohibiting the Company from pursuing any other remedies.

7. **Remedies.** You agree that if you have any claims or causes of action against the Company arising out of your affiliation with the Company, such claims or causes of action will not be defenses to the Company's enforcement of this Agreement. You further agree to pay all expenses (including court costs and reasonable attorneys' fees) that the Company incurs in enforcing this Agreement.

8. **Survival.** This Agreement made shall survive the expiration or termination of all contracts between you and the Company.

9. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be considered an original, but such counterparts together shall be the same instrument.

10. **Headings; Captions.** The table of contents, headings, and captions are for convenience and reference only and are not to be construed as separate parts of this Agreement. All terms and words used

shall be construed to include the number and gender as the context of this Agreement may require. The parties agree that each section of this Agreement shall be construed independently of any other section or provision.

11. Cumulative. All rights and remedies under this Agreement are cumulative. There are no exclusive rights or remedies that prevent enforcing or obtaining any others.

FRANCHISEE: _____

By: _____

Print Name: _____

Title: _____

You:

By: _____

Name: _____

EXHIBIT F TO THE FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS (this “**Guaranty**”) is given this _____ day of _____, 20____, by the undersigned persons (individually and collectively “**you**”).

1. In consideration of, and to induce In Home Personal Services Development, LLC (the “**Franchisor**”) to enter into a franchise agreement dated _____, 20____ (the “**Franchise Agreement**”), with

_____ (the “**Franchisee**”), you hereby agree, in consideration of the benefits received and to be received by each of you, jointly and severally, and for yourselves, your heirs, legal representatives and assigns, (a) to be bound by all of the terms, provisions and conditions of the Franchise Agreement, and any other agreement between Franchisee and Franchisor and/or its affiliates for the term of the Franchise Agreement and thereafter as provided in the Franchise Agreement, and personally and unconditionally guarantee the full and timely performance of each and every undertaking, agreement and covenant of Franchisee’s set forth in the Agreement or other agreement between Franchisor and Franchisee; and (b) to be personally bound by, and personally liable for the breach of, each and every provision in the Franchise Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities (all of which shall be referred to as the “**Obligations**”). This Guaranty is an unconditional guarantee of payment and performance.

2. You waive: (1) notice of acceptance hereof; (2) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed; (3) protest and notice of default to any party regarding the indebtedness or nonperformance of obligations guaranteed; (4) any right you may have to require that an action be brought against Franchisee or any other person as a condition of liability; (5) any other notices and legal or equitable defenses to which Franchisee may be entitled; and (6) any right to disclosures from the Franchisor regarding the financial condition of Franchisee or any guarantor of Franchisee.

3. You consent and agree that: (1) your direct and immediate liability under this guaranty shall be joint and several; (2) you shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses timely to do so; (3) this liability shall not be contingent or conditioned upon pursuit by the Franchisor of any remedies against Franchisee or any other person; (4) this liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which the Franchisee may occasionally grant to Franchisee or to any other person, including without limitation the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall modify or amend this guaranty, which shall be continuing and irrevocable during the term of the Franchise Agreement; and (5) no claim, including a claim for contribution or subrogation, which the undersigned may have against a co-guarantor of the Obligations or Franchisee shall be enforced nor any payment accepted until the Obligations are paid in full and the payments are not subject to any right of recovery.

4. No termination hereof shall be effected by the death of any of the undersigned.

In witness whereof, each of the undersigned has executed this Guaranty and Assumption of Obligations on the date set across from his or her respective signature.

Date

Guarantor

Print Name: _____

Home Address: _____

Date

Guarantor

Print Name: _____

Home Address: _____

Date

Guarantor

Print Name: _____

Home Address: _____

Date

Guarantor

Print Name: _____

Home Address: _____

EXHIBIT G TO THE FRANCHISE AGREEMENT

FORM OF BUSINESS ASSOCIATE AGREEMENT

This Agreement is entered into this ____ day of _____ 20__ by and between

(Franchisee) _____ (“Covered Entity”) and In Home Personal Services Development, LLC (“Franchisor” or “Business Associate”).

A. Covered Entity, as “Franchisee,” operates a business of providing non-medical daily living assistance services under the trademark “In Home Personal Services” under a “Franchise Agreement” with Franchisor.

B. Under the Franchise Agreement, Franchisor provides certain services to Covered Entity which involve the disclosure of “Protected Health Information” (as defined below).

C. Covered Entity and Franchisor must enter into this Agreement under the Health Insurance Portability and Accountability Act of 1996 or its relevant regulations (“HIPAA”).

1. HIPAA ASSURANCES. If Franchisor creates, receives, maintains, or otherwise is exposed to personally identifiable or aggregate patient or other medical information defined as Protected Health Information (“PHI”) in the Health Insurance Portability and Accountability Act of 1996 or its relevant regulations and otherwise meets the definition of Business Associate as defined in the HIPAA Privacy Standards (45 CFR Parts 160 and 164), Franchisor shall:

(a) Recognize that HITECH (the Health Information Technology for Economic and Clinical Health Act of 2009) and the regulations (including 45 C.F.R. Sections 164.308, 164.310, 164.312, and 164.316), apply to a business associate of a covered entity in the same manner that such sections apply to the covered entity;

(b) Not use or further disclose the PHI, except as permitted by law;

(c) Not use or further disclose the PHI in a manner that had Covered Entity done so, would violate the requirements of HIPAA;

(d) Use appropriate safeguards (including implementing administrative, physical, and technical safeguards for electronic PHI) to protect the confidentiality, integrity, and availability of and to prevent the use or disclosure of the PHI other than as provided for by this Agreement;

(e) Report promptly to Covered Entity any security incident or other use or disclosure of PHI not provided for by this Agreement of which Franchisor becomes aware;

(f) Ensure that any subcontractors or agents who receive or are exposed to PHI (whether in electronic or other format) are explained the Franchisor obligations under this paragraph and agree to the same restrictions and conditions;

(g) Make available PHI under the individual’s rights as required under the HIPAA regulations;

(h) Make its internal practices, books, and records that relate to the use and disclosure of PHI available to the U.S. Secretary of Health and Human Services to determine Franchisor’s compliance with HIPAA; and

(i) Incorporate any amendments or corrections to PHI when notified by Covered Client or enter into a Business Associate Agreement or other necessary Agreements to comply with HIPAA.

2. Termination upon Breach of Provisions. Covered Entity shall provide Business Associate with written notice of any breach of this Agreement and Business Associate shall have five (5) business days to cure this breach. Notwithstanding any other provision of this Agreement, Covered Entity may terminate this Agreement if it determines that Business Associate has materially breached this Agreement and failed to cure after having received notice and opportunity to cure. If termination of this Agreement is not possible, Business Associate acknowledges that the Covered Entity shall have to report the breach to the Secretary of the U.S. Department of Health and Human Services, despite any other provision of this Agreement or Agreement to the contrary.

3. Return or Destruction of Protected Health Information upon Termination. Upon the termination of this Agreement Business Associate shall either return or destroy all PHI received from the Covered Entity or created or received by Business Associate on behalf of the Covered Entity in which Business Associate maintains in any form. Business Associate shall retain no copies of such PHI. Despite the foregoing, if Business Associate determines that returning or destroying the Protected Health Information is infeasible upon termination of this Agreement, Business Associate shall provide to Covered Entity notification of the condition that makes return or destruction infeasible. If it is not possible for Business Associate to return or destroy such PHI, the terms and provisions of this Agreement shall survive this termination or expiration and such PHI shall be used or revealed only as permitted by law for so long as Business Associate maintains such Protected Health Information.

4. Third Party Beneficiaries. The parties agree that this Agreement shall apply only to themselves and are not to benefit any third party beneficiaries.

5. Amendment. Business Associate and Covered Entity agree to amend this Agreement to the extent necessary to allow either party to comply with relevant state or federal laws or regulations created or amended to protect the privacy of patient information. All such amendments shall be made in a writing signed by both parties.

6. Term. This Agreement shall take effect on the effective date of the Franchise Agreement and shall continue in effect unless and until either party terminates the Franchise Agreement.

Signature Page Follows

IN WITNESS WHEREOF, Covered Entity and Franchisor execute this Agreement on the day and year first written above.

FRANCHISOR:
IN HOME PERSONAL SERVICES DEVELOPMENT, LLC

By: _____

Printed Name: _____

Its: _____

COVERED ENTITY:

By: _____

Printed Name: _____

Its: _____

EXHIBIT H TO THE FRANCHISE AGREEMENT

ADDENDUM FOR CONVERSION FRANCHISEES

This Addendum for Conversion Franchisees (this “Addendum”) with an effective date of this ____ day of _____, ____ (the “Effective Date”), is made and entered into by and between **IN HOME PERSONAL SERVICES DEVELOPMENT LLC**, an Illinois limited liability company, (“we,” “us,” “our” or “Franchisor”), and _____, an _____ (“you”, “your”, or “Conversion Franchisee”).

RECITALS:

A. Conversion Franchisee presently conducts a business at the following address _____, which provides the same or similar products and services as In Home Personal Services businesses (the “Current Business”);

B. Franchisor and Conversion Franchisee have entered into a franchise agreement dated _____, 20____ (the “Franchise Agreement”) which they wish to modify by this Addendum to provide for the conversion of the Current Business to an In Home Personal Services Business; and

NOW, THEREFORE, the parties agree as follows:

1. Amendments to the Franchise Agreement.

1.1 Insert the following after the first paragraph of Section 3.2 of the Franchise Agreement:

Despite the foregoing, if you are a conversion franchisee, each month during the term of the Agreement, you must pay to us a Royalty Fee equal to the greater of (i) 4% of Gross Revenue for year one, 6% of Gross Revenue for subsequent years, or (ii) the Minimum Monthly Royalty.

The revenue derived from any existing clients of your Current Business will be included as a part of the Gross Revenue to calculate Royalty Fee and other fees.

1.2 Insert the following to the end of Section 3.6 of the Franchise Agreement:

Despite the foregoing, if you are a conversion franchisee, you are already in possession of the necessary licenses and the above limited right to terminate, and partial refund does not apply to you.

1.3 Insert the following after the first paragraph of Section 10.1 of the Franchise Agreement:

Despite the foregoing, if you are a conversion franchisee, the six-month and one-month period above mentioned does not apply. You must begin your operation within two months after you execute the Franchise Agreement subject to Section 2 of the Addendum for Conversion Franchisees.

2. Modification to Your Current Business.

2.1 You will modify your Current Business in the manner required by us, to conform to our system standards and specifications.

2.2 Franchisor and Conversion Franchisee agree that time is of the essence, and you will complete such changes no later 60 days from the execution of this Addendum. If you fail to complete modifications by this date, we will have the right to immediately terminate the Franchise Agreement under Section 13 of the Franchise Agreement.

2.3 Upon completion of the changes, you will submit a written request to us to conduct a final inspection of your Business and, upon our receipt of this request, we will promptly conduct a final inspection. You will not open your In Home Personal Services Business for business without our written permission.

2.4 You may, at your discretion, continue to operate the Current Business during the changes period but will not identify yourself as an In Home Personal Services franchisee until receipt of our written permission to conduct business.

3. Franchisee's Representation

Conversion Franchisee represents and warrants to Franchisor that: (i) all balance sheets, income statements and other financial information that Conversion Franchisee furnished to Franchisor to determine the total gross revenue of the Current Business are materially accurate and; and (ii) the Current Business has all necessary licenses and permits and complies with all applicable laws and regulations.

Conversion Franchisee acknowledges that Franchisor have relied on provided by Conversion Franchisee in determining its qualification.

4. Miscellaneous.

4.1 All capitalized terms herein which are not separately defined shall have the meanings ascribed to such terms in the Franchise Agreement.

4.2 if a conflict arises between the Franchise Agreement and the terms of this Addendum, this Addendum shall control.

4.3 Except as specifically modified by this Addendum, all terms of the Franchise Agreement are in full force and effect.

IN WITNESS WHEREOF, Franchisor and Conversion Franchisee execute this Addendum on the day and year first written above.

FRANCHISOR:
IN HOME PERSONAL SERVICES DEVELOPMENT, LLC

By: _____

Printed Name: _____

Its: _____

Conversion Franchisee:

By: _____

Printed Name: _____

Its: _____

EXHIBIT C TO THE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES

The following is a list of franchisees as of December 31, 2025:

Abel Care Services, Inc. IL-04 (Kane County)

Paul Middleton

64 West End Drive

Gilberts, IL 60136

847.915.4797

Email: paulm@ihps.com

Coastal Home Health, LLC. FL-17 (Brevard County)

Steven & Christina Paff, DPT

1900 South Harbor City Blvd., Suite 121

Melbourne, FL 32901

321.984.0706

Email: spaff@ihps.com

JJJ Home Care, Inc., IL-07/ IL-09 (DuPage County)

Rachelle Ventura

2230 Point Blvd., Suite Elgin, IL 60123

630.672.5280

Email: jorhazel@ihps.com

Ventura Home Care, LLC. NV-01 (Nevada - Clark County)

5399 Brass Hills Court

Las Vegas, NV 89122

Email: moidette@ihps.com

Friendship Home Care, LLC IL-10/11 (Will County) W-01 Kendall County

2230 Point Blvd., Suite 100

Elgin, IL 60123

630.574.9260

Email: jose@ihps.com;

lovely@ihps.com

AJack Home Care, LLC, NC-01 (Gaston County)

Mike Bell

106 Burton Hills Circle

Gastonia, NC 28054

704.648.9594

Email: mikebell@ihps.com

Nakpil Home Care Services, LLC (Maryland - Prince George's County / Virginia - Fairfax County)

Ellen Nakpil / Jerico Nakpil
6811 Middlefield Terrace
Fort Washington, MD 20744
571.275.3464
Email: ellen@ihps.com

Markers, LLC, MI-01 (St. Clair, Lapeer, Tuscola/Saginaw County)

2286 River Rd
St. Claire, MI 48079
Email: andel@ihps.com

Franchisees That Have Signed But Not Yet Opened

Marie Eilis Tess Rafael
SRS Care Solutions LLC
8480 Okeechobee Blvd Suite 5
West Palm Beach, FL 33411-1926

Mark Ventura
Breaking Par Home Care, LLC
14452 SW Daphne St
Beaverton, OR 97008

EXHIBIT D TO THE FRANCHISE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES WHO LEFT SYSTEM

Below is a list of franchisees who have had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the issuance date of this Disclosure Document. If you buy an In Home Personal Services franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

None.

EXHIBIT E TO THE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

In Home Personal Services Development, LLC

FINANCIAL STATEMENTS

for the year Ending December 31, 2025

Genworth & Shah, Ltd

Independent Auditor's Report

To the Member of
In Home Personal Services Development, LLC
813 Tek Dr Crystal Lake, IL 60014

Opinion

We have audited the statements and financial records of In Home Personal Services Development, LLC ("In Home") as of December 31, 2025. As well as the related statements of operations and member's capital and cash flows for the year as well as any notes to the financial statements.

In our opinion, the financial statements in reference of the above present fairly, in all material respects, the financial position of In Home as of December 31, 2025 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

Basis of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States. Our responsibilities under these 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 from In Home and to meet the ethical responsibilities in accordance with the relevant ethical requirements relating to this audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide the basis for our audit opinion.

Managements Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with generally accepted accounting principles of the United States, and for the design, implementation and maintenance of internal controls 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 In Home's ability to continue as an ongoing 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 objective is 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 it is not absolute assurance and therefore is not a guarantee that the audit conducted in accordance with generally accepted auditing standards 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 In Home's internal control. Accordingly, we express no such opinion.
- 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 In Home'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, planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

/s/ Genworth & Shah, Ltd

March 20, 2026

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03/20/26

Accrual Basis

In Home Personal Services Development LLC

Balance Sheet

As of December 31, 2025

	Dec 31, 25
ASSETS	
Current Assets	
Checking/Savings	-2,411.62
Accounts Receivable	8,269.32
Other Current Assets	21,660.00
Total Current Assets	27,517.70
Other Assets	86,202.50
TOTAL ASSETS	113,720.20
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Accrued interest-EIDL	13,950.29
Deferred Income	79,659.25
Deferred Revenue - Current	15,356.00
Due to IHPS Inc	548,852.04
SBA EIDL	334,564.00
Total Other Current Liabilities	992,381.58
Total Current Liabilities	992,381.58
Long Term Liabilities	
Deferred Revenue - Non current	2,613.00
Total Long Term Liabilities	2,613.00
Total Liabilities	994,994.58
Equity	
loan from member	681,578.00
Member's Contributions	-58,783.47
Members Equity	-1,503,047.89
Net Income	-1,021.02
Total Equity	-881,274.38
TOTAL LIABILITIES & EQUITY	113,720.20

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03/20/26

Accrual Basis

In Home Personal Services Development LLC**Statement of Operations**

January through December 2025

	Jan - Dec 25
Ordinary Income/Expense	
Income	
Franchise System Fee	
Initial Franchise Fee - Ranoa	1,310.00
Initial Franchise Fee -Paff	600.00
Total Franchise System Fee	1,910.00
Initial Franchise Fee - Ventura	11,406.00
Initial Franchise Fee Nakpil	1,890.00
Microsoft	3,430.80
MSFT	2,449.50
MSFT - MI01	313.50
MSFT - NC01	448.50
Refunds	546.00
Renewal Franchise Fee	15,000.00
Royalty	233,064.18
Total Income	270,458.48
Expense	268,479.50
Net Ordinary Income	1,978.98
Other Income/Expense	-3,000.00
Net Income	-1,021.02

In Home Personal Services Development LLC
Statement of Cash Flows
January through December 2025

	<u>Jan - Dec 25</u>
OPERATING ACTIVITIES	
Net Income	-1,021.02
Adjustments to reconcile Net Income to net cash provided by operations:	
SBA EIDL	-1,392.00
Net cash provided by Operating Activities	-2,413.02
Net cash increase for period	-2,413.02
Cash at beginning of period	1.40
Cash at end of period	<u>-2,411.62</u>

NOTES TO FINANCIAL STATEMENTS

NOTE I : Nature of Business

In Home Personal Services Development, LLC ("In Home") was organized in 2016, to sell and operate franchises under the brand name "In Home Personal Services". The franchises are a business model to provide non-medical home care and personal care services primarily for seniors, including companionship services, in home respite care, household assistance and assistance with daily activities. In Home authorizes franchisees and third party licensees to use business formats, methods, procedures, designs, layouts, trade names and trademarks in the United States.

As of December 31, 2025, there were fourteen open and operating franchise locations and three additional locations in stages of development.

NOTE 2: Accounting Policies

Basis of Accounting

The In Home's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and under the accrual basis of accounting.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 the estimates that were used.

Revenue and Cost Recognition

Initial non-refundable development fees for licensed franchisees are recognized in part upon substantial performance of services for new market development activities, such as initial business, real estate and store development planning, as well as providing training for opening new licensed retail markets. The remainder of the fee is recognized over the initial franchise period, ten years. .

Revenue from royalties and other fees are recognized as earned based upon weekly franchisee sales or other services performed.

Income Taxes

In Home is taxed as a single member limited liability company for Federal income tax purposes, and thus no provision or liability for income taxes is reflected in these financial statements. Income is taxed to the member on his respective returns. In Home is subject to Illinois replacement tax on its profits. In Home's tax Returns for 2021, 2022, 2023 and 2024 are subject to examination by the IRS, generally for three years after they were filed.

NOTES TO FINANCIAL STATEMENTS

Statement of Cash Flows

In Home considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Receivables

Accounts receivable consists of franchise royalties and fees and other miscellaneous receivables. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable based on a specific review of account balances. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recoverability is considered remote. There was no allowance for doubtful accounts at December 31, 2025.

Start-up Costs

Costs incurred with start-up of new franchises for training and other purposes are expensed as incurred.

Concentrations of Credit Risk

The Company maintains its cash balances in one financial institution. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2025, there were no uninsured cash balances.

NOTE 3: Note Receivable

A franchisee executed a promissory note for payment of its initial franchise fee. The note in the original amount of \$21,600 is payable in monthly installments of \$200 and is not interest bearing.

NOTE 4: EIDL LOAN

In December 2021 The Company received a \$337,000 loan from the U.S. Small Business Administration under the Economic Injury Disaster Loan program. Principal and interest payments are deferred for twenty-four months after which the loan is payable in installments of \$1,736 monthly, including interest at 3.75%, for thirty years. The loan is collateralized by all of the Company's assets. Principal payments due over the next five years are:

2022	\$ (13,950)
2023	(9,912)
2024	7,426
2025	7,710
2026	8,004
Thereafter	<u>337,722</u>
Total	<u>\$337,000</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5: Related Parties

Office space and staff are provided to In Home without charge by a related party. Due to Affiliate is an open balance account with a single member LLC with the same member. The account is non-interest bearing and has been classified as a form of equity by the member.

NOTE 6: Prior period adjustment

The financial statements as of December 31, 2025 have no accruing royalties owed.

NOTE 7: Subsequent Events

Subsequent events have been evaluated through December 31, 2025, which is the date the financial statements were available to be issued.

In Home Personal Services Development, LLC

FINANCIAL STATEMENTS

for the year Ending December 31, 2024

Genworth & Shah, Ltd

Independent Auditor's Report

To the Member of
In Home Personal Services Development, LLC
813 Tek Dr Crystal Lake, IL 60014

Opinion

We have audited the statements and financial records of In Home Personal Services Development, LLC ("In Home") as of December 31, 2024. As well as the related statements of operations and member's capital and cash flows for the year as well as any notes to the financial statements.

In our opinion, the financial statements in reference of the above present fairly, in all material respects, the financial position of In Home as of December 31, 2024 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

Basis of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States. Our responsibilities under these 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 from In Home and to meet the ethical responsibilities in accordance with the relevant ethical requirements relating to this audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide the basis for our audit opinion.

Managements Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with generally accepted accounting principles of the United States, and for the design, implementation and maintenance of internal controls 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 In Home's ability to continue as an ongoing concern within one year after the data that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objective is 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 it is not absolute assurance and therefore is not a guarantee that the audit conducted in accordance with generally accepted auditing standards 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 In Home's internal control. Accordingly, we express no such opinion.
- 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 In Home'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, planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

/s/ Genworth & Shah, Ltd

March 20, 2026

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03/20/26

Accrual Basis

In Home Personal Services Development LLC
Balance Sheet
As of December 31, 2024

	<u>Dec 31, 24</u>
ASSETS	
Current Assets	
Checking/Savings	1.40
Accounts Receivable	8,269.32
Other Current Assets	<u>21,660.00</u>
Total Current Assets	29,930.72
Other Assets	<u>86,202.50</u>
TOTAL ASSETS	<u>116,133.22</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Accrued Interest-EIDL	13,950.29
Deferred Income	79,659.25
Deferred Revenue - Current	15,356.00
Due to IHPS Inc	548,852.04
SBA EIDL	<u>335,956.00</u>
Total Other Current Liabilities	<u>993,773.58</u>
Total Current Liabilities	993,773.58
Long Term Liabilities	
Deferred Revenue - Non current	<u>2,613.00</u>
Total Long Term Liabilities	<u>2,613.00</u>
Total Liabilities	996,386.58
Equity	<u>-880,253.36</u>
TOTAL LIABILITIES & EQUITY	<u>116,133.22</u>

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03/20/26

Accrual Basis

In Home Personal Services Development LLC

Statement of Operations

January through December 2024

	Jan - Dec 24
Ordinary Income/Expense	
Income	
Franchise System Fee	
Initial Franchise Fee - Ranoa	952.00
Initial Franchise Fee -Paff	1,624.00
Total Franchise System Fee	2,576.00
Initial Franchise Fee - Latoski	22,500.00
Initial Franchise Fee - Ventura	5,258.80
Initial Franchise Fee Nakpil	1,000.00
Late Fee	32.50
Microsoft	1,338.60
MSFT	960.50
MSFT - MI01	90.00
MSFT - NC01	340.00
MSFT - VA01	72.00
Refunds	412.00
Royalty	169,318.99
Total Income	203,899.39
Expense	195,213.66
Net Ordinary Income	8,685.73
Other Income/Expense	-4,044.00
Net Income	4,641.73

In Home Personal Services Development LLC
Statement of Cash Flows
January through December 2024

	<u>Jan - Dec 24</u>
OPERATING ACTIVITIES	
Net Income	4,641.73
Adjustments to reconcile Net Income to net cash provided by operations:	
Royalties Receivable	-2,538.50
A/R current:Initial Franchise Fee - Paff	400.00
Chase Ink MF 1139 / 8915	-9,932.88
Due to IHPS Inc	8,439.00
SBA EIDL	-1,044.00
Net cash provided by Operating Activities	-34.65
Net cash increase for period	-34.65
Cash at beginning of period	36.05
Cash at end of period	<u><u>1.40</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE I : Nature of Business

In Home Personal Services Development, LLC ("In Home") was organized in 2016, to sell and operate franchises under the brand name "In Home Personal Services". The franchises are a business model to provide non-medical home care and personal care services primarily for seniors, including companionship services, in home respite care, household assistance and assistance with daily activities. In Home authorizes franchisees and third party licensees to use business formats, methods, procedures, designs, layouts, trade names and trademarks in the United States.

As of December 31, 2024, there were eleven open and operating franchise locations and three additional locations in stages of development.

NOTE 2: Accounting Policies

Basis of Accounting

The In Home's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and under the accrual basis of accounting.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 the estimates that were used.

Revenue and Cost Recognition

Initial non-refundable development fees for licensed franchisees are recognized in part upon substantial performance of services for new market development activities, such as initial business, real estate and store development planning, as well as providing training for opening new licensed retail markets. The remainder of the fee is recognized over the initial franchise period, ten years. .

Revenue from royalties and other fees are recognized as earned based upon weekly franchisee sales or other services performed.

Income Taxes

In Home is taxed as a single member limited liability company for Federal income tax purposes, and thus no provision or liability for income taxes is reflected in these financial statements. Income is taxed to the member on his respective returns. In Home is subject to Illinois replacement tax on its profits. In Home's tax Returns for 2020, 2021, 2022 and 2023 are subject to examination by the IRS, generally for three years after they were filed.

NOTES TO FINANCIAL STATEMENTS

Statement of Cash Flows

In Home considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Receivables

Accounts receivable consists of franchise royalties and fees and other miscellaneous receivables. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable based on a specific review of account balances. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recoverability is considered remote. There was no allowance for doubtful accounts at December 31, 2024.

Start-up Costs

Costs incurred with start-up of new franchises for training and other purposes are expensed as incurred.

Concentrations of Credit Risk

The Company maintains its cash balances in one financial institution. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2024, there were no uninsured cash balances.

NOTE 3: Note Receivable

A franchisee executed a promissory note for payment of its initial franchise fee. The note in the original amount of \$21,600 is payable in monthly installments of \$200 and is not interest bearing.

NOTE 4: EIDL LOAN

In December 2021 The Company received a \$337,000 loan from the U.S. Small Business Administration under the Economic Injury Disaster Loan program. Principal and interest payments are deferred for twenty-four months after which the loan is payable in installments of \$1,736 monthly, including interest at 3.75%, for thirty years. The loan is collateralized by all of the Company's assets. Principal payments due over the next five years are:

2022	\$ (13,950)
2023	(9,912)
2024	7,426
2025	7,710
2026	8,004
Thereafter	<u>337,722</u>
Total	<u>\$337,000</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5: Related Parties

Office space and staff are provided to In Home without charge by a related party. Due to Affiliate is an open balance account with a single member LLC with the same member. The account is non-interest bearing and has been classified as a form of equity by the member.

NOTE 6: Prior period adjustment

The financial statements as of December 31, 2024 have no accruing royalties owed.

NOTE 7: Subsequent Events

Subsequent events have been evaluated through December 31, 2024, which is the date the financial statements were available to be issued.

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

DECEMBER 31, 2023

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

DECEMBER 31, 2023

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INDEPENDENT AUDITORS' REPORT

To the Member of
In Home Personal Services Development, LLC
2230 Point Blvd., Suite 100
Elgin, IL 60123

Opinion

We have audited the accompanying financial statements of In Home Personal Services Development, LLC, which comprise the balance sheet as of December 31, 2023, and the related statements of income and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of In Home Personal Services Development, LLC as of December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of In Home Personal Services Development, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 these 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 In Home Personal Services Development, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 generally accepted auditing standards 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 In Home Personal Services Development, LLC'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 In Home Personal Services Development, LLC'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.

PORTE BROWN LLC
Certified Public Accountants

A handwritten signature in cursive script that reads "Porte Brown LLC".

Elk Grove Village, Illinois
March 27, 2024

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC

BALANCE SHEET

DECEMBER 31, 2023

ASSETS

CURRENT ASSETS

Cash	\$	36	
Accounts receivable		12,150	
Current portion of notes receivable		<u>18,168</u>	\$ 30,354

OTHER ASSETS

Notes receivable, net of current portion		<u>126,644</u>	<u>126,644</u>
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TOTAL ASSETS

\$ 156,998

LIABILITIES AND MEMBER'S DEFICIT

CURRENT LIABILITIES

Royalty rebate payable	\$	21,867	
Accrued expenses		9,933	
Current portion of deferred revenue		18,431	
Current portion of Economic injury disaster loan		<u>4,097</u>	\$ 54,328

LONG-TERM OBLIGATIONS

Economic injury disaster loan, net of current portion		359,491	
Deferred revenue, net of current portion		<u>121,903</u>	481,394

MEMBER'S DEFICIT

Retained earnings:			
Beginning of period	\$	(348,189)	
Net income - current period		10,937	
Distributions to member		<u>(41,472)</u>	<u>(378,724)</u>

TOTAL LIABILITIES AND MEMBER' DEFICIT

\$ 156,998

The accompanying notes are an integral part of these financial statements

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2023

REVENUES

Royalties	\$ 127,280	
Franchise Fees	<u>18,997</u>	<u>\$ 146,277</u>

EXPENSES

Advertising and promotion	\$ 868	
Returned fees	6,900	
Dues and subscriptions	176	
Office	735	
Payroll	108,081	
Professional fees	<u>5,345</u>	<u>122,105</u>

INCOME FROM OPERATIONS

24,172

OTHER INCOME (EXPENSE)

Interest	\$ (12,638)	
Other	<u>(597)</u>	<u>(13,235)</u>

NET INCOME

\$ 10,937

The accompanying notes are an integral part of these financial statements

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023

OPERATING ACTIVITIES

Net income	\$	10,937	
Adjustments to reconcile net income to net cash provided by operating activities:			
Accounts receivable		(12,150)	
Notes receivable		(35,550)	
Royalty rebate payable		21,867	
Accrued expenses		831	
Deferred revenue		42,706	
Net cash provided by operating activities			\$ 28,641

FINANCING ACTIVITIES

Increase in economic insurance disaster loan	12,638	
Distributions to member	(41,472)	
Net cash used by financing activities		(28,834)

NET DECREASE IN CASH

(193)

BEGINNING CASH

229

ENDING CASH

\$ 36

SUPPLEMENTAL INFORMATION TO CASH FLOWS

Cash paid during the year for:		
Income taxes	\$	-
Interest		-

The accompanying notes are an integral part of these financial statements

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC

NOTES TO FINANCIAL STATEMENTS

NOTE A – NATURE OF OPERATIONS

In Home Personal Services Development, LLC (the “Company”) was organized in 2016, to sell and operate franchises under the brand name “In Home Personal Services”. The franchises are a business model to provide non-medical home care and personal care services primarily for seniors including companionship services, in home respite care, household assistance, and assistance with daily activities. The Company authorizes franchises and third party licensees to use business formats, methods, procedures, designs, layouts, trade names, and trademarks in the United States.

As of December 31, 2023, there were six open and operating franchise locations and four in the stages of development.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies is presented to assist in understanding the Company’s financial statements. The financial statements and notes are representations of the Company’s management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles 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. Due to the inherent uncertainty involved in making estimates, actual results could differ from those estimates.

REVENUE RECOGNITION

Under ASC 606, the Company recognizes revenue when its customers obtain control of the promised good or services, typically through the grant of a franchise license. At contract inception, once the contract is determined to be within the scope of ASC 606, the Company identifies the performance obligations in the contract by assessing whether the goods or services promised within each contract are distinct. The Company then recognizes revenue for the amount of the transaction price that is allocated to the respective performance obligation when or as the performance obligation is satisfied.

The Company uses the practical expedient for private company franchisors in ASC 952-606-25-2 to simplify the identification of performance obligations under ASC 606.

Royalties

Revenue from franchise royalty fees is recognized at a point in time at the end of each month. Each franchise is required to remit a monthly franchise fee of the greater of 4% of gross revenue or a minimum fee ranging from \$500 to \$2,000 as defined in the individual franchise agreement.

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC

NOTES TO FINANCIAL STATEMENTS

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

REVENUE RECOGNITION (Continued)

Franchise Fees

Franchise rights including the use of the Company's intellectual property may be granted through a master franchise agreement that sets out the terms of the arrangement with the franchisee. The franchise agreements typically require certain upfront franchise fees such as initial fees, paid upon execution of the franchise agreement. Upfront franchise fees are typically billed and paid when a new franchise agreement is executed. The Company determined that the services provided in exchange for upfront franchise fees are primarily to provide franchise support and therefore recognizes revenue over the life of the franchise agreement.

The following table disaggregates the Company's contract revenue based on the timing or satisfaction of performance obligations for the year ended December 31, 2023:

Performance obligations satisfied over time	\$ 18,997
Performance obligations satisfied at a point in time	<u>127,280</u>
	<u><u>\$ 146,277</u></u>

Revenue from performance obligations satisfied at a point in time consists of revenue from royalties. Revenue from performance obligations satisfied over time consists of franchise fees.

The beginning and ending balances of contract receivables, assets, and liabilities from contracts with customers are as follows:

	December 31, 2023	January 1, 2023
Contract assets:		
Accounts receivable	\$ 12,150	\$ -
Notes receivable	144,812	109,262
Contract liabilities:		
Deferred revenue	\$ 140,334	\$ 97,628

Notes receivable consist of the franchise fee to be received based on the executed agreement. Deferred revenue consists of the franchise fees charged to the franchisee at the time of the executed agreement.

CONCENTRATION OF CREDIT RISK

The Company has not experienced any losses in cash and believes it is not exposed to any significant credit risk. The Company had no uninsured balance at December 31, 2023.

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC

NOTES TO FINANCIAL STATEMENTS

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ACCOUNTS RECEIVABLE

Trade accounts receivable are measured at amortized cost and do not bear interest. The Company records an allowance for lifetime credit losses that are expected to be incurred as of the date that a receivable is originated. The allowance reduces the carrying amount of the receivables to the net amount expected to be collected over the assets' contractual term. The determination of the allowance requires management to collectively evaluate receivables by classifying them into pools that share similar risk characteristics such as type of receivable, while individually evaluating such assets, if any, that do not possess risk characteristics similar to those in the identified pools.

The Company has designed and implemented credit-granting policies and standards intended to mitigate credit risk. Credit risk is assessed on an ongoing basis using both quantitative and qualitative analysis. Based on this analysis, credit limits are imposed, and a decision is made whether to use one or more credit support protection devices as management deems necessary.

The normal trade terms for the Company's sales to customers are 30 days from invoice date. The Company considers a receivable to be past due when the normal trade terms have been exceeded. When payments are received on past due accounts receivable, the payments are applied to the invoices designated by the customer or, in the absence of customer designation, to the outstanding invoices with the earliest invoice dates. Receivables are written off after all reasonable collection efforts have been exhausted. Write offs are recognized as a deduction from the allowance for credit losses. Amounts previously written off that are now expected to be recovered are included in the determination of the allowance for credit losses. As of December 31, 2023, the Company does not have an allowance for credit losses recorded.

Estimate of the required allowance for credit losses is based on:

- Available and relevant internal and/or external information about historical loss experience with similar assets,
- Current conditions, and, if applicable,
- Reasonable and supportable forecasts that affect the expected collectability of the reported amount of financial assets that have an extended contractual term.

Accounts receivables at December 31, 2023 are summarized below:

Current	\$ 12,150
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IN HOME PERSONAL SERVICES DEVELOPMENT, LLC

NOTES TO FINANCIAL STATEMENTS

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INCOME TAXES

There is no provision for federal income taxes because the entity is a single member limited liability company which requires the owner to include the income on his personal return and not pay the taxes directly as a separate business entity.

ADVERTISING

The Company expenses advertising costs as incurred. Total advertising expense for the year ended December 31, 2023 was \$868.

SUBSEQUENT EVENTS

The Company has evaluated subsequent events through March 27, 2024, the date which the financial statements were available to be issued.

NOTE C – NOTES RECEIVABLE

Certain franchises executed promissory notes for payment of their initial franchise fees. The notes are non-interest bearing and are payable over five to ten years from the franchise execution date. For the year ended December 31, 2023, there was no interest income recorded.

NOTE D – ECONOMIC INJURY DISASTER LOAN

The Company received a \$337,000 loan from the U.S. Small Business Administration under the Economic Injury Disaster Loan Program. Principal and interest payment are deferred for twenty-four months after which the loan plus the unpaid interest is payable in monthly installment of \$1,736, including interest at 3.75% for thirty years. The balance outstanding of \$363,588 as of December 31, 2023, consists of the original loan of \$337,000 plus deferred interest of \$26,588. The current and long-term portions of debt total \$4,097 and \$359,491, respectively. The total debt maturing in years subsequent to December 31, 2023 are as follows:

Year-ending December 31,

2024	\$ 4,097
2025	7,235
2026	7,511
2027	7,798
2028	8,095
2029 and subsequent years	<u>328,852</u>
	<u>\$ 363,588</u>

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC

NOTES TO FINANCIAL STATEMENTS

NOTE E – MAJOR FRANCHISE

Revenues from one major franchise comprised approximately 56% of total revenues during 2023. Accounts receivable from this franchise as of December 31, 2023 amounted to \$-.

NOTE F – GOING CONCERN CONSIDERATIONS

The Company considered the conditions and events that could raise substantial doubt about its ability to continue as a going concern for a reasonable period of time, including the current financial condition and liquidity sources (such as current funds, forecasted cash flows, and the liabilities due before December 31, 2024). The Company did show a profit in 2023 and has four franchise locations in the development stage. The Company also continues to market new franchise locations and evaluate operating expenses. The sole member of the Company has committed to providing all necessary financial support so the Company can continue as a going concern for a reasonable period of time.

NOTE G – ACCOUNTING CHANGE

As of January 1, 2023, the Company adopted ASU 2016-13, Financial Instruments- Credit Losses (Topic 326) that replaced the incurred loss model for measuring the allowance for credit losses with a new model that reflects current expected credit losses (CECL) that are expected to occur over the lifetime of the underlying accounts and notes receivable. The CECL methodology is applicable to financial assets that are measured at amortized cost, including trade accounts receivable and notes receivable. The Company adopted the changes in accounting for credit losses using a modified retrospective method. Under the modified retrospective approach, the Company had no change to the opening balances that included the date of initial application.

EXHIBIT F TO THE FRANCHISE DISCLOSURE DOCUMENT

FORM OF GENERAL RELEASE

(to be executed upon refund, renewal, or transfer)

GENERAL RELEASE

_____ (“Franchisee”) and _____ (“Owner”), on behalf of themselves and their respective officers, directors, employees, successors, assigns, heirs, personal representatives, and all other persons acting on their behalf or claiming under them (collectively, the “Franchisee Releasors”), hereby release, discharge and hold harmless In Home Personal Services Development, LLC (“Franchisor”), its affiliates, and their respective officers, directors, shareholders, employees, agents, attorneys, successors, and assigns (collectively, the “Franchisor Releasees”) from any suits, claims, controversies, rights, promises, debts, liabilities, demands, obligations, costs, expenses, actions, and causes of action of every nature, character and description, in law or in equity, whether presently known or unknown, vested or contingent, suspected or unsuspected arising under, relating to, or in connection with the Franchise Agreement dated _____ between Franchisor and Franchisee and any related agreements and the relationship created thereby, or the Franchised Business (as defined in the Franchise Agreement), or any claims or representations made relative to the sale of the franchise to operate the Franchised Business or under any federal or state franchise or unfair or deceptive trade practice laws, which the Franchisee Releasors now own or hold or have at any time heretofore owned or held against the Franchisor Releasees (collectively, the “Franchisee Released Claims”).

FRANCHISEE AND OWNER ON BEHALF OF THEMSELVES AND THE FRANCHISEE RELEASORS WAIVE ANY RIGHTS AND BENEFITS CONFERRED BY ANY APPLICABLE PROVISION OF LAW EXISTING UNDER ANY FEDERAL, STATE OR POLITICAL SUBDIVISION THEREOF WHICH WOULD INVALIDATE ALL OR ANY PORTION OF THE RELEASE CONTAINED HEREIN BECAUSE SUCH RELEASE MAY EXTEND TO CLAIMS WHICH THE FRANCHISEE RELEASORS DO NOT KNOW OR SUSPECT TO EXIST IN THEIR FAVOR AT THE TIME OF EXECUTION OF THIS AGREEMENT.

The Franchisee Releasors also covenant not to bring any suit, action, or proceeding, or make any demand or claim of any type, against any Franchisor Releasee regarding any Franchisee Released Claim.

Executed as of _____.

FRANCHISEE: _____

By: _____

Print Name: _____

Title: _____

OWNER:

By: _____

Print Name: _____

Title: _____

GUARANTORS: _____

By: _____

Print Name: _____

Title: _____

EXHIBIT G TO THE FRANCHISE DISCLOSURE DOCUMENT

IHPS Franchise Operations Manual Table of Contents

Section A: Introduction	14 pages
Section B: Pre-Opening Procedures	23 pages
Section C: Human Resources	60 pages
Section D: Operating Procedures	47 pages
Section E: Sales Procedures	19 pages
Section F: Marketing and Advertising	13 pages
Total Number of Pages	176

EXHIBIT H TO THE FRANCHISE DISCLOSURE DOCUMENT

FRANCHISEE DISCLOSURE QUESTIONNAIRE

In Home Personal Services Development, LLC and you are preparing to enter into a Franchise Agreement for the operation of a franchised business. This Questionnaire determines whether any statements or promises were made to you we did not allow and that may be untrue, inaccurate, or misleading. Please review each of these questions carefully and provide honest and complete responses to each question.

1. Have you received and personally reviewed the In Home Personal Services Development, LLC Franchise Agreement and each exhibit, addendum and schedule attached to it?

Yes ___ No ___

2. Do you understand all of the information in the Franchise Agreement and each exhibit and schedules attached to it?

Yes ___ No ___

If "No," what parts of the Franchise Agreement do you not understand? (Attach additional pages, if necessary.)

3. Have you received and personally reviewed our Franchise Disclosure Document we provided to you?

Yes ___ No ___

4. Do you understand all of the information in the Franchise Disclosure Document?

Yes ___ No ___

If "No," what parts of the Franchise Disclosure Document do you not understand? (Attach additional pages, if necessary.)

5. Have you discussed the benefits and risks of operating an In Home Personal Services business with an attorney, accountant or other professional advisor and do you understand those risks?

Yes ___ No ___

6. Do you understand that the success or failure of your business will depend largely upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?

Yes ___ No ___

7. Has any employee or other person speaking on our behalf made any statement or promise about the revenues, profits, or operating costs of an In Home Personal Services business we or our franchisees operate, that is contrary to, or different from, the information in the Franchise Disclosure Document?

Yes ___ No ___

8. Has any employee or other person speaking on our behalf made any statement or promise about an In Home Personal Services business that is contrary to, or different from, the information in the Franchise Disclosure Document?

Yes ___ No ___

9. Has any employee or other person speaking on our behalf made any statement or promise about the likelihood of success you should or might expect to achieve from operating an In Home Personal Services business?

Yes ___ No ___

10. Has any employee or other person speaking on our behalf made any statement, promise or agreement about the advertising, marketing, training, support service or assistance we will furnish to you that is contrary to, or different from, the information in the Franchise Disclosure Document?

Yes ___ No ___

11. If you have answered “Yes” to any of questions seven (7) through ten (10), please fully explain your answer(s) in these blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered “No” to each of such questions, please leave these lines blank.

12. Do you understand that in all dealings with you, our officers, directors, employees, and agents act only in a representative capacity and not in an individual capacity and such dealings are only between you and us?

Yes ____ No ____

You understand that your answers are important to us and that we will rely on them.

By signing this Franchisee Disclosure Questionnaire, you are representing that you have responded truthfully to the above questions.

Name of Franchisee/Applicant

Date: _____, 20__

Signature

Name and Title of Person Signing

EXHIBIT I TO THE FRANCHISE DISCLOSURE DOCUMENT

PROMISSORY NOTE

(DEFERRED FRANCHISE FEE AGREEMENT)

_____ ("Effective Date")

BACKGROUND

Under a franchise agreement ("**Franchise Agreement**"), executed concurrently _____ ("you", or the "Franchisee") agreed to pay In Home Personal Services Development, L.L.C. ("us", the "Franchisor") an initial franchise fee over a ten-year term. This Agreement serves as an attachment to the Franchise Agreement and records your duty to pay us your Initial Franchise Fee.

1. Principal, Interest, and Payment Schedule. For value received under the Franchise Agreement, you promise to pay the principal initial franchise fee minus any applicable discounts as outlined in Item 5 or as negotiated between us. The principal and interest shall become due in monthly installments of \$ _____ over ten years from the opening date of your Franchise Business. The first installment shall be due and paid concurrently with your monthly royalty payment. All later payments shall be due on the same day of each month thereafter (the "Fee Payment Date"). Interest on the unpaid balance shall accrue at 1.5% per month, beginning one month after the Fee Payment Date (collectively, the 'Promissory Note'). All payments are payable to In Home Personal Services Development, L.L.C. at 813 Tek Drive, Crystal Lake, Illinois 60114, or at any other place we may designate occasionally,

2. Late Payment and Charges. Should you fail to pay this Promissory Note on or within three (3) days of the Fee Payment Date, the entire unpaid principal balance will continue to bear and accrue interest at the annual percentage rate provided above. When any payment required by this Promissory Note becomes due on a Saturday, Sunday, or legal holiday under the laws of the United States or Illinois, you shall make the payment on the next succeeding business day, and we will include the extension of time in computing interest. Should you fail to pay this Promissory Note within three (3) days after its scheduled due date, we will have the right to assess a late charge of 10% of the unpaid amount or in any lesser amount as required by applicable law. Any assessment shall not excuse your failure to make full and prompt payment. We reserve all of our rights and remedies.

3. Right to Offset. You agree that if you fail to make a required payment three (3) days following the Fee Payment Date, we reserve the right to offset or deduct the principal amount owed from your gross revenue. If your gross revenue is not enough to offset or deduct the amount owed, then we have the right to demand payment in full and/or to debit your commercial banking account until the principal amount has been paid.

4. Events of Default. Any one or more of these events shall be an event of default under this Promissory Note (an "Event of Default"):

- (a) You fail to pay any principal, charge, or expense due under this Note;
- (b) Any breach or default under the Note or other agreement is a default under this Franchise Agreement;
- (c) Your death or legal incapacity, unless your successor or assignees can pay this Note according to this Agreement's terms;

(d) Your admission of your inability to pay any principal, charge, or expense due under your Note;

(e) Your petition for relief in a bankruptcy proceeding or to take advantage of any insolvency act;

(f) You file for an assignment to the benefit of your creditors, or you file for an appointment of a receiver, trustee, or any action for reorganization or similar relief under bankruptcy laws; a receiver, trustee, etc., is appointed over your property, a petition for reorganization is approved, control over your property is assumed, proceedings for reorganization are commenced;

(f) A court declares you bankrupt, appoints a receiver, trustee, liquidator, or conservator for all or part of your property, or approves your petition for reorganization under federal bankruptcy laws or any other relevant statutes of the United States or any state;

(g) The start of any proceeding against you for reorganization or similar relief under federal bankruptcy laws or any other pertinent statutes;

(h) Any event described in (f) or (g) above remaining undismissed after 30 days, or if you show consent, approval, or acquiescence to these proceedings or petitions;

(i) We discover you made untrue or materially misleading representations, statements, or warranties to us, including those that become untrue or materially misleading after the delivery of this Promissory Note;

(j) We, in good faith, believe you are incapable of paying any principal, charge, or expense due under your Note; or

(k) You assign or transfer this Promissory Note or your obligations under it without our prior written consent.

6. Acceleration. We may, upon any Event of Default, cause the entire unpaid balance of principal, accrued and accruing interest, and late charges to become immediately due without notice or demand.

7. Termination of Franchise Agreement. We may, upon any Event of Default, terminate the Franchise Agreement, effective upon delivery of notice of termination to you. Termination resulting from this Agreement will result in the same post-termination obligations as the Franchise Agreement.

8. Waiver of Notice. You waive presentment, protest, a notice of protest, demand, a notice of demand, a notice of non-payment, a notice of dishonor, a notice of maturity, and any other notice required or necessary in connection with the delivery, acceptance, performance, default, or enforcement of this Promissory Note.

9. Waiver of Rights and Remedies. You consent to any delays, extensions, renewals, or other changes to this Promissory Note. You also consent to our waiver of any term of this Promissory Note and our delay to act. Our actions or lack thereof are not a waiver, affect or reduce your obligations and liabilities outlined in this Promissory Note, nor impede or limit our rights or remedies as stipulated herein. Any prior course of dealing between us or any delay on our part in exercising our rights or remedies shall not be construed as a waiver of our rights or remedies. Any exercise of our rights or remedies, partially or in-full, shall act as a waiver or prevent us from exercising our other available rights and remedies

10. Collection Costs. At our request, you will cover all costs and expenses incurred in collecting and enforcing this Promissory Note, including reimbursing our attorneys' fees, regardless of whether we file a lawsuit or not. You also agree to pay all costs and expenses, including reasonable attorneys' fees, if you fail to pay when due or if we hire an attorney to collect any overdue payment. Your payment obligation applies regardless of whether we file suit or the attorney secures payment, in whole or in part.

11. Litigation. If we sue to collect, enforce, or preserve any rights or remedies per this Promissory Note, you hereby agree that Illinois courts shall have personal jurisdiction over you.. You expressly waive any and all objections as to venue in those courts. You also agree that we may serve you by mailing a copy of the summons by certified mail, return receipt requested, with enough postage prepaid, and the address you provided us. **In any litigation or controversy relating to this Promissory Note, you hereby waive the right to a jury trial. The preceding waiver shall include (without limitation) litigation involving this Promissory Note's validity, interpretation, enforcement, and collection.**

12. Cumulative Rights and Remedies. No right or remedy available of ours will prevent any of our other rights or remedies under this Promissory Note. Our rights and remedies, now or later existing, in equity by statute, or otherwise, coincides and complements our rights and remedies under this Promissory Note.

13. Defenses. You waive any right or power to interpose any setoff, counterclaim, or crossclaim regarding this Promissory Note, no matter the nature of any setoff, counterclaim, or crossclaim.

14. Entire Agreement. This Promissory Note is our entire Agreement regarding the deferment and duty to pay your initial franchise fee. This Promissory Note replaces and supersedes all other written and oral agreements and statements between us about the topic herein.

15. Waiver of Future Performance Obligations. The failure of a party to insist in any one or more instances on the performance of any term or condition of this Promissory Note shall not operate as a waiver of any future performance of that term or condition.

16. Governing Law. Notwithstanding the place where the parties execute this Promissory Note, the internal laws of Illinois shall govern the construction of the terms and the application of this Promissory Note.

17. Venue. The parties agree that any action brought by you or us in any court, whether federal or state, shall be brought within the state and in the judicial district in which we have our principal place of business. Any action brought by us against you in any court, whether federal or state, may also be brought within the state and judicial district in which we have our principal place of business. The parties hereby waive all questions of personal jurisdiction or venue to carry out this provision.

18. Headings. The headings used in this Promissory Note seem strictly for the parties' convenience in identifying this Promissory Note and shall not affect the construction or interpretation of this Promissory Note.

19. Binding Effect. This Promissory Note binds and inures to the benefit of the parties and their respective successors, legal representatives, heirs, and permitted assigns.

20. Amendments. No amendments to this Promissory Note shall become effective or binding on the parties unless agreed to in writing by all parties.

21. Time. Time is an essential part of every part of this Promissory Note.

22. Notice. Except as otherwise provided in this Promissory Note, when this Promissory Note provides for notice or concurrence of any kind, the sending party shall deliver or address the notice to the other party by certified mail or wire to the following address:

The Franchisor:

In Home Personal Services Development, L.L.C.
813 Tek Dr
Crystal Lake, IL 60114

The Franchisee:

Attn: _____

All notices under this Promissory Note shall run from the earlier of (a) the date that the party delivers the notice to the other party or (b) three business days after the party places the notice in the United States mail. Either party may change the party's address by giving written notice to the other parties.

[THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK. SIGNATURE PAGE FOLLOWS.]

Executed and delivered as of the Effective Date.

FRANCHISOR:

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC

By: _____

Printed Name: _____

Its: _____

FRANCHISEE

By: _____

Printed Name: _____

Its: _____

EXHIBIT J TO THE FRANCHISE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA

STATE SPECIFIC ADDENDA TO THE
FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE
AGREEMENT

CALIFORNIA

ITEM 1 of the FDD is changed to add:

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise to be delivered with the FDD.

Section 31125 of the California Corporation Code requires the franchisor to give the franchisee a disclosure document, in a form and containing the Commissioner may by rule or order require, before solicitation of a proposed material changes to an existing franchise.

ITEM 3 of the FDD is changed to add:

Neither Franchisor nor the people affiliated with Franchisor in Item 2 of the Disclosure Document are subject to any effective order of any National Securities Exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78, et seq. suspending or expelling such people from membership in this association or exchange.

ITEM 5 of the Disclosure Document is changed to include the following language:

If Franchisor sells a multiple unit or other discounted franchise fee in California, it will comply with California Franchise Rule 310.100.2 regarding negotiated sales, to the extent applicable.”

Based on the franchisor’s financial condition, the California Department of Financial Protection and Innovation has required a financial assurance. So all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

ITEM 6 of the FDD is changed to add:

The highest applicable interest rate in California is 10%.

ITEM 9 of the FDD is changed to add:

The Franchise Agreement has a covenant not to compete, which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

ITEM 11 of the FDD is changed to add the following after “Website” under “Advertising and Marketing”:

OUR URL IS: www.ihps.com. Our website has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints about the content of this website may be directed to the California Department of Financial Protection and Innovation at www.dfpi.ca.gov.

ITEM 17 of the FDD is changed to add:

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee about termination, transfer, or non-renewal of a franchise. If the Franchise Agreement has a provision inconsistent with the law, the law will control.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et. seq.)

You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31 000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).

The Franchise Agreement requires franchisee to execute a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 states 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 there under 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).

The Franchise Agreement requires application of the law of Illinois. The Franchise Agreement restricts venue for arbitration to Illinois since it is the Franchisor's headquarter (but could change) which might not be favorable if your location or you live in a different state.

The Franchise Agreement requires litigation to be conducted in Illinois but could change. Requirements of litigation in jurisdiction other than where your franchise is located or where you live may not be enforceable. Prospective franchisees are encouraged to consult legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside of the State of California.

The franchise agreement requires binding arbitration. The arbitration will occur in Chicago, Illinois metropolitan area with the costs being borne by the prevailing party.

ILLINOIS

Illinois law governs the Agreement

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.

The Attorney General's Office has imposed a fee deferral requirement due to Franchisor's financial condition. Accordingly, Franchisor will not collect the initial franchise and development fees until it completes its pre-opening obligation and Franchise has commenced operation of its franchise. A copy of the Deferred Franchise Fee Agreement is included as part of Exhibit I to the Franchise Agreement.

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

Section 19 of the Illinois Franchise Disclosure Act sets forth the conditions and notice requirements for termination of a franchise agreement.

Section 20 of the Illinois Franchise Disclosure Act sets forth the conditions of non-renewal of a franchise agreement, along with the compensation requirements.

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

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

FRANCHISOR:

By: _____
Title: _____

FRANCHISEE:

If Franchisee is an individual:

Individually:

Print

Name: _____

INDIANA

ITEM 8 of the FDD is changed to add:

The Indiana Deceptive Franchise Practices Law, Ind. Code §23-2-2.7- 1(4) prohibits provisions in a franchise agreement subject to the Law which allow the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, because of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee. If any provision of the Franchise Agreement conflicts with Indiana Law, Indiana Law will control.

ITEM 17 of the FDD is changed to add:

The following is added to the end of the “Summary” section of Item 17.t, titled “Integration/merger clause”: “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.”

Indiana Code §23-2-2.7-1(7) makes unlawful one-sided termination of a franchise unless there is a material violation of the Franchise Agreement and termination is not in bad faith.

Indiana Code §23-2-2.7-1(5) prohibits a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Law.

ITEM 17(r) is changed subject to Indiana Code 23-2-2.7-1(9) to provide that the post-term non-competition covenant shall have a geographical limitation of the territory granted to you or, absent an exclusive area, an area of reasonable size.

ITEM 17(u) is changed to provide that arbitration between a Franchisee and Franchisor will be conducted in Indiana or a site mutually agreed upon.

ITEM 17(v) is changed to provide that Franchisees may begin litigation in Indiana for any cause of action under Indiana law.

ITEM 17(w) is changed to provide that in the event of a conflict of law, Indiana Law governs any cause of action which arises under the Indiana Disclosure Law or the Indiana Deceptive Franchise Practices Act.

Minnesota

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

State Cover Page and Item 17, Additional Disclosures:

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

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

Item 13, Additional Disclosures:

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

Item 17, Additional Disclosures:

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

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

Minnesota Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§80C.01 – 80C.22. The limitations of claims section must comply with Minn. Stat. Sec. 80C.17, subd. 5.

WISCONSIN

The FDD is changed to add the following to Item 17, Additional Disclosures:

For all franchisees living in the State of Wisconsin, we will provide you at least 90 days' prior written notice of termination, cancellation, or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation or substantial change in competitive circumstances and will provide that you have 60 days in which to cure any claimed deficiency. If this deficiency is cured within 60 days, the notice will be void. If the reason for termination, cancellation or substantial change in competitive circumstances is nonpayment of sums due under the franchise, you will have 10 days to cure the deficiency. For Wisconsin franchisees, Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of the Franchise Agreement or a related contract inconsistent with the Law.

THE FOLLOWING PAGES IN THIS EXHIBIT ARE STATE-SPECIFIC AMENDMENTS
TO THE IN HOME PERSONAL SERVICES DEVELOPMENT, LLC FRANCHISE
AGREEMENT

CALIFORNIA

THIS AMENDMENT TO THE FRANCHISE AGREEMENT (this “Amendment”) is entered into this _____ day of _____, _____ (the “Effective Date”), between In Home Personal Services Development, LLC, an Illinois limited liability company, with its principal place of business at 813 Tek Drive, Crystal Lake (“Franchisor,” “we,” or “us”), and the following individual(s) and/or entity:

(individually or collectively called “Franchisee” or “you”) to revise and amend said Franchise Agreement as follows.

The California Department of Financial Protection and Innovation requires that certain provisions in franchise documents be changed to follow California law, including the California Franchise Investment Law, CAL. CORPORATIONS CODE Section 31000 et seq., and the California Franchise Relations Act, CAL. BUS. & PROF. CODE Section 20000 et seq. If the Franchise Agreement has provisions inconsistent with the following, such provisions are changed:

Section 3.1 of the Franchise Agreement shall be changed to add:

Based on the Franchisor’s financial condition, the California Department of Financial Protection and Innovation has required a financial assurance. So all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

Section 3.6, 4.2, and 12.2 of the Franchise Agreement shall be changed to add:

If Franchisee is required in the Franchise Agreement to execute a release of claims, this release shall exclude claims arising under the California Franchise Investment Law and the California Franchise Relations Act.

No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely on any statement made or information from any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee’s investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

Section 6 and 14.4 of the Franchise Agreement shall be changed to add:

If the Franchisee Agreement has a covenant not to compete which extends beyond the expiration or termination of the Franchise Agreement, the covenant may be unenforceable under California law.

Section 13. of the Franchise Agreement shall be changed to add:

California Business and Professions Code Sections 20000 through 20043 provide rights

to You about nonrenewal, termination, or transfer of the Franchise Agreement. The Federal Bankruptcy Code also provides rights to You about termination of the Franchise Agreement upon certain bankruptcy-related events. To the extent the Franchise Agreement has a provision inconsistent with these laws, these laws shall control.

Section 14. of the Franchise Agreement shall be changed to add:

If the Franchise Agreement requires payment of liquidated damages inconsistent with California Civil Code Section 1671, the liquidated damage clause may be unenforceable.

Section 16 of the Franchise Agreement shall be changed to add:

If the Franchise Agreement requires litigation, arbitration, or mediation to be conducted in a forum other than the State of California, the requirement may be unenforceable under California law.

If the Franchise Agreement requires that it be governed by a state's law, other than the State of California, this requirement may be unenforceable.

FRANCHISOR:

By: _____

Title: _____

FRANCHISEE:

If Franchisee is an individual:

Individually:

Print Name: _____

Individually:

Print Name: _____

If Franchisee is a corporation, limited liability company or other entity:

(Name of Franchisee)

By: _____

Print Name: _____

Title: _____

ILLINOIS

THIS AMENDMENT TO THE FRANCHISE AGREEMENT (this “Amendment”) is entered into this _____ day of _____, _____ (the “Effective Date”), between In Home Personal Services Development, LLC, an Illinois limited liability company, with its principal place of business at 813 Tek Drive, Crystal Lake, Illinois 60114 (“Franchisor,” “we,” or “us”), and the following individual(s) and/or entity:

(individually or collectively called “Franchisee” or “you”) to revise and amend said Franchise Agreement as follows.

In recognition of the Illinois Franchise Disclosure Act, 815 ILCS 705, the In Home Personal Services Development, LLC Franchise Agreement shall be changed:

Section 3.1 of the Franchise Agreement shall be changed to add:

Because of our financial condition based on our most recent audited financial statement, the Office of the Attorney General for the State of Illinois requires us to provide financial assurances to franchisees to make sure we fulfill our initial obligations under the Franchise Agreement. We have elected to defer the Initial Franchise Fee and Development Fee that you pay to us. Accordingly, we will not collect the initial franchise and development fees until we complete our pre-opening obligations and you have commenced operation of your franchise. A copy of the Deferred Franchise Fee Agreement is included as part of Exhibit I to the Franchise Agreement. Once you begin operation of your franchise, we will ask for the release of the funds to us.

Section 13. of the Franchise Agreement shall be changed to add:

Your right upon termination and non-renewal of a franchise agreement are in sections 19 and 20 of the Illinois Franchise Disclosure Act.

Section 16.6 of the Franchise Agreement shall be changed to add:

Illinois law governs the agreements between the parties to this franchise. In agreement with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Section 16.7 of the Franchise Agreement shall be changed to add:

Section 4 of the Illinois Franchise Disclosure Act states that any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration in a venue outside of Illinois.

Section 16.9 of the Franchise Agreement shall be changed to add:

Section 4 of the Illinois Franchise Disclosure Act states that any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration in a venue outside of Illinois.

IN WITNESS WHEREOF, each of the undersigned acknowledges having read this Amendment and agrees to be bound by its terms.

FRANCHISOR:

By: _____

Title: _____

FRANCHISEE:

If Franchisee is an individual:

Individually:

Print Name: _____

Individually:

Print Name: _____

If Franchisee is a corporation, limited liability company or other entity:

(Name of Franchisee)

By: _____

Print Name: _____

Title: _____

INDIANA

THIS AMENDMENT TO THE FRANCHISE AGREEMENT (this “Amendment”) is entered into this _____ day of _____, _____ (the “Effective Date”), between In Home Personal Services Development, LLC, an Illinois limited liability company, with its principal place of business at 813 Tek Drive, Crystal Lake, Illinois 60114 (“Franchisor,” “we,” “us”), and the following individual(s) and/or entity: _____

(individually or collectively called “Franchisee,” or “you”) to revise and amend said Franchise Agreement as follows.

In recognition of the Indiana Deceptive Franchise Practices Law, IC 23-2.2.7 and the Indiana Franchise Disclosure Law, IC 23-2-2-2.5, the In Home Personal Services Development, LLC Franchise Agreement shall be changed :

Sections 4.2(d), 3.6 and 12.2(f) of the Franchise Agreement do not provide for a prospective general release of claims against us, which may be subject to the Indiana Deceptive Franchise Practices Law or the Indiana Franchise Disclosure Law.

Section 6.4 of the Franchise Agreement is changed subject to Indiana Code 23-2-2.7-1(a) to provide that post-term non-competitor covenants shall have a geographical limitation of the territory granted to you.

Section 15.1 of the Franchise Agreement is changed to provide that you will not have to indemnify us for any liability imposed on us because of your reliance on or use of procedures or products required by us, if such procedures or products were used by you in the way required by us.

Section 16.6 of the Franchise Agreement is changed to provide that in the event of a conflict of law, the Indiana Franchise Disclosure Law, IC 23-2-2.5, and the Indiana Deceptive Franchise Practices Law will prevail.

Section 16.7 of the Franchise Agreement is changed to provide that arbitration between us and you, shall be conducted in Indiana or a site mutually agreed upon.

Section 16.9 of the Franchise Agreement is changed to provide that Franchisee may begin litigation in Indiana for any cause of action under Indiana law.

[signature page follows]

IN WITNESS WHEREOF, each of the undersigned acknowledges having read this Amendment and agrees to be bound by its terms.

FRANCHISOR:

By: _____

Title: _____

FRANCHISEE:

If Franchisee is an individual:

Individually:

Print Name: _____

Individually:

Print Name: _____

If Franchisee is a corporation, limited liability company or other entity:

(Name of Franchisee)

By: _____

Print Name: _____

Title: _____

MINNESOTA

THIS AMENDMENT TO THE FRANCHISE AGREEMENT (this “Amendment”) is entered into this _____ day of _____, _____ (the “Effective Date”), between In Home Personal Services Development, LLC, an Illinois limited liability company, with its principal place of business at 813 Tek Drive, Crystal Lake, Illinois 60114 (“Franchisor,” “we,” “us”), and the following individual(s) and/or entity: _____

(individually or collectively called “Franchisee,” or “you”) to revise and amend said Franchise Agreement as follows.

To the extent the Minnesota Franchise Act, Minn. Stat. §§80C.01 – 80C.22 applies, this Addendum applies. Despite anything to the contrary in the Franchise Agreement, to the extent that the Franchise Agreement has provisions inconsistent with the following, such provisions are changed:

Regarding franchises governed by Minnesota Franchise Law, franchisor shall comply with Minn. Stat. Sec. 80C.14, subd. 4 which requires that except for certain specified cases, that franchisee be given 180 days’ notice for non-renewal of this Franchise Agreement.

The Minnesota Department of Commerce requires that franchisor indemnify franchisees whose franchise is in Minnesota against liability to third parties resulting from claims by third parties that the franchisee’s use of franchisor’s trademarks (“Marks”) infringe upon the trademark rights of the third party. Franchisor does not indemnify against the consequences of a franchisee’s use of franchisor’s trademark, but franchisor shall indemnify franchisee for claims against franchisee only as it relates to franchisee’s use of the Marks under the requirements of the Franchise Agreement and franchisor’s standards. As a further condition to indemnification, the franchisee must provide notice to franchisor of any claim like this right away and tender the defense of the claim to franchisor. If franchisor accepts tender of defense, franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Franchisee will not have to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 – 80C.22.

Regarding franchises governed by Minnesota Franchise Law, franchisor shall comply with Minn. Stat. Sec. 80C.14, subd. 3 which requires that except for certain specified cases, a franchisee be given 90 days’ notice of termination (with 60 days to cure). Termination of the franchise by the franchisor shall be effective right after receipt by franchisee of the notice of termination where its grounds for termination or cancellation are: (1) voluntary abandonment of the franchise relationship by the franchisee; (2) the conviction of the franchisee of an offense directly related to the business conducted according to the Franchise Agreement; or (3) failure of the franchisee to cure a default under the Franchise Agreement which materially impairs the goodwill associated with the franchisor’s trade name, trademark, service mark, logo type or other commercial symbol after the franchisee has received written notice to cure of at least twenty-four (24) hours in advance thereof.

According to Minn. Stat. Sec. 80C.21 in Minnesota Rules or 2860.4400J, the Franchise Agreement shall not abrogate or reduce your rights as provided for in Minn. Stat. 1984, Chapter 80C, including the right to submit certain matters to the jurisdiction of the courts of Minnesota. In addition, nothing

in this Franchise Agreement shall abrogate or reduce any of franchisee' s rights as provided for in Minn. Stat. Sec. 80C, or your rights to any procedure, forum or remedy provided for by the laws of the State of Minnesota.

Any claims a franchisee may have against the franchisor that have arisen under the Minnesota Franchise Laws shall be governed by the Minnesota Franchise Law.

The Franchise Agreement has a waiver of jury trial provision. This provision may not be enforceable under Minnesota law.

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

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

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

IN WITNESS WHEREOF, each of the undersigned acknowledges having read this Amendment and agrees to be bound by its terms.

FRANCHISOR:

By: _____
Title: _____

FRANCHISEE:

If Franchisee is an individual:

Individually:

Print Name: _____
Individually:

Print Name: _____

If Franchisee is a corporation, limited liability company or other entity:

(Name of Franchisee)

By: _____

Print Name: _____

Title: _____

WISCONSIN

THIS AMENDMENT TO THE FRANCHISE AGREEMENT (this “Amendment”) is entered into this _____ day of _____, _____ (the “Effective Date”), between In Home Personal Services Development, LLC, an Illinois limited liability company, with its principal place of business at 813 Tek Drive, Crystal Lake, Illinois 60114 (“Franchisor,” “we,” “us”), and the following individual(s) and/or entity: _____

_____ (individually or collectively called “Franchisee,” or “you”) to revise and amend said Franchise Agreement as follows.

Wisconsin Fair Dealership Law Title XIV-A Ch. 135, Sec. 135.01-135.07 will supersede any conflicting terms of the Franchise Agreement.

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

IN WITNESS WHEREOF, each of the undersigned acknowledges having read this Amendment and agrees to be bound by its terms.

FRANCHISOR:

By: _____

Title: _____

FRANCHISEE:

If Franchisee is an individual:

Individually:

Print Name: _____

Individually:

Print Name: _____

If Franchisee is a corporation, limited liability company or other entity:

(Name of Franchisee)

By: _____

Print Name: _____

Title: _____

State Effective Dates

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

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

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

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

EXHIBIT K RECEIPT

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

If we offer you a franchise, we must give this disclosure document to you:

- (a) 14 calendar days before you sign a binding agreement with, or pay, us or an affiliate in connection with the proposed franchise sale, or
- (b) Under New York, and Rhode Island law, if applicable, at the earlier of (i) your first personal meeting to discuss the franchise, or (ii) 10 business days before you sign a binding agreement with, or pay us or an affiliate in connection with the proposed franchise sale, or
- (c) Michigan and Oregon require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If we do not deliver this Disclosure Document on time or if it has a false or misleading statement or a material omission, violating federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580, and the proper state administrator identified on Exhibit A to this Disclosure Document.

The name, principal business address and telephone number of each franchise seller offering the franchise are Michael Collura, 813 Tek Dr Crystal Lake, Illinois 60014;(847)878-5833.

The issuance date of this Disclosure Document is April 22, 2026.

We allow the respective state agencies identified on Exhibit A to receive service of process for us in the particular state.

I received a Disclosure Document dated April 22, 2026 (certain state effective dates appear on the State Cover Page) that included the following Exhibits:

Exhibit A	List of State Administrators and Agents for Service of Process
Exhibit B	Franchise Agreement and Exhibits
Exhibit C	List of Franchisees
Exhibit D	List of Franchisees Who Have Left System
Exhibit E	Financial Statements
Exhibit F	Form of General Release
Exhibit G	Table of Contents to Operations Manual
Exhibit H	Franchisee Disclosure Questionnaire
Exhibit I	Promissory Note (Deferred Franchise Fee Agreement)
Exhibit J	State Specific Addenda
Exhibit K	Receipts

DATE: _____

SIGNATURE: _____

PRINT NAME: _____

(Retain this copy)

RECEIPT

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

If we offer you a franchise, we must give this disclosure document to you:

- (a) 14 calendar days before you sign a binding agreement with, or pay, us or an affiliate in connection with the proposed franchise sale, or
- (b) Under New York, and Rhode Island law, if applicable, at the earlier of (i) your first personal meeting to discuss the franchise, or (ii) 10 business days before you sign a binding agreement with, or pay us or an affiliate in connection with the proposed franchise sale, or
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Exhibit J	State Specific Addenda
Exhibit K	Receipts

DATE: _____

SIGNATURE: _____

PRINT NAME: _____

(Return this copy to Franchisor.)